

BUILD ON OUR 17.1 Acres in Lehigh Valley Industrial Park VII Bethlehem Commerce Center

Bethlehem, PA

KEYSTONE INNOVATION ZONE (KIZ)

A Keystone Innovation Zone (KIZ) is a designated zone that may be established in communities that host institutions of higher education. These zones are designed to foster innovation and create entrepreneurial opportunities. They do this by gathering and aligning the combined resources of educational institutions, private businesses, business support organizations, commercial lending institutions, venture capital networks (including angel investors) and foundations.

Benefits of Building in the KIZ:

If you build or decided to locate your start-up company in the KIZ you can receive:

- Financing priority from PIDA, which can provide 75% of project cost up to \$2.5 million through grants and loans.
- State supported assistance through such companies as Ben Franklin Technology Development Authority and the Life Science Greenhouse.
- Possible funding for eligible equipment for use in design centers, workforce, and education training programs.

Tax Credits Available For KIZ Companies:

KIZ Tax Credit: This tax credit has \$25 million available to companies located within the KIZ boundaries and the company is 8 years old or less.

Research and Development Tax Credit: The R & D tax credit has approximately \$30 million available. The R & D tax credits that are not used by a business can be sold, creating a revenue source for a growing company.

Other Funding Opportunities:

Lehigh Valley Regional Loan Pool: This program enables job creation and retention by providing an incentive for economically viable businesses to locate, expand or remain in the Lehigh Valley.

Technology Transfer Grant Program: Designed to assist in the funding of innovative research projects or parts which have a demonstrated promise for technology transfer into the marketplace. The ultimate goal is to create marketable technologies that will generate startup or early stage growth companies and job creation within the KIZ.

KIZ Internship Grant Program: The goal of the internship grants is to provide student interns for businesses or for economic development or community based projects within the KIZ.

LOCAL ECONOMIC REVITALIZATION TAX ASSISTANCE (LERTA)

Known as LERTA, this tax abatement program creates a graduated increase in tax payments on new construction and property rehabilitation for owners of commercial, industrial, and business properties located within designated zones in the City, including the Enterprise Zone. Tax relief from Municipal, County and School taxes. Begins when you get your Certificate of Occupancy. Goes from 0% in 1st year on the improvements (not land) and then increases 10% every year until the 11th year, when it reaches the full tax burden.

FOREIGN TRADE ZONE (FTZ)

The goal of the FTZ program is to promote economic development through investment and jobs by maintaining and attracting U.S.-based operations of firms participating in international trade. An FTZ is a location in the U.S. legally considered to be outside U.S. Customs Territory. The result is that products may be brought into an FTZ without formal customs entry or paying duty.

Foreign Trade Zone Principal Benefits:

- Duty Deferral
- Duty Reduction
- Duty Elimination
- Zone-to-Zone Transfers
- Direct Delivery/Weekly Entry & Export
- Production Equipment:

These are the principal federal benefits of U.S. Foreign-Trade Zones. Other State and Local benefits may apply for new investment and on a case-by-case basis for expansion and retention of existing activity.

Please contact us for a more detailed explanation of FTZ benefits.