



Incentive Programs

Business Employment Incentive Program (BEIP)

If You Are:

An economically viable expanding or relocating business that creates jobs in New Jersey.

You Can Elect:

To secure annual incentive grants via the Business Employment Incentive Program (BEIP).

In The Amount Of:

Up to 80% of the total amount of employees' state income taxes withheld by the company during the calendar year from the new employees hired, awarded for up to 10 years, to a maximum of \$50,000 per employee over the course of the grant.

To Be Used For:

Fixed assets, working capital to meet operating needs, and the refinancing of bank debt.

Benefits:

BEIP is a powerful incentive for encouraging businesses to locate and expand in New Jersey. Approved businesses receive annual cash grants based on the number of new jobs they have created in the State of New Jersey.

Program Details:

In order to qualify for a BEIP grant, businesses must create at least 25 new jobs within a two-year period; emerging high technology and biotech companies' eligibility threshold is 10 new jobs. A business must also demonstrate that the BEIP grant is a "material" factor in moving the job expansion or relocation forward in New Jersey, and that it is economically viable.

The standard BEIP incentive is limited at 50% of the state employees' income taxes withheld on the newly created jobs; however, companies that meet certain Smart Growth objectives can have their grant boosted to 80%. Qualifying businesses may be eligible for up to 10 years worth of grants, though they must maintain the project and the jobs in New Jersey for at least 1.5 times the number of years the grant is in effect. Greater consideration is given to positions that average 1.5 times the minimum during the grant agreement.

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Fees:*

- Application fee: \$1,000
- Commitment fee: \$1,000
- Closing fee: \$1,000
- Extension fee: \$750
- Modification fee: \$750 (administrative change); \$1,500 (major change)
- Servicing fee: equal to 2% of annual grant disbursement with no floor and a cap of \$75,000
- Post Benefit Servicing fee: 20% of the final disbursement (refunded at end of reporting requirement if all post award reporting is done pursuant to grant agreement, with EDA retaining 1% per year for servicing)

Division of Taxation Tax Clearance Certificate Application Processing Fee: \$75 for standard processing; \$200 for expedited processing (response within three business days).

For more information on BEIP, visit www.njeda.com.

*All fees are non-refundable.