
BUSINESS NAME

IDENTIFICATION NUMBER

Payroll and Employment:

- | | Payroll | Jobs |
|--|----------------|-------------|
| 3. a. Total WV Payroll and Number of Jobs Prior to Investment: | \$ _____ | _____ |
| b. Total WV Payroll and Number of Jobs This Tax Year: | \$ _____ | _____ |
| c. Projected WV Payroll and Number of Jobs After 3 Years: | \$ _____ | _____ |
| d. Jobs Percentage (see Instructions) and Projected Number of Jobs After 3 Years: | _____ % | _____ |
| e. Median Compensation of New Jobs (Credit Type: High Technology Manufacturers): | \$ _____ | |
| f. Minimum Compensation of New Jobs (Credit Type: Other): | \$ _____ | |

Benefits

	Percentage of Employees Covered	Average Annual Cost per Employee	Number of New Jobs with the Benefit
4. a. Health	_____ %	\$ _____	_____
b. Retirement	_____ %	\$ _____	_____
c. Other Benefits (Provide Description and Quantities):			
_____	_____ %	\$ _____	_____
_____	_____ %	\$ _____	_____
_____	_____ %	\$ _____	_____
_____	_____ %	\$ _____	_____
_____	_____ %	\$ _____	_____

Business Activity in West Virginia:

5 a. North American Industry Classification System Code (NAICS): _____

b. b:) Narrative Description of Business Activity in West Virginia:

6. Does the Taxpayer elect to begin the ten (10) year credit period with the next succeeding taxable year? Yes____ No____

Under penalties of perjury, I declare that I have examined this credit claim form (including accompanying schedules and statements) and to the best of my knowledge it is true, and complete.

(Signature of Taxpayer) (Name of Taxpayer: Type or Print) (Title) (Date)

(Person to Contact Concerning this Return) (Telephone Number)

(Signature of Preparer other than Taxpayer) (Address) (Date)

DO NOT Attach the Application to your annual return. Return the completed application to the West Virginia State Tax Department, P.O. Box 902, Charleston, WV 25323-0902. If you have any questions or need further information regarding this application, telephone (304) 558-3333 or toll free to 1-800-WVA-TAXS (1-800-982-8297).

Instructions and Forms

The Economic Opportunity Tax Credit is available to qualified businesses that make a qualified investment (on or after January 1, 2003) in a new or expanded business in West Virginia and, as a result of this investment, create new jobs. Qualified businesses include only those engaged in the activities of manufacturing, information processing, warehousing, non-retail goods distribution, qualified research and development, the relocation of a corporate headquarters, or destination-oriented recreation and tourism. The minimum job creation requirements are as follows:

<u>Type of Credit</u>	<u>Minimum New Jobs</u>
Regular	20
Corporate Headquarters Relocation	15
Small Business	10
Specified High Technology Manufacturer	20 (Additional criteria)
Other Qualified Business	1 (Additional criteria)

The law provides that the required net increase in the taxpayer's employment in the State be determined and certified for a controlled group instead of an individual subsidiary. Jobs saved by the making of investment in an ongoing business operation do not count toward the new employee requirement unless the Tax Commissioner determines that the taxpayer is insolvent or bankrupt or that the taxpayer's business facility was destroyed by fire, flood, or act of God.

The term "full-time employment" is defined to mean employment for at least one hundred forty (140) hours per month. The term "small business" is defined to mean a business or controlled group of foreign and domestic affiliated businesses with annual gross receipts of not more than an inflation adjusted ceiling amount. Through tax year 2009, the inflation adjusted gross receipts ceiling by tax year is as follows:

Year	CRITERIA	Gross Receipts
2003		\$7,000,000
2004		\$7,159,600
2005		\$7,324,500
2006		\$7,552,050
2007		\$7,846,850
2008		\$8,026,350
2009		\$8,368,450

Current information on the gross receipts ceiling can be found on the Administrative Notice section at <http://www.wvtax.gov/index.html>.

For purposes of the Specified High Technology Manufacturer component of the Economic Opportunity Tax Credit, the term "high technology manufacturing business" means and is limited to only those businesses engaging in a manufacturing activity properly classified as having one or more of the following six-digit North American Industry Classification System code numbers:

North American Industry Classification System Code	Manufacturing Activity
334111	Computer & Peripheral Equipment Electronic Computers Computer Storage Devices
334112	
334411	Electronic Components Electron Tubes Electronic Capacitors
334414	
334413	Semiconductors Semiconductor & Related Devices Semiconductor Machinery
333295	

Additionally, the Economic Opportunity Tax Credit Law requires that the median compensation of the new jobs attributable to the qualified investment must exceed an inflation adjusted value. Through tax year 2009, the inflation adjusted median compensation value by tax year is as follows:

Year	CRITERIA	Median Compensation
2008		\$45,000
2009		\$46,900

Current information on the median compensation value can be found on the Administrative Notice section at <http://www.wvtax.gov/index.html>.

Taxpayers engaged in manufacturing, information processing, warehousing, non-retail goods distribution, qualified research and development, the relocation of a corporate headquarters, or destination-oriented recreation and tourism who do not satisfy the new jobs creation requirements for the Regular, Corporate Headquarters Relocation, Small Business, or Specified High Technology Manufacturers components of the Economic Opportunity Tax Credit may qualify for a credit equal to \$3,000 per new job annually for five years. Each new job must satisfy the following requirements:

1. Pay at least \$32,000 annually;
2. Provide health insurance and may offer benefits including child care, retirement or other benefits; and
3. Is a full-time, permanent position.

Finally, the law specifies that no credit may be allowed or applied for any qualified investment property placed in service until the person asserting a claim for the credit makes written application to the Tax Commissioner and receives written acknowledgement of such application from the Tax Commissioner. Failure to timely apply for credit will result in forfeiture of 50% of the annual credit allowance otherwise available under this requirement. Form EOTC-A is designed to be a general application form for taxpayers wishing to claim credit based upon investments placed into use or service on or after January 1, 2003. The timely filing of this application is a condition precedent to claiming tax credits. This application must be filed annually no later than the due date of the taxpayer's West Virginia income tax return including any legally granted extension of time for filing such returns.

Instructions for Form EOTC-A

Application Status:

1a. Place a check mark in the block next to the applicable status of your investment. (Check only one block.)

(a.) In some cases qualified investment property is placed in service or use by the taxpayer over a single tax year.

(b.) However, a multiple year project certification enables the taxpayer to place investment into service over a period of up to three consecutive tax years.

Note: An Application must be filed for each year in which investment for purposes of the Economic Opportunity Tax Credit is placed in service or use. Additionally, the application must be approved by the State Tax Commissioner before any credit may be claimed.

1b. Type of credit: Place a check mark in the block indicating the type of credit application sought. (Check only one block.)

Investment:

2a. Enter the year investment is placed into service or use in the first column, the total dollar amount of investment placed into service or use in the second column and the dollar amount of qualified investment placed into service or use in the third column. Qualified Investment is determined according to the following useful life (straight line depreciation):

<u>Useful Life</u>		<u>Percent Qualified</u>
<u>At Least</u>	<u>But Less Than</u>	
0 —	4 years	0
4 —	6 years	33-1/3
6 —	8 years	66-2/3
8 or more years		100

2b. Enter the physical location(s) of the qualified investment property (e.g., Main Street, Weston, or 12 miles north of Pipestem at the Intersection of State Route 3 and State Route 20).

2c. Provide a general description of the qualified investment property in the space provided (i.e. \$100,000 to be invested in buildings, \$500,000 to be invested in land, etc.)

Payroll and Employment:

3a. Enter your total West Virginia payroll and number of jobs attributed to that payroll for the twelve month period ending on the day prior to the day of the first placement of qualified investment subject to Economic Opportunity Tax Credit into service or use.

3b. Enter your total West Virginia payroll and number of jobs attributed to that payroll for the tax year to which this application relates.

3c. Enter your total projected West Virginia payroll and number of jobs attributed to that payroll for the third tax year after the qualified investment is first placed into service or use. For example, if you first plan to place investment into service or use in 2003 then, you would use your projected 2005 payroll to complete this question. (Note: The information in 3b and 3c should be identical if this year is your third tax year).

3d. Enter the applicable jobs percentage you wish to claim (i.e. 20% if you expect to create at least 20 new jobs) and your projected number of new jobs created up through the third tax year corresponding to the increase in payroll from 3a to 3c. (Note: The new jobs percentage is applicable to the Regular, Corporate Headquarters Relocation, and Small Business components of the Economic Opportunity Tax Credit.

<u>New Jobs Percentage Table</u>	
<u>Number of New Jobs</u>	<u>New Jobs Percentage</u>
10 to 19 (small business only)	10%
15 to 19 (Corporate HQ relocation only)	10%
20 to 279	20%
280 to 519	25%
520 or more	30%

Note that if your business is a member of a controlled group, then the controlled group's West Virginia employment must show a net increase equal to or greater than the necessary minimum new jobs threshold claimed by the member for credit to be available. For projects having qualified investment of \$20 million or more that are constructed using construction labor and mechanics numbering 75 or more employees or equivalent employees, who are paid an average wage of at least prevailing wage; the new jobs percentage for the 20 to 520 employee range is increased by 5 percentage points).

3e. If the block for "Specified High Technology Manufacturer" in 1b (i.e., Type of Credit) was checked, enter the value of the median compensation for the new jobs created.

3f. If the block for "Other" in 1b (i.e., Type of Credit) was checked, enter the value of the minimum compensation for the new jobs created.

Benefits:

4a. Health Insurance - Enter the percentage of your employees covered, the average annual cost per employee (i.e., benefit costs divided by number of covered employees), and the number of new jobs with health insurance.

4b. Retirement - Enter the percentage of your employees covered, the average annual cost per employee (i.e., benefit costs divided by number of covered employees), and the number of new jobs with company-provided retirement benefits.

4c. Other Benefits – List other company benefits provide (e.g., child care) and enter the percentage of your employees covered, the average annual cost per employee (i.e., benefit costs divided by number of covered employees), and the number of new jobs with the benefit.

Business Activity in West Virginia

5a. Enter your North American Industry Classification System Code (NAICS) that most closely describes your business activity in West Virginia.

5b. Describe the business expansion activity in West Virginia that is associated with your new investment (e.g., construction of a reconstituted wood product manufacturing plant.)

Credit Period

6. Taxpayers have an option of beginning their utilization of tax credits with the year investment is first placed into service or with the succeeding taxable year. Check yes or no depending upon which option you choose. Once an election is made either way it becomes irrevocable.

Within a reasonable time after receipt of the Application the State Tax Commissioner or his designee will acknowledge, in writing, receipt, of this application and authorize the Applicant to begin claiming Economic Opportunity Tax Credit benefits. Such acknowledgement and authorization will not bar or otherwise prevent the Tax Commissioner from auditing or examining Applicant's books and records for compliance with the Economic Opportunity Tax Credit law and regulations.

This application must be signed by an officer of the company to be valid.