Most for-profit businesses with 50 or fewer full-time employees are eligible.

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.

Open to all industry segments including retail, service, construction, manufacturing, wholesale, and others.

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.
Tax credit applies to state tax return for the year it was awarded with a five year carry forward. It is non-refundable.

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.

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.

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.

KSBTC Fact Sheet, Guidelines, Application at www.thinkkentucky.com/ksbtc/

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

Contact the Office of Entrepreneurship at cedsbsd@ky.gov or call 800-626-2250 for information and assistance.