



City of Opportunity. Moving Forward!

CITY OF AUSTELL ECONOMIC DEVELOPMENT

ENTERPRISE ZONE

Introduction

In 1997, the Georgia General Assembly enacted the Enterprise Zone Act (O.C.G.A. 36-88-1). The purpose of this program is to incentivize development and re-development in areas that are suffering from disinvestment, underdevelopment, and economic decline. O.C.G.A. 36-88-1 provides counties and municipalities the ability to create Enterprise Zones as defined geographic areas that meet specific criteria and are therefore qualified to provide incentives to private businesses with the purpose of creating jobs and investing in our community.



An Enterprise Zone is defined as one or more geographic areas designated by the City of Austell wherein local ad valorem taxes, occupational taxes, license fees, and other local fee and taxes, except local sales and uses taxes, or any combination thereof, may be exempted or reduced from applying qualified business and service enterprises.

The overall purpose of the program is to encourage and incentivize private businesses to reinvest, renovate, restore, improve, and rehabilitate areas for new housing construction, economic vitality, the profitability of business and commerce, and to increase employment opportunities for areas that are in a state of decline. This public investment will have the beneficial impact of increasing employment opportunities and social outcomes for the citizens of the City of Austell, Cobb County, and the State of Georgia.

Benefits and Incentives

The Enterprise Zone program provides a number of benefits and incentives to induce development and job creation in the areas of the community with the highest need. In order for a private company to access these incentives, they must be termed as a "qualifying business or service enterprise." A qualifying business enterprise is defined in the City of Austell Code section 18-35 "...any business engaged primarily in retail, manufacturing, warehousing and distribution, processing, telecommunications, tourism, research and development industries, new residential construction, and residential rehabilitation". A qualifying service enterprise is defined in the City of Austell Code section 18-35 as, "...an entity engaged primarily in finance, insurance, and real estate activity or activities listed as provided in the Act."

A qualified business or service enterprise would need to increase employment by five or more new full-time job equivalents in a designated enterprise zone and which provides additional economic stimulus in said enterprise zone. This includes new businesses, expansions of existing businesses, or a successor of a business enterprise. It is encouraged in the state act and local code that at least ten percent (10%) of said new employees be low-to-moderate income

individuals. The following are the incentives offered to qualified business or service enterprises that are able to benefits of this program:

- Exemption or reduction of state ad valorem taxes;
- Exemption or reduction of county ad valorem taxes (except school ad valorem taxes);
- Exemption or reduction of municipal ad valorem taxes (except school ad valorem taxes);
- Exemption or reduction of license fees;
- Exemption or reduction of other local fees and taxes (except sales and use taxes); or any combination thereof.

The following is the maximum schedule for ad valorem tax exemptions allowed as part of the Enterprise Zone program:

- Year 0 through 5: 100% exemption
- Year 6 through 7: 80% exemption
- Year 8: 60% exemption
- Year 9: 40% exemption
- Year 10: 20% exemption

Finally, new residential construction, residential rehabilitation, and other types of revitalization of an existing structure are able to use the aforementioned exemption schedule. This incentive is reserved for new construction/rehabilitation of structures that exceed the value of the land by a ratio of five to one (5:1) regardless if the project is carried out by a qualified business or service enterprise.

Contact Information

To schedule a meeting or for more information, please contact, Darrell Weaver, Zoning Administrator, at:

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Or visit our website at www.austellga.gov/economic.