



SOUTH METRO ENTERPRISE ZONE

A COLORADO STATE INCOME TAX CREDIT PROGRAM
AVAILABLE TO QUALIFYING CENTENNIAL BUSINESSES

The **Colorado Enterprise Zone (EZ) Program**, created by the state legislature (C.R.S. Title 39, Article 30), offers state income tax credits to encourage businesses to grow and expand in economically distressed areas.

Taxpayers investing in Enterprise Zones can earn Colorado income tax credits by completing specific economic development activities. Only those engaged in legal business activities, as defined by both state and federal law, are eligible to claim EZ tax credits.

INCOME TAX & ADDITIONAL INCENTIVES

INVESTMENT TAX CREDIT

3%
equipment purchases

COMMERCIAL VEHICLE

1.5%
commercial vehicle purchase

JOB TRAINING

12%
qualified training expense

NEW EMPLOYEE

\$1,100
per net new employee

AGRICULTURAL PROCESSOR

\$500
per net new agricultural employee

EMPLOYER SPONSORED HEALTH INSURANCE

\$1,000
per covered employee

R&D INCREASE

3%
increased R&D expenditures

VACANT BUILDING REHABILITATION

25%
rehab hard cost expenditures

MANUFACTURING AND MINING

Sales & Use
expanded tax exemption

CONTRIBUTION TAX CREDIT

25%
monetary
12.5%
in-kind

APPLICATIONS

Each income tax year, a business in an EZ must apply for pre-certification before starting any activity to qualify for business tax credits. At the end of the year, the business must certify the activities completed.

APPLICATION PROCESS

1

PRE-CERTIFY

Annual pre-certification is required for each business location before making any eligible investments or activities

2

CERTIFY

Certification is completed at the end of the tax year to earn tax credits for activities performed during the pre-certification period

3

SUBMIT

Tax credits are claimed by filing the approved EZ Certification with the business' state income tax return

MORE INFORMATION



Colorado Office of Economic
Development & International
Trade Program Website

oeid.colorado.gov/enterprise-zone-program

