

STATE

The State of Indiana offers incentives ranging from:

- **GRANTS**

- [21st Century Research and Technology Fund](#) – helps Indiana businesses compete for and win Federal Funding, and assists Indiana businesses in the commercialization of their prototypes
- [Industrial Development Grant Fund](#) – provides money to local governments for off-site infrastructure projects associated with an expansion of an existing Indiana company or the location of a new Indiana facility. Must be matched with a combination of local government and company financial support

- **LOANS**

- [Tax-Exempt Bonds](#) - issued by state or local governmental entities for the benefit of a private company, usually manufacturers. Interest on the bonds is generally exempt from federal income taxes for investors, which typically results in lower long-term interest rates to the borrower.
- Loan Guaranty Program – IEDC can provide a loan guaranty to a lender for the benefit of a high-growth/high-skilled company, manufacturer, rural development project, value-added agricultural enterprise or another type of business that creates or retains a significant number of Hoosier jobs.
- Capital Access Program - a small business credit enhancement program that creates a specific cash reserve fund for the lender to use as additional collateral for loans enrolled in the Program. CAP allows lenders to consider making slightly riskier loans that might not meet conventional lending requirements.

- **TAX CREDITS**

- [Economic Development for a Growing Economy Tax Credit \(EDGE\)](#) - a refundable tax credit program that rewards companies creating jobs and contributing to the growth of Indiana's economy. EDGE credits are calculated as a percentage of payroll tax withholding for net new Indiana jobs. EDGE credits may be awarded for a period of up to 10 years.
- [Headquarters Relocation Tax Credit](#) – a tax credit available to corporations that relocate their headquarters to Indiana, which allows a credit against its state tax liability equal to half of the costs incurred in relocating the headquarters. A company must have worldwide annual revenue of at least \$100 million to qualify.
- [Hoosier Business Investment Tax Credit \(HBITC\)](#) - encourages capital investment in Indiana by providing a credit against a company's Indiana tax liability. The

credit amount is based on a company's qualified capital investment with the final credit amount determined by the Indiana Economic Development Corporation, based on an analysis of the economic benefits of the proposed investment.

- [Industrial Recovery Tax Credit](#) - provides an incentive for companies to invest in facilities requiring significant rehabilitation or remodeling expense. After a building has been designated as an industrial recovery site, companies may be eligible for a tax credit calculated as a percentage of qualified rehabilitation expense.
- [Venture Capital Investment Tax Credit](#) - established to improve access to capital to fast-growing Indiana companies by providing individual and corporate investors an additional incentive to invest in early stage firms. Investors who provide qualified debt or equity capital to Indiana companies receive a credit against their Indiana income tax liability.

- **WORKFORCE TRAINING**

- [Skills Enhancement Fund \(SEF\)](#) - provides financial assistance to businesses committed to training their workforce. Trainees must be Indiana residents. SEF reimburses eligible training expenses over a two-year term. Companies may reapply for additional SEF funds after their initial two-year term. Companies can receive reimbursement - up to \$200,000 - for retraining existing workers. Supplemental grant awards may be available for training new employees.