



UP TO  
**\$25K**  
IN TAX CREDITS

# 10 THINGS TO KNOW

## ABOUT KENTUCKY SMALL BUSINESS TAX CREDIT (KSBTC)

- 1 | Most for-profit businesses with 50 or fewer full-time employees are eligible.
- 2 | Required: Within the last 24 months hired at least one new full-time employee and invested at least \$5,000 in new equipment or technology.
- 3 | Open to all industry segments including retail, service, construction, manufacturing, wholesale, and others.
- 4 | Tax credit amount ranges from \$3500 to \$25,000 per calendar year depending on number of eligible positions added and amount of qualifying equipment and technology investments.

- 5 | Tax credit applies to state tax return for the year it was awarded with a five year carry forward. It is non-refundable.
- 6 | Full-time eligible position = average at least 35 hours per week; been on the company payroll for at least one year; average hourly wage at least \$10.88 per hour; and subject to Kentucky income tax.
- 7 | Eligible positions must increase the number of full-time employees over the base number of full-time employees at the business in order to be awarded a tax credit.
- 8 | Qualifying Equipment and Technology = minimum \$5000 total investment; purchased within six months before or after creating an eligible position; tangible property purchased by the business for use in the business; per-unit cost of \$300 or more; expected useful life of more than one year; non-allowable costs such as rebates, refunds, tax, labor, installation, delivery, etc. are excluded.
- 9 | KSBTC Fact Sheet, Guidelines, Application at [www.thinkkentucky.com/ksbtc/](http://www.thinkkentucky.com/ksbtc/)

Use the KSBTC Excel Application—it will do all the calculations for you!

- 10 | Contact the Office of Entrepreneurship at [cedsbds@ky.gov](mailto:cedsbds@ky.gov) or call 800-626-2250 for information and assistance.

