



Tax Incentive WorkPad - *Fast Formulas*

A Division of the Department of Economic Development,
Empowerment Zones and Business Communities

If you are in a **EMPOWERMENT ZONE (EZ)** then the following tax incentives apply;

EZ Wage Credit

WorkPad for a Business Located in the Zone

Formula

$$\boxed{} \times \boxed{} \times \underline{.20} = \boxed{}$$

Number of EZ employees Wage (up to \$15,000) EZ Credit Rate Wage Credit

Increased Section 179 Deduction

WorkPad for Purchasing New Equipment

Formula

$$\boxed{} \times \underline{.35} = \boxed{}$$

Cost of Qualified Equipment up to \$35,000 Assumed Federal Tax Rate Amount of Taxes Saved

Zero Percent Capital Gains Rate for District of Columbia Enterprise Zone Assets

WorkPad for a Business Looking to Sell a Building or to Sell New Stock or Capital Interests in
Its Corporation or Partnership in the District of Columbia

Formula

$$\boxed{} \times \underline{.20} = \boxed{}$$

Amount of Gain from Appreciation Federal Tax Rate Amount of Taxes Saved

WOTC (Work Opportunity Tax Credit)

WorkPad for a Business Located Outside of the Zone

Formula

$$\boxed{} \times \boxed{} \times \underline{.40} = \boxed{}$$

Number of WOTC employees working at least 400 hours Wage, up to \$6,000 Credit Rate WOTC Wage Credit

$$\boxed{} \times \boxed{} \times \underline{.25} = \boxed{}$$

Number of WOTC employees working at least 120 hours Wage, up to \$6,000 Credit Rate WOTC Wage Credit

Partial Exclusion of Gain on Sale of Empowerment Zone Stock

WorkPad for Selling New Stock in Your Corporation in the Zone

Formula

$$\boxed{} \times \underline{.60} \times \underline{.20} = \boxed{}$$

Amount of Gain from Appreciation % Gain Excluded Federal Tax Rate Amount of Taxes Saved

Enterprise Zone Facility Bonds

WorkPad for Planning to Construct or Expand a Building in the Zone