



Incentive Programs

Business Retention and Relocation Assistance Grant (BRRAG)

If You Are:

A business relocating operations within New Jersey and retaining jobs, or a business maintaining jobs at a current location and making a qualified capital investment.

You Can Apply For:

Grants of corporate business tax credits through the Business Retention and Relocation Assistance Grant (BRRAG) Program.

In The Amount Of:

Up to \$2,250* per year for up to six years, per job retained in the State.

- Award amount is dependent on application of “bonus credits”, which may be available for the relocation of jobs to urban centers, and/or for a capital investment at least twice that of the value of the awarded credits.
- The number of times the yearly tax credit amount is awarded is dependent on the number of retained jobs.

Benefits:

The BRRAG program helps companies preserve jobs, expand operations, and reinvest in the State of New Jersey.

Program Details:

In order to qualify for consideration for BRRAG, a company must:

- Retain a minimum of 50 full-time jobs.
- Commit to remain in the State for the tax credit term and an additional five years. For leased project locations, the business must sign a written lease for a period of no less than the commitment duration or eight years, whichever is greater.
- Offer its employees healthcare benefits
- Demonstrate that the grant is a “material factor” in moving the relocation project forward in New Jersey
 - Applicants must not have signed a lease, entered into a purchase contract, or otherwise committed to a site in New Jersey that will host the relocation project prior to receiving EDA Board Approval.
 - *For companies relocating 1,500 or more employees from outside a designated urban center to one or more new locations within a designated urban center, the “material factor” does not apply if application is received within six months of the company signing its lease or purchase agreement.*
- Demonstrate that the capital investment and job retention resulting from a proposed project would yield a net positive benefit to the State.



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- Enter into any construction contracts associated with the project using “prevailing wage” labor rates and affirmative action requirements.
- Have operated continuously in New Jersey in whole or in part, in its current form or as a predecessor entity, for at least 10 years
 - Point-of-purchase retail facilities are excluded, as are warehouse facilities that supply a point-of-purchase retail facility exclusively. For projects that consist of both point-of-purchase retail and non-retail facilities, the non-retail portion shall be eligible. Catalog distribution facilities are considered eligible.

In addition, please note the following:

- The total amount of credits that can be applied against a single company’s tax liability in a fiscal year may not exceed \$10 million.
- Eligible jobs must be subject to New Jersey income tax withholdings (Pennsylvania residents are not eligible).
- Applicants can designate different companies to receive the tax credit; however, the recipients must be part of the applicant’s “controlled group” approved by the EDA. “Controlled group” is defined pursuant to section 1563 of the Federal Internal Revenue Code of 1986, 26 U.S.C.A. § 1563.
- BRRAG recipients with unused amounts of BRRAG tax credits may sell the unused portion to affiliated or unaffiliated businesses under the BRRAG Tax Credit Certificate Transfer Program.

Fees:**

- Application fee: \$1,000
- Modification fee: \$750 (administrative change); \$1,500 (major change)
- Commitment fee: One time charge of 2% of total tax credit amount, not to exceed \$75,000
- Annual servicing fee: 2% of the annual tax credit amount that may be applied, not to exceed \$75,000

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 the Business Retention and Relocation Assistance Grant (BRRAG), visit www.njeda.com.

*Companies relocating more than 2,000 full-time employees from one or more locations outside of a designated urban center into a designated urban center may be eligible for an additional tax credit benefit.

**All fees are non-refundable.