



HARFORD COUNTY

Robert G. Cassilly, County Executive

**Greater Aberdeen/
Havre de Grace**

Enterprise Zone

**Business retention and expansion, job creation and the revitalization
of the U.S. Route 40/Chesapeake Science & Security Corridor**



**Department of
Economic Development**
220 S. Main Street
Bel Air, MD 21014

410.638.3059
1.888.I95.SITE
ded@harfordcountymd.gov
www.harfordcountymd.gov

revised 7/17/24

Greater Aberdeen/Havre de Grace Enterprise Zone

Enterprise Zone Objectives

The Greater Aberdeen/Havre de Grace Enterprise Zone is one of two Enterprise Zones in Harford County. The county's focus on these zones designated by the Maryland Department of Business & Economic Development is:

- To ensure business retention, increase business expansion and attract new businesses
- To encourage the creation of well-paying new jobs
- To promote development and occupancy of vacant, underutilized land and buildings
- To revitalize older industrial areas of the County

Greater Aberdeen/Havre de Grace

- **Re-designated June, 2016**
- **9,720 acre zone**
- **Properties situated along U.S. 40 and within municipalities of Aberdeen and Havre de Grace**
 - **South to Belcamp and Perryman**
 - **West to HEAT Center**
 - **East to include portions of Aberdeen Proving Ground**
- **Business parks located within the zone:**
 - **Water's Edge Corporate Campus**
 - **The HEAT Center**
 - **Chesapeake Industrial Park**
 - **Cranberry Run Business Park**
 - **Hardee's Industrial Park**
 - **Hickory Ridge Industrial Park**
 - **Rock Glenn Business Park**
 - **Harford Gateway**
 - **Advantage Business Center**
 - **Perryman Industrial Park**
 - **Enterprise Business Park**
 - **40 East Industrial Park**
 - **Aberdeen Industrial Center**

Eligibility & Benefits

Business must be located within the zone and meet minimum requirements for job creation or for capital investment, including, but not limited to, specified design standards.

MINIMUM CAPITAL INVESTMENT

CONSTRUCTION/REHABILITATION OF REAL PROPERTY

- \$100,000 (if business has 10 or less employees)
- \$125,000 (if business has 11 or more employees)

LOCAL REAL PROPERTY TAX CREDITS*

Credits are available for up to ten years on capital investments. Credit of 80% on increases in assessed value of real property for first five years, decreasing by 10% annually for the remaining five years. Any real property tax credits are granted for full taxable years only.

**NOTE: Businesses seeking local real property tax credits must apply to the Office of Economic Development and applicable municipal departments prior to completing the construction or rehabilitation project. Real property tax credits may not be granted retroactively.*

AND/OR

STATE INCOME TAX CREDITS

The Maryland's Enterprise Zone Program provides special tax credits to encourage businesses in the enterprise zone to create new jobs. The credits are more valuable than deductions because credits are subtracted directly from income tax liability. There are two types of income tax credits for firms in an enterprise zone; a general income tax credit and a larger income tax credit for hiring economically disadvantaged employees (certified by the State).

Minimum Full-time Job Creation:

- 2 NEW (if business has 10 or less employees)
- 5 NEW (if business has 10 or more employees)

The general credit is a one-time \$1,000 credit per new employee. For economically-disadvantaged employees (certified by the state), the credit increases to a total of \$6,000 per employee distributed over three years:

- Year 1 \$3,000
- Year 2 \$2,000
- Year 3 \$1,000

Sample Property Tax Calculation

SAMPLE OF PROPERTY TAX CREDIT ON \$500,000 INVESTMENT MARKET VALUE OF IMPROVEMENT FOR PROPERTY OUTSIDE A MUNICIPALITY:

YEAR	INCREASED TAX WITHOUT EZ CREDIT	CREDIT RATE	CREDIT AMOUNT	TAX PAID
1	5,460	80%	4,368	1,092
2	5,460	80%	4,368	1,092
3	5,460	80%	4,368	1,092
4	5,460	80%	4,368	1,092
5	5,460	80%	4,368	1,092
6	5,460	70%	3,822	1,638
7	5,460	60%	3,276	2,184
8	5,460	50%	2,730	2,730
9	5,460	40%	2,184	3,276
10	5,460	30%	1,638	3,822
Total Savings Due to the Credit: \$35,490				

Local Program Objectives

Harford County, Greater Aberdeen, and Havre de Grace use the Enterprise Zone Program as a strategic economic development tool with these objectives:

- Promote private capital investment
- Create private employment opportunities
- Increase employment opportunities for low and moderate income families
- Broaden the County industrial and commercial base
- Support retention and encourage the expansion of resident businesses and industry
- Provide incentives and initiatives to attract new businesses and industry

How to Apply for Benefits

ENTERPRISE ZONE

Complete the Enterprise Zone Qualification Application and return to Harford County Office of Economic Development with the required site and landscape plans. The application will be reviewed and a letter confirming eligibility of benefits will be sent.

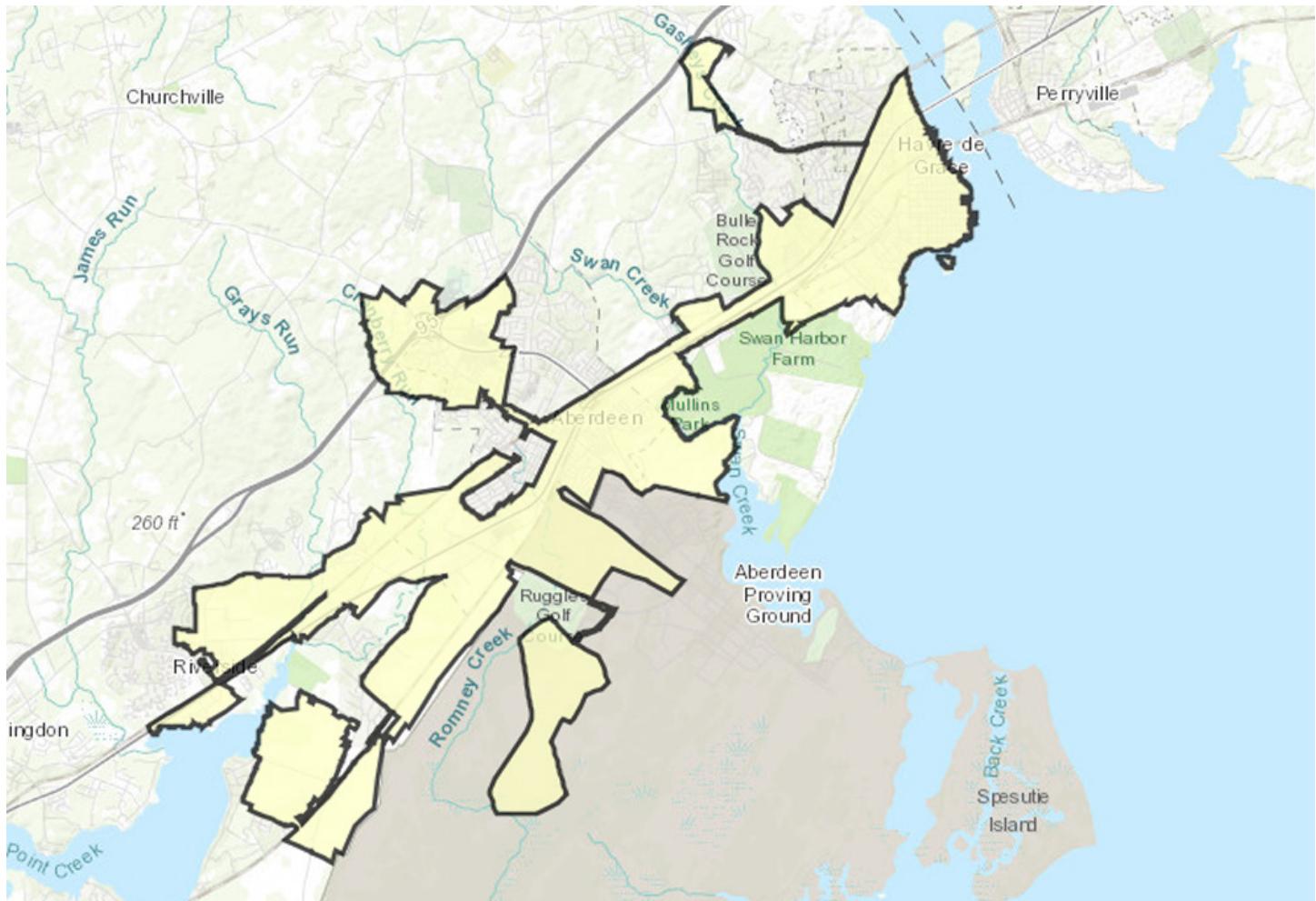
Note: Application, site plan & landscape plan must be submitted no later than October 1 for real property tax credit on the next July 1 tax bill.

- **For REAL PROPERTY TAX CREDITS**, no additional paperwork needs to be completed by applicant. The Office of Economic Development will notify the Maryland Department of Assessments, Maryland Department of Commerce and Taxation and the property owner.
- **For STATE INCOME TAX CREDITS**, submit State of Maryland Tax Form 500CR along with annual return filed with the Comptroller of the Treasury. Form 500CR is used to claim a credit against the income tax for certain wages paid to qualifying employees in the Enterprise Zone.

OTHER PROGRAMS

- **STATE INCOME TAX CREDITS FOR HIRING “ECONOMICALLY DISADVANTAGED” EMPLOYEES**, requires the company to have such employee or potential employee certified through Maryland Department of Labor, Licensing & Regulation. For more details, contact Job Service Division, Susquehanna Region at the Bel Air Office, 410.836.4631.
- **BGE SMART ENERGY SAVERS PROGRAM**: BGE offers a comprehensive portfolio of energy efficiency programs to support businesses in their quest to save energy and operate their businesses more efficiently.

For more information, please refer to <http://bgesmartenergy.com/business/energy-solutions-business> or contact Stuart Page, BGE Manager of Economic Development, at 1-800-685-0123 / stuart.page@bge.com.



CONTACT FOR FURTHER INFORMATION/APPLICATION

HARFORD COUNTY DEPARTMENT OF ECONOMIC DEVELOPMENT

Enterprise Zone Administrator
220 S. Main Street
Bel Air, MD 21014
1.888.I95.SITE / 410.638.3059

www.harfordcountymd.gov
ded@harfordcountymd.gov

CITY OF ABERDEEN DEPARTMENT PLANNING & COMMUNITY DEVELOPMENT

60 N. Parke Street
P.O. Box 70
Aberdeen, MD 21001
410.272.1600 / Fax: 410.273.7402

www.aberdeen-md.org

CITY OF HAVRE DE GRACE OFFICE OF ECONOMIC DEVELOPMENT

711 Pennington Avenue
Havre de Grace, MD 21078
410.939.1800 /
Fax: 410.939.3692

www.havredegracemd.com

GREATER ABERDEEN/HAVRE DE GRACE ENTERPRISE ZONE ELIGIBILITY STANDARDS

The following standards have been developed by the State of Maryland and by Harford County and the Cities of Aberdeen and Havre de Grace. All business entities wishing to receive the benefits of the Greater Aberdeen/Havre de Grace Enterprise Zone must comply with these standards.

1. The business must have been located within the Zone boundaries on the date of designation, relocated to the Zone after the designation date, or started new construction or expansion within the Zone after the designation date.

Designation Date: Greater Aberdeen/ Havre de Grace Enterprise Zone June 15, 2016

(encompassing U.S. 40 and Parts of MD 22, MD 159 and MD 155. See map for exact area.)

2. (a) INCOME TAX CREDITS - MINIMUM QUALIFICATION

Greater Aberdeen/Havre de Grace Enterprise Zone:

For businesses employing ten (10) or fewer full-time equivalent employees, two (2) NEW full-time jobs created must be at least 35 hours per week per new job created at an hourly wage of 150% of minimum wage.

For businesses employing eleven (11) or more full-time equivalent employees, five (5) NEW full-time jobs created must be at least 35 hours per week per new job created at an hourly wage of 150% of minimum wage.

(OR)

2. (b) PROPERTY TAX CREDITS - MINIMUM QUALIFICATION

Greater Aberdeen/Havre de Grace Enterprise Zone

For businesses employing ten (10) or fewer full-time equivalent employees, \$100,000 in capital investment above the base level.

For businesses employing eleven (11) or more full-time equivalent employees, \$125,000 in capital investment above the base level.

Proprietorships, partnerships and corporations may be deemed eligible for benefits at the discretion of the Office of Economic Development (OED) if the employment or capital investment criteria above are met.

ADDITIONAL ELIGIBILITY CRITERIA FOR ENTERPRISE ZONES

Property owners and businesses located within the Greater Aberdeen/Havre de Grace Enterprise Zone may be certified for incentives if the primary business activity conducted on the properties is in the general public interest and consistent with any of the following categories: (1) research and development; (2) offices; (3) manufacturing, fabrication and assembly; (4) warehousing and distribution (outside the City of Aberdeen and the City of Havre de Grace); (5) services excluding mini-storage and self-storage facilities; (6) retail (employing 5 or more persons, but excluding convenience stores, gasoline stations, and fast food establishments. Note for clarification, fast food establishments are those eateries that do not have both a sit-down area AND a wait staff); (7) tourism activities; (8) hospitality services; and (9) professional or personal commercial services.

Additionally, resident and new businesses within the Greater Aberdeen/Havre de Grace Enterprise Zone must create a minimum of two (2) NEW full-time jobs above the base employment level, and which must be at least 35 hours per week at an hourly wage of 150% of minimum wage) above the base employment level for those businesses employing ten (10) or fewer full-time equivalent employees. For those businesses employing eleven (11) or more full-time equivalent employees, resident or new businesses within the Greater Aberdeen/Havre de Grace Enterprise Zone must create a minimum of five (5) NEW full-time jobs above the base employment level, and which must be at least 35 hours per week at an hourly wage of 150% of minimum wage.

- OR -

Make a capital investment of at least \$100,000 above the base level for those properties. Any property owner or resident business seeking incentives through the Greater Aberdeen/Havre de Grace Enterprise Zone must be in full compliance with all federal, state, and local laws, codes and ordinances governing the use and occupancy of its premises. If such is not the case, then, prior to consideration of any incentives, or as a condition of local approval of the planned expansion or major improvements, all items not in compliance shall be brought into compliance prior to receipt of any incentives.

GREATER ABERDEEN/HAVRE DE GRACE ENTERPRISE ZONE QUALIFICATION CHECKLIST

This form is for your reference only. For assistance, please call Harford County OED at (410) 638-3059.

BEFORE SUBMITTING APPLICATION(S):

_____ Determine that the business property is in the Greater Aberdeen/Havre de Grace Enterprise Zone

_____ Meet minimum eligibility criteria for Jobs OR Capital Investment:

_____ New job(s) created “or”

_____ New construction “or”

_____ Rehabilitation of property “or”

APPLICATION(S): Submit a “Qualification Application” to the Office of Economic Development

_____ Property Tax Credits: Submit form immediately when applying for building permit.

_____ Income Tax Credits: Indicate on form if you intend to apply for state income tax credits.

BEFORE SUBMITTING APPLICATION(S):

_____ Enterprise Zone Administrator sends an approval letter or an explanation for disapproval. (Copies of the approval letter are submitted by OED to appropriate local and state agencies.)

Property Tax Credits (PTC) ONLY: Property tax credits will automatically appear on Harford County tax bills in July. (Credits will not appear on half-year tax bills in January. Please pay any half-year taxes owed.)

Income Tax Credits (ITC) ONLY: Contact the Job Service Division, Susquehanna Region, Bel Air Office 410.836.4631 to review list of employees and determine individual eligibility as “disadvantaged” or “non-disadvantaged.”