

Keystone Opportunity Zone



TAX ABATEMENT THROUGH 2017 AND 2019

What is a KOZ

The Keystone Opportunity Zone Program is a breakthrough economic development incentive program established through a partnership among state and local taxing bodies, school districts, economic development agencies and community-based organizations.



The Keystone Opportunity Zones have been designated by local communities and approved by the State.

Binding ordinances and resolutions were passed granting the waiver, abatement or exemption of certain state and local taxes.

Depending on the specific situation, the tax burden may be reduced to zero through exemptions, deductions, abatements, and credits of taxes including, but not limited to the following:

- *State Taxes:* Corporate Net Income Taxes, Sales & Use Tax
- *Local Taxes:* Local Real Property Tax

Priority Consideration

Projects in Keystone Opportunity Zones receive priority consideration for assistance under state community and economic development programs. Projects in designated KOZs that are approved for Pennsylvania Industrial Development Authority (PIDA) or Small Business Financing shall receive the lowest interest rate extended to borrowers.

Sites and Buildings

Various site and building sizes are available.

For approved KOZ properties, search CAN DO's website at www.hazletoncando.com.



KOZ Sample Saving Analysis



State and Local Taxes abated throughout 2017 and 2019!

Corporate Net Income Tax Example	
Nationwide Net Income:	\$2,000,000
Percentage of U.S. Business in PA:	60.00%
Estimated PA Taxable Income	\$1,200,000
PA Corporate Income Tax Rate:	9.99%
Estimated Annual Corporate Net Income Tax	\$119,880
PA Sales and Use Tax Example	
Start-up Taxable Investment in KOZ:	\$1,500,000
Annual Taxable Purchases in KOZ:	\$513,930
Percentage of PA Business in KOZ:	100.00%
Sales Tax Rate (State)	6.00%
Estimated Taxable Purchases/Investment	\$2,013,930
Estimated Sales and Use Tax on Purchases	\$120,836
Real Property Tax Example	
Real Property	\$15,000,000
Assessed Value	\$15,345,000
Millage Rate (<i>Hazle Township</i>)	16.2255
Estimated Real Property Tax	\$248,980
Percentage of KOZ Tax Abatement	100%
Estimated KOZ Abatement on Real Prop Taxes	\$248,980
Estimated KOZ savings Year 1	\$489,696

KOZ Facts:

Since inception, the KOZ program assisted CAN DO by helping to:

- ◆ Create more than 4,300 jobs
- ◆ Invest more than \$580M in revenue
- ◆ Sell more than 1,000 acres

Find KOZ Approved Sites in

- ◆ Humboldt Industrial Park
- ◆ CAN DO Corporate Center
- ◆ McAdoo Industrial Park
- ◆ Humboldt Station

Visit CAN DO's website at www.hazletoncando.com



Greater Hazleton is located in Northeastern Pennsylvania near Interstates 80, 81, 84, 380 and 476, which puts your company within a 300-mile radius of 25 percent of the population and total production of the entire nation.

