



Newport Job Development Incentive Program for Signature Projects

Purpose:

1. Attract new, high paying jobs to the community to provide employment opportunities to residents.
2. Bring large-scale 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:
 - a. \$15,000,000 in new Newport taxable wages, or
 - b. \$10,000,000 in new Newport taxable wages combined with \$10,000,000 in capital improvements.

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 20 years. The maximum percentage that can be approved and retained is 40%.

EXAMPLE: A company desires to open a regional headquarters location in Newport and has \$16,000,000 in new Newport taxable wages. After negotiations with the City, the company is awarded a 40% credit for 20 years.

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

$$\$16,000,000 \times .025 \times .4 = \$160,000$$

Total Credit (Annual credit x Term)

$$\$160,000 \times 20 = \$3,200,000$$

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