

Colorado

Colorado Enhanced Rural Enterprise Zone Program

Purpose

The Enhanced Rural Enterprise Zone program provides greater financial incentives to businesses to promote and encourage new job creation in designated economically lagging rural Enterprise Zone counties.

Authority

The designation of Enhanced Rural Enterprise Zones (EREZ) was authorized under C.R.S 39-30-103.2 to further support economically depressed rural counties. EREZ's are counties in an Enterprise Zone that meet two of the following five criteria:

1. County unemployment rate greater than 50% above state average.
2. County per capita income less than 75% of state average.
3. County population growth rate less than 25% of state average.
4. Total non-residential assessed value ranks in lower half of all counties.
5. County population less than 5,000.

The state promulgates a revised list of eligible counties every two years. When a county goes off the EREZ list, taxpayers who have previously committed to future job creation plans in such a county may file a certification for an extension of up to five additional years to continue claiming EREZ credits based on additional job creation.

Eligible Counties

The following counties are Enhanced Rural Enterprise Zones (2013-2014):

Archuleta	Crowley	Jackson	Mineral	Saguache
Baca	Custer	Kiowa	Otero	San Juan
Bent	Delta	Lake	Ouray	Sedgwick
Cheyenne	Dolores	Las Animas	Phillips	Washington
Conejos	Hinsdale	Lincoln	Prowers	
Costilla	Huerfano	Logan	Rio Grande	

The list above also applies to 2003-2012 with the following exceptions:

Las Animas County eligible 2003-04.

Yuma County eligible 2005-06.

Clear Creek, Moffat Counties eligible 2007-08.

Alamosa eligible prior to 2013.

Rio Grande County not eligible 2005-06.

Chaffee County eligible 2003-04 and 2007-10.

Kit Carson County eligible 2005-2010.

Morgan County eligible 2011-2012.

Fremont County eligible 2009-2012.

Logan County not eligible prior to 2007.

Incentives

If a business is located in an EREZ, the business may qualify for the following tax credits as defined in C.R.S 39-30-103.2.

TAX CREDIT	CREDIT AMOUNT	FORM	FYI
NBF Jobs Credit in an EREZ*	\$2,500 total per new job**	DR0074	FYI Income 10
NBF Ag. Processing Jobs Credit in an EREZ*	\$3,500 total per new job***	DR0074	FYI Income 10

* NBF credits require New Business Facility status as defined by the Colorado Department of Revenue. See FYI Income 10 for details.

** \$500 job credit + \$2,000 EREZ credit = \$2,500 EREZ Job Credit.

*** \$500 job credit + \$2,000 EREZ credit + \$500 ag. processing credit + \$500 ag. processing EREZ credit = \$3,500 Ag. Processing EREZ Job Credit.

Sample Calculations and Information

If claiming Enterprise Zone tax credits, it is recommended that you review the Enterprise Zone FYI Publications available from the Department of Revenue. These FYI's are noted above for each tax credit and are available at www.colorado.gov/dor.

Colorado Office of Economic Development and International Trade (OEDIT)

The Colorado OEDIT, as staff for the Economic Development Commission, oversees the Enterprise Zone program. For more information on the Enterprise Zone Program visit www.advancecolorado.com/ez.