



Newport Job Development Incentive Program for Industry, Service or Technology

Purpose:

1. Attract new, high paying jobs to the community to provide employment opportunities to residents.
2. Bring industrial, service, or technology providers closer to residents and local businesses that desire such services.
3. Increase City revenues to improve the local quality of life.

Eligible Applicants:

1. A sole proprietorship, partnership, or corporation authorized to do business in the Commonwealth of Kentucky exclusive of retail industry jobs, bars, hotels/motels or jobs in a sexually oriented business/adult entertainment business.
2. Applicants engage in industrial, service, or technology activity inside the corporate limits of the City and generate a minimum of \$250,000 in new Newport taxable wages.

Employee Withholding Credit:

1. The City's withholding rate is 2.5% of employee earnings.
2. If approved after review by the JDIP Committee and the City Commission, an applicant can retain a percentage of the employees' withholdings generated by the new jobs for a period of up to 10 years. The maximum percentage that can be approved and retained is 40%.

EXAMPLE: A software development company desires to open a location in Newport and has \$600,000 in new Newport taxable wages. After negotiations with the City, the company is awarded a 40% credit for 10 years.

Annual Credit (Actual New Taxable Payroll x Rate x Credit)

$$\$600,000 \times .025 \times .4 = \$6,000$$

Total Credit (Annual credit x Term)

$$\$6,000 \times 10 = \$60,000$$

For more information, please contact Ryan Wyrick at 859-292-3652 or rwyrick@newportky.gov.