



# VIRGINIA ENTERPRISE ZONE

GY2025 Job Creation Grant

INSTRUCTION MANUAL



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# TABLE OF CONTENTS

**3** Grant Qualification Process

**3** Grant Year 2025 Timeline

**4** Application Information

**5** Submittal Requirements

**5** Summary | Eligibility Requirements

**7** Eligible Employees

**7** Ineligible Employees

**8** High Unemployment Areas (HUAs)

**9** SWaM-Certified Businesses

**9** Required Application Materials

**9** JCG Worksheet & JCG-HUA/SWaM Worksheet

**15** Worksheet | Sheet Two

**16** JCG Submission In EZ Application Submission System

**22** APPENDIX A

**23** Definitions For JCGs

**26** Chart Of Activity Numbers



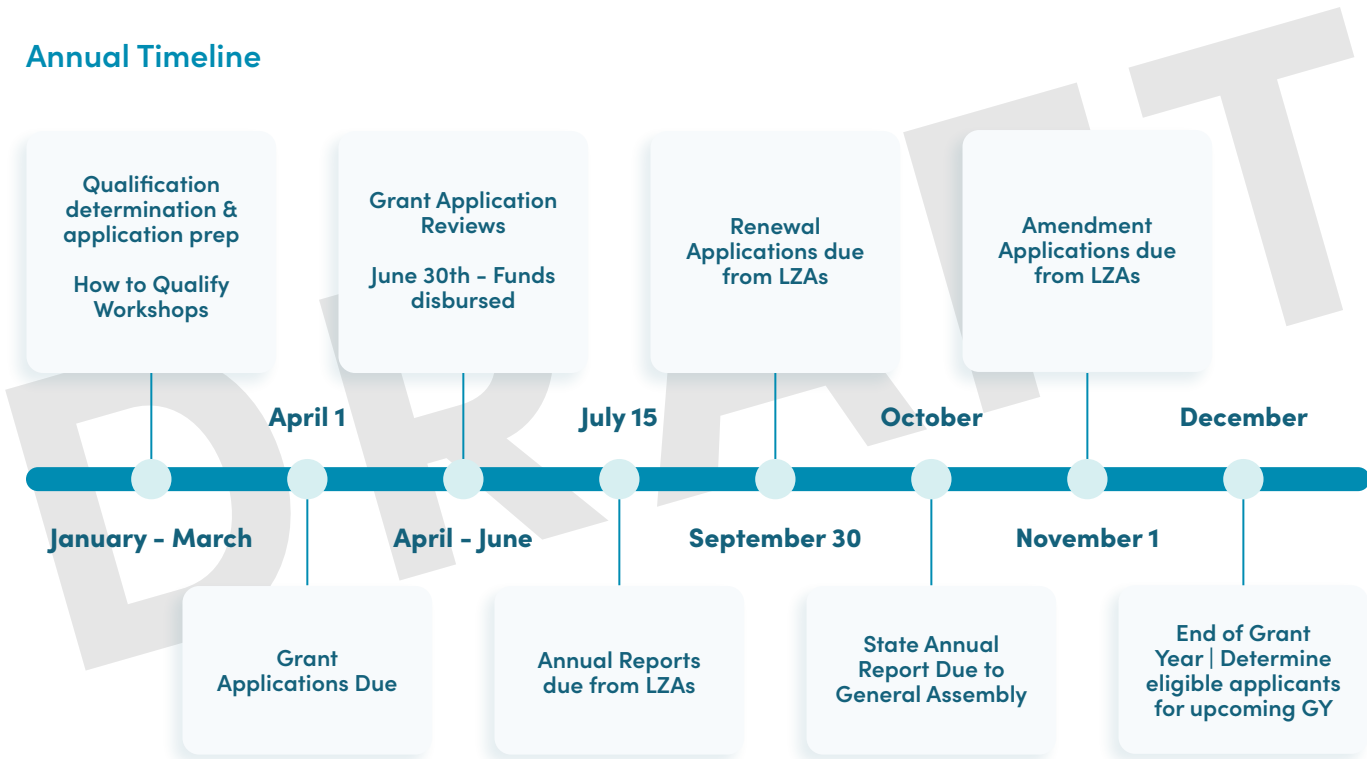
# Grant Qualification Process

The Virginia Enterprise Zone (VEZ) program is a partnership between state and local government that encourages job creation and private investment. VEZ accomplishes this by designating Enterprise Zones throughout the state and providing two grant-based incentives, the Job Creation Grant (JCG) and the Real Property Investment Grant (RPIG), to qualified investors and job creators within those zones, while the locality provides local incentives.

VEZ grants are subject to an annual appropriation by the General Assembly. By statute, the JCGs receive funding priority. After fully funding the JCGs, the remaining funds will be allocated to the RPIGs and the amount paid to each RPIG applicant will be prorated proportionally should grant requests exceed the remaining funds.

In Grant Year 2024, RPIGs were fully funded for the fourth consecutive year. In the past, the program faced challenges in fully funding grant applications. Since 2021, however, there has been an increase in program funding, allowing for the full financing of JCG and RPIGs.

## Annual Timeline



## Grant Year 2025 Timeline

JOBS CREATED	QUALIFICATION DETERMINATION	APPLICATIONS DUE TO DHCD	DHCD REVIEW	FUNDING RELEASED
Calendar Year 2025	January - March 2026	April 1 2026	April - June 2026	June 2026
Net new employment over base year eligibility threshold	JCG worksheet, CPA Attestation (if applicable), How to Qualify workshops/webinars	Submissions of applications electronically on EZ Application Submission Portal (hard copy NOT accepted)	DHCD staff reviews apps. Notifies grantees of changes that need to be made for approval	Funds disbursed

## Application Information

**APPLICANT** | The entity or business firm that creates the net new permanent full-time positions who is the entity that has those positions on their books or deducts the wages as a business expense under federal Treasury Regulations for tax purposes (units of local, state, or federal government are NOT eligible).

**APPLICATION** | To be eligible, the business firm must complete and submit all required application components. The application is submitted online through the EZ Application Submission System site:

[dmz1.dhcd.virginia.gov/EZZonePortal/](https://dmz1.dhcd.virginia.gov/EZZonePortal/)

- Commonwealth of Virginia W-9 Form
- Local Zone Administrator (LZA) Review Form
- Applicant Declaration Form
- JCG Worksheet (or JCG-HUA/SWaM Worksheet)
- CPA Attestation Report (if applicable)

**SAMPLE APPLICATION PAGE** | This document is in place of Form EZ-RPIG and Form EZ-JCG/JCG-HUA/SWaM. It is NOT a required upload.

- Form EZ-RPIG & Form EZ-JCG/JCG-HUA/SWaM are no longer required documents to be uploaded.
- Information from these forms is entered directly into the EZ Application Submission System.
- It is not possible to open the application, fill in some information, and save the application. All information must be filled in and submitted at the same time.
- The Sample Application Page document is provided for zone investors to utilize to gather the necessary information for the application submission BEFORE submission.
- The Sample Application Page document is NOT required for submission and is NOT required to be uploaded.
- All required attachments/uploads, including the COV W-9, the LZA Review, the Application Declaration, the CPA Attestation Report (if applicable), and all supplemental documents must be uploaded in the EZ Application Submission System in the appropriate "Uploaded Documents" Section.

**CPA ATTESTATION REPORT** | An independent (must be independent of the qualified zone investor) Certified Public Accountant (CPA), licensed in Virginia, must attest to the application materials, and complete the CPA Attestation Report to be submitted with most JCG applications, unless otherwise noted in this manual. The Agreed Upon Procedures for CPA Attestations and Attestation Report Templates are available on the EZ Application Submission System link above.

**CPA ATTESTATION EXEMPTION** | As provided in §59.1-547 of the Code of Virginia, business firms with base year employment of 100 or fewer permanent full-time positions that create **25 or fewer grant eligible positions** are exempt from the attestation requirement for that qualification year. If a firm is exempt from the Attestation Report, the firm must submit the Job Creation Worksheet with their application (regardless of qualification year). **The JCG Worksheet must be completed each year the firm seeks qualification for the JCG, regardless of whether the Attestation Report is required.**



## Submittal Requirements

**APPLICATIONS MUST BE SUBMITTED THROUGH THE SYSTEM NO LATER THAN 11:59PM, APRIL 1, 2026 (EDT).** Applicants will be prompted to save and print the completed application for their own records. DHCD is unable to pre-qualify any applicants.

**LATE APPLICATIONS/APPLICATIONS WITHOUT CPA ATTESTATION REPORT** | Any application submitted without the required documents or submitted after the deadline will be considered late. Such applications are held until DHCD determines that funds remain after full funding on-time applications. At such time, DHCD will review and process late applications on a first-come, first-served basis.

**MULTIPLE APPLICATIONS** | If submitting more than one application, each grant application and associated materials must be submitted separately via electronic submission.

**APPLICATION CONFIRMATIONS** | Email confirmations will be sent throughout the submittal process to keep the applicant informed of the status of the application and to bring any submittal issues to the applicant's attention prior to certain deadlines. Applicants will receive confirmations in the following order:

1. **Successful submission of online application:** This email will indicate the date and time of the submittal. DHCD recommends applicants print the application at this time and retain confirmation emails with their grant records. If the applicant has submitted all required documents with required signatures, this notification is the only one that will be received.
2. **Notification of deficiencies:** DHCD will notify applicants by May 15 in cases where any additional information is required due to application deficiencies. The email will be sent from the following address: [ezone@dhcd.virginia.gov](mailto:ezone@dhcd.virginia.gov). Please reply directly to that address when responding.
3. **Notification of resolution of deficiencies:** Applicants must resolve any identified deficiencies by June 1. Once the applicant provides the requested information, a final email will be sent to the applicant confirming DHCD's receipt of the requested material.

## Summary | Eligibility Requirements

**To be eligible, companies must be located within the boundaries of an Enterprise Zone.**

To determine whether your company is located in an EZ, contact your locality's Economic Development Department.

### ELIGIBILITY REQUIREMENTS:

- Must create at least four net new permanent full-time positions over the base year employment total.
- Base Year employment can be either of the 2 calendar years immediately preceding the first grant year. For Grant Year 2025, the Base Year may be either 2024 or 2023.
- Base Year employment is established in the first grant application and remains the same for the full 5-year period.
- Eligible positions must meet wage and health benefit requirements:
  - Positions must earn at least 150% of the minimum wage (125% in High Unemployment Areas and for SWaM-certified businesses) (see [HUAs section](#) for more info)
  - Firms must offer to cover at least 50% of employee's health insurance premium (employees may choose to waive the health benefit)

## INELIGIBLE APPLICANTS:

The following are prohibited from applying for the JCG:

- Units of local, state, or federal government
- Nonprofits, other than those classified as NAICS 813910 and 813920
- Positions: personal service, food and beverage, and retail

(For a detailed list, see Chart of Activity Numbers on page 33.)

## GRANT TERM:

Grants are awarded for 5-year periods beginning with the first grant year in which a JCG was awarded. To be eligible in years 2–5, the firm must maintain or increase the number of eligible permanent full-time positions (above the four-job threshold) over base year employment. Firms may apply for a subsequent 5-year period given they meet the grant eligibility requirements. See Appendix A for more information on subsequent 5-year periods.

## GRANT CALCULATIONS:

JCG awards are determined by the wages paid and the number of months positions were filled during the Grant Year. Grants are available in amounts of:

- Up to \$500 per grant eligible position filled by an employee earning at least 150% of the minimum wage (125% for businesses in HUAs and SWaM-certified businesses)  
*\*must meet all other eligibility requirements (including offering health benefits)*
- Up to \$800 per grant eligible position filled by an employee earning 175% of the minimum wage.  
*\*must meet all other eligibility requirements (including offering health benefits)*
- Firms may receive grants for up to 350 positions per year.

According to the Virginia Code (13VAC5-112-10), “minimum wage” means the federal minimum wage or the Virginia minimum wage, whichever is higher as determined for the current calendar year as of December 1 of the prior calendar year by the department. Such determinization will be continuously in effect throughout the calendar year, regardless of changes to the federal minimum wage or the Virginia minimum wage during that year.

The upcoming grant cycle is Grant Year 2025 and includes jobs created in calendar year 2025. On December 1, 2024 the state minimum wage was \$12.00 per hour (and higher than the federal minimum wage.)

## GENERAL LIMITATIONS:

A firm can receive Job Creation Grants for a maximum of **350 grant-eligible positions**

**per year.** Firms with multiple locations in Enterprise Zones can receive Job Creation Grants for a maximum of 350 positions total. For example, if a firm has a location in

the Martinsville EZ and the Petersburg EZ, they can only qualify 350 total positions for the two

ELIGIBLE BUSINESSES	PERCENT OF MINIMUM WAGE	WAGE RATE THRESHOLD	GRANT PER PFTE
All businesses	175%	\$21.00/hour	\$800 per PFTE
All businesses	150%	\$18.00/hour	\$500 per PFTE
HUA/SWaM-certified businesses	125%	\$15.00/hour	\$500 per PFTE

locations. Although businesses may qualify for both the Enterprise Zone Job Creation Grant and the Major Business Facility Job Tax Credit, firms may not qualify the same positions for both incentive programs.

### EMPLOYMENT REQUIREMENTS:

Job Creation Grants are awarded for the creation of net new permanent full-time positions meeting certain wage and health benefits requirements. Given the normal turnover of employees, it is possible that several employees will fill one permanent full-time position in any one calendar year. This is acceptable if it is not “job sharing” where two employees, each working part-time, fill one position.

## Eligible Employees

### Included on JCG Worksheet or JCG-HUA/SWaM Worksheet

A person employed by a business firm, located within an Enterprise Zone, who is normally scheduled to work full-time, based on the following criteria:

- Minimum of 35 hours per week for the entire normal year of the business firm’s operations, which a normal year must consist of at least 48 weeks;
- Minimum of 35 hours per week for a portion of the taxable year in which the employee was initially hired for or transferred to the business firm; or
- Minimum of 1,680 hours per year if the standard fringe benefits are paid by the business firm for the employee.

Grant awards will be prorated based on the number of full months of the grant year in which the employee met the wage and health benefits requirements. The following situations would trigger the proration of the \$500 and \$800 grant per position:

- An employee was employed less than 12 months during the grant year.
- An employee only met the wage and health benefits requirements for a portion of the grant year.
- The employee’s wages changed.

## Ineligible Employees

### Included on JCG Worksheet or JCG-HUA/SWaM Worksheet

Positions paid **less than 150%** of the minimum wage (\$18/hour) or **less than 125%** of the minimum wage (\$15/hour) for businesses in HUAs and SWaM-certified businesses.

- Positions that were not offered health insurance coverage equal to at least 50% of health insurance premium based on the health benefits agreement.
- Employees not meeting wage or health insurance thresholds should be included on the worksheet but will be automatically filtered out of the grant calculations on the JCG Worksheet in Excel (the cells will automatically black out).

### Not Included on JCG Worksheet or JCG-HUA/SWaM Worksheet

- Positions not meeting the statutory definition of “[Full-Time](#),” as defined in the Glossary at the end of this document.
- Positions in [retail](#), [personal service](#), or [food and beverage services](#).
- Positions that are [seasonal](#), temporary, leased, or contracted.
- Positions that previously existed elsewhere in the Commonwealth, including any positions that were [transferred](#) from outside a zone location to a zone location.



- Positions created by a business that is simultaneously closing or downsizing other facilities in the Commonwealth.
- A person that was previously employed in the same job function in Virginia by a [related party](#), or a trade or business under [common control](#). This includes positions filled by a business that was then purchased by another taxpayer who continued its operation (not net new to Virginia).
- A person that previously qualified for a JCG in connection with a different Enterprise Zone location on behalf of the applicant taxpayer, a related job, or a trade or business under common control (cannot claim the same job twice).
- A person whose position previously qualified a firm for the Major Business Facility Tax Credit.

**EXAMPLE** – My business is not a retail business, but I have retail positions. Is my firm eligible for JCG? If your business firm is not a retail business, you can only include those positions that are not retail, food/beverage, or personal service positions for the purposes of qualifying for the Job Creation Grant. For example: A hotel is a qualified business for JCG purposes. However, positions in a hotel restaurant or gift shop should be excluded.

## High Unemployment Areas (HUAs)

**Businesses located in HUAs and SWaM-certified businesses are eligible to apply for the JCG at the reduced wage rate threshold of \$15/hour, or 125% of minimum wage.**

Any business applying as an HUA applicant must select the appropriate box on the online application indicating that the application is for a business in an HUA or a SWaM-certified business and must complete the JCG-HUA/SWaM Worksheet. This document is specifically tailored to accommodate the reduced wage rate threshold.

Locality	Zone #
City of Danville*	1 & 57B
City of Emporia*	43B
City of Martinsville*	36 & 54
Northumberland County*	50
City of Petersburg	10
Prince Edward County	48

\*The following communities in joint zones are **not HUAs**:

Pittsylvania County	Richmond County
Greensville County	Town of Kilmarnock
Henry County	Town of Warsaw
Lancaster County	Charlotte County
Westmoreland County	Lunenburg County

Businesses in the above listed communities are **not eligible** for the reduced wage threshold.

Any existing business that has previously applied for the JCG as an HUA applicant in one of these zones may continue to qualify at 125% of the minimum wage for the remainder of their 5-year grant period, even if the locality is no longer considered an HUA.

Any new businesses applying for the JCG in these zones must pay **at least 125% of the minimum wage** to qualify.

## SWaM-Certified Businesses

2021 legislation passed allows for **SWaM-certified (Small, Women-owned, and Minority-owned) businesses to be eligible to use the reduced wage threshold (125% minimum wage=\$15.00/hour) to qualify for the \$500 grant amount.** To be eligible at the reduced wage threshold, the company must have been SWaM-certified in calendar year 2025. SWaM-certified businesses must select the appropriate box on the online application indicating that the application is for a business in an HUA or a SWaM-certified business and must complete the **JCG-HUA/SWaM Worksheet**.

Look up whether a business is SWaM-certified on the online directory:  
[directory.sbsd.virginia.gov/#/executiveExport](https://directory.sbsd.virginia.gov/#/executiveExport)

## Required Application Materials

### EZ APPLICATION SYSTEM

Hard copies are no longer accepted. Applicants must submit their application, and all required supporting documentation electronically through the EZ Online Submission System.

- Commonwealth of Virginia FORM W-9 (federal IRS form NOT accepted)
- Local Zone Administrator (LZA) Review Form
- Applicant Declaration Form
- JCG Worksheets or JCG-HUA/SWaM Worksheets
- (In year one, all firms are required to submit Sheets 1 & 2 from the JCG Worksheet. In years 2-5, only firms that are exempt from the attestation are required to submit the JCG Worksheets 1 & 2.)
- CPA Attestation Report Form (if applicable)
- (As provided in §59.1-547, A CPA attestation is a required component to ALL JCG applications except: When the applicant has a Base Year employment  $\leq 100$  PFTP **and** Grant Eligible positions  $\leq 25$  PFTP.)

**Applicants should print and retain the application for their records. To print the application before submitting, the user may use the “print” function in their browser.** For example, on Chrome, click the three vertical dots on the right-top corner, then select “print” from the pop-up menu. Applicants can also print after submission. Details and instructions regarding each of the listed application materials are included in the following sections. All supplemental forms are available on the EZ Online Submission System site at:  
[dmz1.dhcd.virginia.gov/EZOnlinePortal/Default.aspx](https://dmz1.dhcd.virginia.gov/EZOnlinePortal/Default.aspx)

### SUBMISSION DEADLINE

All application materials are due by **11:59 p.m. on April 1, 2026.**

## JCG Worksheet & JCG-HUA/SWaM Worksheet

**The JCG Worksheet and JCG-HUA/SWaM Worksheet must be completed and uploaded to complete the application. Business firms applying as HUA or SWaM applicants must use the JCG-HUA/SWaM Worksheet. All other business firms should use the standard JCG Worksheets.**

To determine eligibility, the business firm will then need to utilize I-9 or comparable employment documentation to verify the start date of permanent full-time employment for all permanent full-time positions in the base year and grant year and identify which permanent full-time positions are net new after the base year. If the company has created at least 4 new permanent full-time positions, **the firm must complete the applicable JCG Worksheet or JCG-HUA/SWaM Worksheet to calculate eligible employment in the base and grant years.**

The JCG Worksheet and JCG-HUA/SWaM Worksheet are **Excel spreadsheets** that tabulate information on all employees filling permanent full-time positions and the hourly wage rates of the employees hired in the grant year. Based on the work dates and applicable wage rates entered for the net new positions, the remainder of the qualification information is automatically calculated within the Worksheet. The grant award for each position is determined based on the wages entered for each grant-eligible position, and the [full months](#) they were employed in the grant year. The JCG Worksheet and JCG-HUA/SWaM Worksheet are available at:  
[dmz1.dhcd.virginia.gov/EZZonePortal/](https://dmz1.dhcd.virginia.gov/EZZonePortal/)

## WORKSHEET: SHEET 1

### 1. Determine the Grant Year.

- The calendar year for which the firm is requesting the Job Creation Grant must be **2025**.

### 2. Determine the Base Year.

- The base year is either of the two calendar years immediately preceding a business firm's first year of grant eligibility.
- For Grant Year 2025, Year 1 applicants may choose from calendar year 2024 or 2023 as the base year.
- **Base Year Employment is a static number and should remain the same for each year in the firm's 5 year grant period.** Therefore, firms applying in Years 2-5 should report the same base year employees on the JCG Worksheet or JCG-HUA/SWaM Worksheet and Part II, Box 3 in the EZ Application System as was reported on their Year 1 application and Worksheet.

### IMPORTANT:

The columns of the Worksheets must be filled out from LEFT TO RIGHT. Filling out the columns out of order may result in calculation errors, as it may allow wages to be entered for ineligible employees.

### Please note the following settings in the Worksheets:

- The cells and formulas within the Worksheet are **locked**. The applicant can only enter in information where requested; no formulas can be overridden.
- Some columns are **hidden** (in order for the auto-calculations to function) and are therefore not visible to the user.
- The Worksheet will also highlight cells in red when duplicate names and/or SSNs have been entered.
- All **shaded** columns in the Worksheet automatically populate; the applicant only has to enter in values in the **non-shaded** columns and the yellow wage rate column.



## COLUMNS A-D: EMPLOYEES FILLING PERMANENT FULL-TIME POSITIONS

1. **Column C: "Employee Name"** *List all employees filling permanent full-time positions (EF-PFTPs) in **alphabetical order**, beginning with Base Year employees, followed by Grant Year employees. Due to locks on the spreadsheet, applicants will not be able to use the "sort" function in Excel to alphabetize the employees' names.*
  - o Include **every employee that worked in the base year** in a permanent full-time capacity regardless of how many months he or she was employed. This could be one day, one week, one month, or the full year. All EF-PFTPs that worked during the base year must be included on the list except for unqualified positions described on Page 10.
  - o The Worksheet has a function that highlights cells in red when duplicate names and/or SSNs/Employee ID numbers have been entered. If an employee has been intentionally entered twice due to the reasons described in the text box below, ignore the red cells.
  - o **BASE YEAR EMPLOYEES SHOULD ONLY BE LISTED ONCE**, unless there was a gap in employment (ex. an employee that left for 2 months and was rehired). Base Year employees should NOT be listed more than once to reflect changes in wages.
2. **Column D: "Last 4 Digits of SSN or employee ID number"** *Enter in the last 4 digits of each employee's social security number. Employees may be assigned an employee ID number to be used in place of the SSN.*
3. **Column B: "Included in CPA Sample Y/N"** *CPA must indicate which employees have been selected to be sampled through preparation of the CPA Attestation Report. **This is the final step of the Worksheet.***
4. **Repeat steps 1-3, listing all EF-PFTPs in the grant year.** *Include every employee that worked in the grant year in a permanent full-time capacity regardless of how many months he or she was employed. The result should be 2 alphabetical lists of employees, with the base year employees listed first, and the grant year employees listed second. See the information below for directions on reflecting Grant Year employees with wage fluctuations.*

Employees Filling Permanent Full-Time Positions				Base Year (new companies use BY2023 or BY2024   YR 2-5 applicants use original BY employee amount)			Current G	
Employee Number	FOR CPA Employee included in CPA Sample Y/N	Employee Name	Last 4 digits of SSN or employee ID number	First work date in base year	Last work date in base year	Months the EF-PFTP worked in Base Year	First work date in grant year 2025	Last work date in grant year 2025
1	Y	Allison Adams	4444	01/01/23	03/13/23	2.37		
2	Y	Patrick Baker	2222	01/01/23	12/31/23	12.00	01/01/25	12/31/25
3	Y	Patrick C. Baker	2236	01/01/23	12/31/23	12.00	01/01/25	12/31/25
4	Y	Michelle Clark	1234	06/12/23	12/31/23	6.67	01/01/25	07/31/25
5	Y	Thomas Davis	2222	01/19/23	12/31/23	11.41	01/01/25	12/31/25
6	Y	Thomas Evans Jr	5555	09/14/23	12/31/23	3.58	01/01/25	12/31/25
7	Y	Lindsey Fleming	7777	01/01/23	11/23/23	10.75		
8	Y	Ashley Gates	8888	07/01/23	12/31/23	6.05	01/01/25	12/31/25
9	Y	Jennifer Holland	3333			0.00	01/01/25	11/15/25
10	Y	Jack Irving III	4321			0.00	01/05/25	03/05/25
11	Y	Jack Irving III	4321			0.00	03/06/25	12/31/25

Employees should only be listed on the JCG worksheet once UNLESS:

- An employee was employed during two or more separate periods in the base or grant year.
- A grant-year employee's wages fluctuated during the grant year. This does NOT apply to base year employees.

In the template above, Jack Irving III is listed twice due to a wage fluctuation and Sarah Noland is also listed twice because he was employed during two separate time periods within the grant year.

The SSN cells for Patrick Baker & Thomas Davis along with Matthew Klein & Christy Reilly are highlighted because the same value has been entered twice. This could be a coincidence, or it could be an error. The red is a warning to double check.

## COLUMNS E-M: BASE AND GRANT YEAR EMPLOYMENT

To complete this portion of the JCG Worksheet, firm management must utilize the employees' payroll record documentation and I-9 Form.

- Column E: "First work date in base year"** Enter first work date of EF-PFTP in base year.
  - o All dates entered in Columns E & F must fall within the base calendar year.
  - o For employees who were only employed during the grant year, Columns E and F should be left blank.
- Column F: "Last work date in base year"** Enter last work date of EF-PFTP in base year.
  - o The months worked in the base year (Column I) for each employee filling a permanent full-time position will be automatically calculated.
  - o Column I will highlight red if the total months worked is greater than 12. This indicates an error in dates entered, and Steps 5-6 should be corrected.
  - o Example: Lauren Johnson (Employee Line 12) was hired in 2025. For this reason,

Columns E and F are left blank for the row pertaining to his base year work dates.

**7. Column J: “First work date in grant year 2025”** Enter the first work date of EF-PFTP in the grant year.

- o All dates entered in Columns J & K must fall within the grant calendar year (2025).
- o Columns J and K should be left blank for employees who worked in the base year but not grant year.
- o Example: Allison Adams and Lindsey Fleming (Employee Lines 1 & 7) was only employed in the base year 2023. For this reason, Columns J and K are left blank for the row pertaining to his employment.

**8. Column K: “Last work date in grant year 2025”** Enter in the last work date of EF-PFTP.

- o The months worked in the grant year (Column M) for each employee filling a permanent full-time position will be automatically calculated.

Employees Filling Permanent Full-Time Positions				Base Year (new companies use BY2023 or BY2024   YR 2-5 applicants use original BY employee amount)			Current G	
Employee Number	FOR CPA: Employee included in CPA Sample Y/N	Employee Name	Last 4 digits of SSN or employee ID number	First work date in base year	Last work date in base year	Months the EF-PFTP worked in Base Year	First work date in grant year 2025	Last work date in grant year 2025
1	Y	Allison Adams	4444	01/01/23	03/13/23	2.37		
2	Y	Patrick Baker	2222	01/01/23	12/31/23	12.00	01/01/25	12/31/25
3	Y	Patrick C. Baker	2236	01/01/23	12/31/23	12.00	01/01/25	12/31/25
4	Y	Michelle Clark	1234	06/12/23	12/31/23	6.67	01/01/25	07/31/25
5	Y	Thomas Davis	2222	01/19/23	12/31/23	11.41	01/01/25	12/31/25
6	Y	Thomas Evans Jr	5555	09/14/23	12/31/23	3.58	01/01/25	12/31/25
7	Y	Lindsey Fleming	7777	01/01/23	11/23/23	10.75		
8	Y	Ashley Gates	8888	07/01/23	12/31/23	6.05	01/01/25	12/31/25
9	Y	Jennifer Holland	3333			0.00	01/01/25	11/15/25
10	Y	Jack Irving B	4321			0.00	01/05/25	03/05/25
11	Y	Jack Irving B	4323			0.00	03/06/25	12/31/25
12	Y	Lauren Johnson	5656			0.00	01/01/25	12/31/25
13	Y	Matthew Klein	4545			0.00	01/01/25	03/01/25
14	Y	Megan Lopez	8989			0.00	05/01/25	12/31/25
15	Y	Josh Mason	9898			0.00	02/01/25	12/31/25
16	Y	Sarah Noland	1414			0.00	02/01/25	08/31/25
17	Y	Sarah Noland	1414			0.00	10/01/25	12/31/25
18	Y	Trevor Osborne	9897			0.00	01/01/25	12/31/25
19	Y	Christy Reilly	4545			0.00	05/06/25	12/31/25
20	Y	Amanda Williams	8145			0.00	01/01/25	12/31/25
21						0.00		

\* Column M will highlight red if the total months worked is greater than 12. This indicates an error in dates entered, and Steps 7-8 should be corrected.

## COLUMNS N-O: HEALTH BENEFITS & HOURLY WAGES FOR GRANT YEAR EMPLOYEES

To complete this portion of the JCG Worksheet, firm management must utilize the employees' payroll record documentation, I-9 Form, and Health Benefits records.

**9. Column N: “Offered Health Benefits Y/N”** For the employees listed only in the grant year, indicate their health benefits status.

- o “Y” indicates that the employee received or was offered health benefits; “N” indicates the employee did not receive or was not offered health benefits.
- o Column N may be left blank for any employees that worked in the base year.
- o The hourly wage column (Column O) is programmed to shade black for any grant year employees that were not offered health benefits, as indicated by an “N”.
- o **DO NOT enter the wage rate for employees not offered health benefits. If this column does not shade black, the excel sheet has not been completed correctly. Employees not offered health benefits are NOT eligible.**



Example: Matthew Klein (Employee Line 13) was not offered health insurance. The “N” in Column N automatically triggered Column O to shade in black.

Employees Filling Permanent Full-Time Positions				Base Year (new companies use BY2023 or BY2024   YR 2-5 applicants use original BY employee amount)			Current Grant Year (GY): 2025				
Employee Number	FOR CPA: Employee included in CPA Sample Y/N	Employee Name	Last 4 digits of SSN or employee ID number	First work date in base year	Last work date in base year	Months the EF-PFTP worked in Base Year	First work date in grant year 2025	Last work date in grant year 2025	Months the EF-PFTP worked in Grant Year 2025	Offered Health Benefits Y/N	Hourly wage Rate for Employees listed in ONLY Grant Year 2025
1	Y	Allison Adams	4444	01/01/23	03/13/23	2.37			0.00	Y	
2	Y	Patrick Baker	2222	01/01/23	12/31/23	12.00	01/01/25	12/31/25	12.00	Y	
3	Y	Patrick C. Baker	2236	01/01/23	12/31/23	12.00	01/01/25	12/31/25	12.00	Y	
4	Y	Michelle Clark	1234	06/12/23	12/31/23	6.67	01/01/25	07/31/25	6.97	Y	
5	Y	Thomas Davis	2222	01/19/23	12/31/23	11.41	01/01/25	12/31/25	12.00	Y	
6	Y	Thomas Evans Jr	5555	08/14/23	12/31/23	3.58	01/01/25	12/31/25	12.00	Y	
7	Y	Lindsey Fleming	7777	01/01/23	11/23/23	10.75			0.00	Y	
8	Y	Ashley Gates	8888	07/01/23	12/31/23	6.05	01/01/25	12/31/25	12.00	Y	
9	Y	Jennifer Holland	3333			0.00	01/01/25	11/15/25	10.49	Y	17.00
10	Y	Jack Irving II	4321			0.00	01/05/25	03/05/25	1.97	Y	17.50
11	Y	Jack Irving III	4321			0.00	03/06/25	12/31/25	9.90	Y	16.50
12	Y	Lauren Johnson	5555			0.00	01/01/25	12/31/25	12.00	Y	22.00
13	Y	Matthew Klein	6545			0.00	01/01/25	03/01/25	1.97	N	
14	Y	Megan Lopez	9999			0.00	05/01/25	12/31/25	8.05	Y	21.50
15	Y	Josh Mason	9998			0.00	02/01/25	12/31/25	10.98	Y	20.00

10. **Column O: “Hourly wage rate for Employees listed ONLY in Grant Year”** Enter hourly wage rates for grant year employees who received or were offered health benefits.

- o Employees with wage fluctuations will be entered on multiple lines, reflecting the grant year dates worked at each wage. Wage fluctuations should not be reflected for base year employees.
- o **Wages should never be entered for employees that worked in the base year.** The worksheet is programmed to shade the applicable wage cell in black since these are not new positions.
- o **Wages should never be entered for employees not offered health benefits.**
- o **Starting, Ending, or Average Wages should NOT be used to reflect an annual hourly wage.**
- o Example: Jack Irving III (Employee Lines 10-11) received a wage raise, effective March 6th as reflected in Columns J-K and Column O

## COLUMNS P/Q/R/S: FULL MONTHS FOR GRANT YEAR EMPLOYEES

Based on the wages entered for the grant year employees filling permanent full-time positions, all the Columns P, Q, R, & S auto-populate such that the applicant does not have to manually distribute the total number of months each employee met the 150% (or 125% for businesses in HUAs and SWaM-certified businesses) or 175% of the minimum wage grant eligibility requirement.

**\*\*Note: Column S appears only on the JCG HUA/SWaM worksheet.**

Employment calculations for the base year and grant year are based on full-months. As such, the 4-job threshold is equivalent to **48 full-months** worked in excess of the full-months worked in the base year.

If a firm hires five employees on October 1 of the grant year (assuming no turnover), each employee will work 3 full-months in the grant year for a total of 15 full-months in the base year. While the firm hired 5 people, the firm would NOT exceed the four job threshold because each person only worked a small portion of the year.

Employees Filling Permanent Full-Time Positions				Base Year (new companies use BY2023 or BY2024   YR 2-6 applicants use original BY employee amount)			Current Grant Year (GY): 2025					Wage Classification for Net New Positions		
Employee Number	FOR CPA: Employee included in CPA Sample Y/N	Employee Name	Last 4 digits of SSN or employee ID number	First work date in base year	Last work date in base year	Months the EF-PFTP worked in Base Year	First work date in grant year 2025	Last work date in grant year 2025	Months the EF PFTP worked in Grant Year 2025	Offered Health Benefits Y/N	Hourly wage Rate for Employees listed in ONLY Grant Year 2025	PFTP in GY not grant eligible (not new in grant year or not meeting wage & health benefit requirement)	New EF PFTP in GY earning at least \$18.00/hr but less than \$21.00/hr	New EF PFTP in GY earning at least \$21.00/hr
1	Y	Allison Adams	4444	01/01/23	03/13/23	2.33			0.00	Y		0.00	0.00	0.00
2	Y	Patrick Baker	2232	01/01/23	12/31/23	12.00	01/01/25	12/31/25	12.00	Y		12.00	0.00	0.00
3	Y	Patrick C. Baker	2230	01/01/23	12/31/23	12.00	01/01/25	12/31/25	12.00	Y		12.00	0.00	0.00
4	Y	Michelle Clark	1234	06/12/23	12/31/23	6.67	01/01/25	07/31/25	6.67	Y		12.00	0.00	0.00
5	Y	Thomas Davis	2322	01/19/23	12/31/23	11.41	01/01/25	12/31/25	12.00	Y		12.00	0.00	0.00
6	Y	Thomas Evans Jr	5555	09/14/23	12/31/23	3.58	01/01/25	12/31/25	12.00	Y		0.00	0.00	0.00
7	Y	Lindsay Fleming	7777	01/01/23	11/23/23	10.75			0.00	Y		0.00	0.00	12.00
8	Y	Ashley Gates	8888	07/01/23	12/31/23	6.00	01/01/25	12/31/25	12.00	Y		10.52	0.00	0.00
9	Y	Jennifer Holland	3333			0.00	01/01/25	11/15/25	10.49	Y	17.00	0.00	0.00	0.00
10	Y	Jack Hong II	4321			0.00	01/05/25	03/06/25	1.50	Y	17.50	0.00	0.00	12.00
11	Y	Jack Hong II	4321			0.00	03/06/25	12/31/25	9.90	Y	18.50	0.00	0.00	0.00
12	Y	Lauren Johnson	5650			0.00	01/01/25	12/31/25	12.00	Y	22.00	0.00	0.00	0.00
13	Y	Matthew Klein	4545			0.00	01/01/25	03/01/25	1.50	N		0.00	11.01	0.00
14	Y	Megan Lopez	8989			0.00	05/01/25	12/31/25	8.05	Y	21.50	0.00	0.00	0.00
15	Y	Josh Mason	9999			0.00	02/01/25	12/31/25	10.98	Y	20.00	0.00	7.00	0.00
16	Y	Sarah Island	1414			0.00	02/01/25	08/31/25	6.50	Y	18.25	0.00	3.02	0.00
17	Y	Sarah Island	1414			0.00	10/01/25	12/31/25	3.00	Y	18.25	0.00	12.00	0.00
18	Y	Trevor Osborne	9937			0.00	01/01/25	12/31/25	12.00	Y	19.00	0.00	7.89	0.00
19	Y	Christy Reilly	4545			0.00	05/06/25	12/31/25	7.89	Y	19.00	0.00	0.00	12.00
20	Y	Amanda Williams	8145			0.00	01/01/25	12/31/25	12.00	Y	35.00	0.00	0.00	0.00

## Worksheet | Sheet Two

As soon as Columns P, Q, R, and S auto-populate, Sheet 2 automatically calculated the figures that will need to be entered into the **EZ Application System**. Column B lists the values to be entered into the EZ-JCG fields online.

	A	B	C
1	Values to be Entered in Form EZ-JCG		
2	New Job Creation	Total Value	Form Reference
3	# of all equivalent PFTP filled by the firm during the BASE year	5.40	Part II., 4.A.
4	# of all equivalent PFTP filled by the firm during the GRANT year	13.70	Part II., 4.B.

<
>
JCG Worksheet
Form EZ-JCG Values
Printing Instructions
+

Ready
Accessibility: Investigate

When printing a hard copy of the JCG Worksheet or JCG-HUA/SWaM Worksheet for your grant documentation files, follow the formatting and printing instructions specified on third tab of the worksheet.

# JCG Submission In EZ Application Submission System

## PART I: BACKGROUND INFORMATION

Form EZ-JCG

### PART I: BACKGROUND INFORMATION

1. Qualified Zone Investor's Legal Name <input type="text"/>	2. Trading name, if different than Legal Name <input type="text"/>	3. Date Bus. Began Operation in Zone <input type="text"/> (MM/DD/YYYY)
4. Federal Employment ID# (FEIN) <input type="text"/>	5. Activity # (First three digits of the NAICS) <input type="text"/>	

- Qualified Zone Investor's Legal Name:** Indicate the applicant's legal business name.
- Trading Name:** Indicate the applicant's trading name, if different than its legal name.
- Date Business Began Operation in Zone:** Indicate the month, day, and year the applicant started operating its business at the zone establishment.
- FEIN/SSN:** The FEIN/SSN provided with the application is used to track the qualified investors and to disburse all grant funds.
  - "FEIN":** If the applicant is an S Corp, LLC, Partnership, Corporation, Sole Proprietorship, or other business entity, indicate the applicant's Federal Employment Identification Number (FEIN).
  - "SSN":** If the applicant is an individual, indicate the applicant's Social Security Number (SSN).
- Activity #:** Indicate the three-digit activity number that applies to the applicant's business type.
  - [Chart of activity numbers.](#) If your firm's activity number is highlighted in red in the chart, your firm or specific positions at your firm are ineligible for JCG. These positions include:
    - Food & Beverage (NAICS 722), Retail (NAICS 44-45), Personal Services (NAICS 812)
    - Units of Local, State, or Federal Government (Typically FEIN 746)

6. Physical Address of Zone Establishment <input type="text"/>		City/County/Town <input type="text"/>	Zip Code <input type="text"/>
7. Type of Application <input checked="" type="radio"/> Standard <input type="radio"/> High Unemployment Area (HUA) OR SWaM- Certified Business		8. Type of Job Creation Made by the Applicant <input type="radio"/> Expansion of an existing firm <input type="radio"/> New firm (start up) <input type="radio"/> Relocation of a firm from outside Virginia <input type="radio"/> Relocation and expansion of a firm within Virginia <small>Note: Firms are not eligible to apply for the JCG if simultaneously closing a facility in Virginia.</small>	
9. Federal Employment ID# (FEIN) of Parent Company (if applicable) <input type="text"/>		10. If the Firm is Subsidiary, Name of the Parent Company <input type="text"/>	
11. Zone Name [Select Zone Name]	12. Zone # <input type="text"/>	13. Zone Designation Date <input type="text"/>	14. Name of Local Zone Administrator <input type="text"/>
15. Name of Grant Applicant Representative First: <input type="text"/> Last: <input type="text"/>		Title <input type="text"/>	Daytime Phone # <input type="text"/>
16. Principal Mailing Address <input type="text"/>		City <input type="text"/>	State VA <input type="text"/>
		Zip Code <input type="text"/>	

- Physical Address of Zone Establishment:** Indicate the physical location of the applicant's business operation. This establishment must be located within the boundaries of an Enterprise Zone. Contact the Local Zone Administrator for verification of zone location.
- Check the type of application.** Check whether the application is for a standard JCG, JCG in High Unemployment Area, or JCG SWaM-certified business. If an HUA/SWaM-certified applicant, be sure the JCG-HUA/SWaM Worksheet is utilized.
- Check the type of job creation made by the applicant:** For applicants selecting "Relocation and expansion of firm within Virginia," make sure the positions are not



restricted from the Job Creation Grant, as specified in the Employment Requirements section on pages 9-10.

- 9-10. **FEIN of Parent Company and if Firm is Subsidiary, Name of Parent Company:** If the business firm is a subsidiary, list the FEIN (#9) and the name of the Parent Company (#10).
- 11-13. **Zone Name, Zone #, Zone Designation Date:** Indicate the Enterprise Zone in which the business is located. Zone names, zone numbers and designation dates are available on the EZ Online Submission System site at [dmz1.dhcd.virginia.gov/EZonePortal/](https://dmz1.dhcd.virginia.gov/EZonePortal/).
14. **Name of Local Zone Administrator:** State the name of the Local Zone Administrator (LZA). LZA contact information is available at [dmz1.dhcd.virginia.gov/EZonePortal/](https://dmz1.dhcd.virginia.gov/EZonePortal/).
- 15-16. The Qualified Zone Investor must provide **contact information** for the grant applicant representative. The email address of the applicant representative is required as applicants will receive email confirmations and updates throughout the application submission and review process. See page 6 of this manual for more information.

PART II: QUALIFICATION INFORMATION	
1. Grant is requested for calendar year: <input type="text"/> (YYYY).	2. Check year of qualification. <input type="radio"/> YR 1 <input type="radio"/> YR 2 <input type="radio"/> YR 3 <input type="radio"/> YR 4 <input type="radio"/> YR 5
3. Base Calendar year used by the business firm <input type="text"/> (YYYY). <i>This base year remains the same for the five years of qualification.</i>	
4. <b>New Job Creation</b> (Note: PFTP=Permanent full-time position.) <i>All documented jobs must exclude positions in retail, food and beverage, and personal service.</i>	
A. # of all equivalent PFTP filled by the firm during the BASE year. (Base Year remains the same for the five years of qualification.)	A <input type="text"/>
B. # of all equivalent PFTP filled by the firm during the GRANT year.	B <input type="text"/>
C. Increase in the # of equivalent PFTP created over the base year. Subtract line A from line B.	C <input type="text"/>
D. New jobs created over four net new job threshold. Subtract 4 from line (C). <i>Note: If line C is equal to or less than 4, the firm will not qualify for job creation grants.</i>	D <input type="text"/>

\*Base year employment is a static number, and should remain the same for each year in the firm's five-year period.

1. **Grant Year:** Enter the calendar year for which the grant is requested. (Current Grant Year: 2025)
2. **Qualification Year:** Enter the qualification year (1 -5) for which the grant is requested.
3. **Base Year:** Determine the base year from which the business firm is claiming an increase in employment. Firms may use either of the two calendar years immediately preceding its first year of grant eligibility as the base year. This allows a business the discretion to select a base year with lower employment to maximize grant benefits. For GY2025, use BY2024 or BY2023.
  - o Companies new to Virginia within the past two years will have a base year employment of zero.
  - o Please see Appendix A for instructions on how to qualify for a subsequent five-year grant period.
4. **New Job Creation:** Determine the base year for which the business firm is claiming an increase in employment.
  - o Boxes 4A & 4B should be populated with the figures provided on Sheet 2 of the Job Creation Worksheet (excel) in cells B3 & B4.
  - o Box 4C must be greater than 4 to qualify for a grant.
  - o Box 4C-D will auto calculate based on information enter in 4A-B.
5. **Grant Eligible Employees:** Determine which new positions meet the wage requirements for each grant level.

- Boxes 5E & 5F should be populated with the figures provided on Sheet 2 of the Job Creation Worksheet (excel) in cells B5 & B6.

<b>5. Grant Eligible Employees</b>	
E. New eligible PFTP filled in grant year earning at least 175% of the minimum wage and offered health care benefits. * B5 on JCG Worksheet.	E <input type="text"/>
F. Net new eligible PFTP filled in grant year earning at least 150% of the minimum wage (but less than 175%) and offered health care benefits. * B6 on JCG Worksheet.	F <input type="text"/>
G. Number of new grant year PFTP meeting wage and health benefits requirements. * Add lines E and F	G <input type="text"/>

## CALCULATION OF GRANT AWARDS

**When Box 4D is greater than Box 5G...** use numbers in Boxes E and F to calculate the grant amounts in Boxes 6A and 6B.

**When Box 4D is less than Box 5G....**

- If Box E = 0: Multiply Box D by \$500 and enter total in Box 6B and "0" in Box 6A.
- If Box F = 0: Multiply Box D by \$800 and enter total in Box 6A and "0" in Box 6B.
- If values in both Boxes E and F:
  - If Box E is less than D, multiply Box E by \$800 and enter total in Box 6A. Then subtract Box E from Box D, multiply by \$500, and enter total in Box 6B.
  - If Box E is greater than Box D, multiply Box D by \$800 and enter total in Box 6A, and "0" in Box 6B

**When Box 4D or Box 5G are greater than 350...**

If the number of grant eligible positions is greater than 350: Follow the calculation instructions described above. However, during the review process, DHCD will adjust the calculations to take the 350-job cap into consideration. Grants will be awarded for eligible positions at the higher grant level first.

Boxes 6A-C are all auto-calculated on the online application. The email address is required, as applicants will receive email confirmations/updates throughout the application submission and review.

## PART III: CPA CONTACT INFORMATION

The business firm representative needs to provide contact information for the CPA who prepared the Attestation Report in this section. If no attestation report is required, put EXEMPT as CPA name.

### PART III: CPA INFORMATION

If company is exempt from CPA Attestation, put EXEMPT as CPA name.

Name of Certified Public Accountant	VA License #	Daytime Phone #	E-mail Address	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Accounting Firm	Address	City	State	Zip Code
<input type="text"/>	<input type="text"/>	<input type="text"/>	VA <input type="text"/>	<input type="text"/>

## PART IV: UPLOAD DOCUMENTS

ALL uploaded documents must be uploaded separately (one PDF with all the documents will NOT be accepted). Password protected documents will NOT be accepted. The following documents are **required**.

- Applicant Declaration Form
- JCG Worksheet Excel Doc
- Completed Commonwealth of Virginia Form W-9
- LZA Review
- CPA Attestation Report Form (if not exempt)

### PART IV: UPLOAD DOCUMENTS

*Password protected documents will NOT be accepted. All documents must be uploaded separately (one PDF with all the documents will NOT be accepted).*

\* Indicates a document that must be uploaded to submit application .

#### Applicant Declaration Form\*

Choose File No file chosen

#### JCG Worksheet Sheets (must upload excel version)\*

Choose File No file chosen

#### COV Form W-9\*

Choose File No file chosen

#### LZA Review\*

Choose File No file chosen

#### CPA Attestation Report Form (If Not Exempt)

Choose File No file chosen

#### Additional Information

Choose File No file chosen

## APPLICANT DECLARATION FORM

The Applicant Declaration Form must be signed and dated by a representative of the business firm that has made the management decisions necessary to complete the application and has reviewed the application and required attachments for accuracy and completion. The Applicant Declaration Form must be uploaded in PART IV of the Portal Submission System.

## JCG WORKSHEET SHEET

Upload the completed JCG worksheet as an Excel file in PART IV of the Portal Submission System.

## COMMONWEALTH OF VIRGINIA W-9

A **completed Commonwealth of Virginia Form W-9** form must be submitted with each grant application in PART IV of the JCG page of the Portal Submission System. The FEIN or SSN listed in PART I must match the FEIN or SSN on the W-9. A blank W-9 form can be found here:

[doa.virginia.gov/forms/CVG/W9\\_COVSubstitute.pdf](https://doa.virginia.gov/forms/CVG/W9_COVSubstitute.pdf)

Federal Form W-9 will NOT be accepted.

## DISREGARDED ENTITIES & SUBSIDIARIES

The applicant should be the company or individual that is capitalizing on the investment.

**The applicant cannot be a disregarded entity.** Often, disregarded entities have a parent company, and in that case the parent company should be the applicant. In other cases of a disregarded entity the individual owner is the applicant and should apply in their own name with their social security number. If the zone investor is a disregarded entity for tax purposes, please utilize the Legal Name and FEIN/TIN of the parent/taxable entity on Form EZ-RPIG and fill out the [Commonwealth of Virginia W-9 Form](#) accordingly.

## LZA REVIEW

The Local Zone Administrator Review document must be signed and uploaded in Part IV.

## CPA ATTESTATION REPORT

As required by statute, a CPA must perform an attestation following the Agreed-Upon Procedures outlined by DHCD. The CPA must be independent of the Qualified Zone Investor and licensed in the Commonwealth of Virginia. The CPA will test the documentation and calculations used to prepare the Job Creation Grant application and will report on these procedures and their findings in the Attestation Report. This report is to be signed by the CPA and uploaded and submitted electronically.

Contact your CPA to find out if they are able to fulfill the attestation requirements for the Job Creation Grant application. All CPAs should know if they are able to perform agreed upon procedures.

These procedures and additional information are available on the EZ Online Submission System site at:

[dmz1.dhcd.virginia.gov/EZZonePortal](http://dmz1.dhcd.virginia.gov/EZZonePortal)

**CPA Attestation Exemption:** As provided in §59.1-547 of the Code of Virginia, business firms with base year employment of 100 or fewer permanent full-time positions that create 25 or fewer grant eligible positions **are** exempt from the attestation requirement for that qualification year. If a firm is exempt from the Attestation Report, the firm must submit the Job Creation Worksheet with their application (regardless of qualification year). **The JCG Worksheet must be completed each year the firm seeks qualification for the JCG, regardless of whether the Attestation Report is required.**

### PART III: CPA INFORMATION

If company is exempt from CPA Attestation, put EXEMPT as CPA name.

Name of Certified Public Accountant	VA License #	Daytime Phone #	E-mail Address	
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	
Accounting Firm	Address	City	State	Zip Code
<input type="text"/>	<input type="text"/>	<input type="text"/>	VA <input type="text"/>	<input type="text"/>

### Can my CPA prepare the application, accompanying materials (worksheets), and attest?

Professional standards (AICPA) provide that a CPA can offer assistance provided the CPA does not assume management responsibilities, such as making management decisions or performing management functions. The decision to follow any advice provided remains with management of the entity.



## PART V: COMMENTS

The applicant may enter any additional information or notes in this section.

**PART V: COMMENTS**  
Please enter your notes here:

## TAXABILITY OF GRANTS

Under IRS regulations, grant awards may be considered taxable income. A 1099 will be issued to all EZ grantees for the grant awards received. For tax-related questions, please contact your tax professional for guidance.

Note: If a grant applicant has any type of outstanding liability to the State (such as an outstanding tax liability), the awarded grant amount will be reduced by the dollar amount of the liability. DHCD does not have records of potential liabilities as this process is handled outside the agency. **If you receive a grant award that is less than the amount noted in the qualification letter, please call the Department of Accounts at (804) 371-8383.**

## RECORD KEEPING REQUIREMENTS

DHCD may at any time review an applicant's records related to qualification under this section to assure that information provided in the application process is accurate. Qualified Zone Investors shall maintain all documentation regarding JCG qualification for a minimum of three years following the receipt of the grant. Grants that do not have adequate documentation regarding qualified real property investments may be subject to repayment. **All JCG grantees are monitored for their first grant year.** Job Creation Grants that do not have adequate documentation regarding permanent full-time positions, report to work criteria, wage rates, or the provision of health benefits may be subject to repayment. The digital version along with a hard copy print out must be kept on file with other grant request records.

## APPENDIX A

### A. Requesting a Second or Subsequent five-year Job Creation Grant Period

Business firms who have finished their first 5-year incentive period may qualify for a subsequent grant period provided that they are still creating new jobs eligible to receive Job Creation Grants.

If a second or subsequent 5 year grant period is requested within two years after the previous five-year grant period, the subsequent base year will be the last grant year.

If a business firm applies for a subsequent 5 year grant period beyond the two years immediately following the completion of the previous 5 year grant period, the business firm shall use one of the 2 preceding calendar years as subsequent base year, at the choice of the business firm.

DRAFT

## Definitions For JCGs

### **Agreed upon procedures engagement:**

An engagement between an independent Certified Public Accountant licensed by the Commonwealth and the business or qualified zone investor seeking to qualify for Enterprise Zone incentive grants whereby the independent Certified Public Accountant, using procedures specified by the Department, will test and report on the assertion of the business or qualified zone investor as to their qualification to receive the Enterprise Zone incentive pursuant to 59.1-549 of the Code of Virginia.

### **Base year, for wage-based Job Creation Grants:**

Either of the two calendar years immediately preceding a business firm's first year of grant eligibility, at the choice of the business firm.

### **Bonus:**

A payment made in addition to the employee's regular earnings.

### **Business firm:**

Any corporation, partnership, electing small business (subchapter S) corporation, limited liability company, or sole proprietorship authorized to do business in the Commonwealth of Virginia. This shall also include business and professional organizations and associations whose classification falls under sectors 813910 and 813910 of the North American Industry Classification System (NAICS) and that generate the majority of their revenue from customers outside the Commonwealth.

### **Commission:**

The compensation paid to an employee after completing a task, which is usually selling a certain amount of goods or services.

### **Common control:**

Such firms as defined by Internal Revenue Code § 52(b).

### **Food and beverage service:**

A business whose classification falls under subsector 722 Food Services and Drinking Places of North American Industry Classification Systems (NAICS).

### **Full month:**

The number of days that the permanent full-time position must be filled in order to count in the calculation of the grant amount. A full month is equivalent to 30.416666 days.

### **Grant-eligible position:**

A new permanent full-time position created above the threshold number at an eligible business firm. Positions in retail, personal service or food and beverage service shall not be grant eligible positions.

### **Health benefits:**

That at a minimum, medical insurance is offered to employees and the employer shall offer to pay at least 50 percent of the cost of the premium at the time of employment and annually thereafter.

**High Unemployment Areas (HUA):**

Enterprise Zone localities with unemployment rates one and one-half times or more than state average based on the most recent annualized unemployment data published by the Virginia Employment Commission.

**Independent Certified Public Accountant:**

A public accountant certified and licensed by the Commonwealth of Virginia who is not an employee of the business firm seeking to qualify for grants under this Program.

**Local Zone Administrator:**

The chief executive of the city or county in which an Enterprise Zone is located, or his or her designee. Pursuant to Enterprise Zone designations made prior to July 1, 2005, this shall include towns.

**Minimum Wage:**

The federal minimum wage or the Virginia minimum wage, whichever is higher as determined for the current calendar year as of December 1 of the prior calendar year by the department. Such determination will be continuously in effect throughout the calendar year, regardless of changes to the federal minimum wage or the Virginia minimum wage during that year, according to the Virginia Code (13VAC5-112-10).

**Permanent full-time position:**

A job of indefinite duration at a business firm located in an enterprise zone, requiring the employee to report to work within an enterprise zone; and requiring (i) a minimum of 35 hours of an employee's time per week for the entire normal year of a business firm's operation, which a normal year must consist of 48 weeks, (ii) a minimum of 35 hours of an employee's time per week for the portion of the calendar year in which the employee was initially hired for or transferred to the business firm, or (iii) a minimum of 1,680 hours per year. Such positions shall not include: (i) seasonal, temporary, or contract positions, (ii) a position created when a job function is shifted from an existing location in the Commonwealth to a business firm located with an enterprise zone, (iii) any position that previously existed in the Commonwealth, or (iv) positions created by a business that is simultaneously closing facilities in other areas of the Commonwealth.

**Personal Service:**

Such positions as classified under NAICS 812.

**Regular basis:**

At least once a month as related to "report to work" requirements for the wage-based job creation grants.

**Related party:**

Means those as defined by Internal Revenue Code § 267(b).

**Report to work:**

That the employee filling a permanent full-time position reports to the business' zone establishment on a regular basis.



**Retail:**

A business whose classification falls under sector 44–45 Retail Trade of the North American Industry Classification System (NAICS).

**Seasonal employee:**

Any employee who normally works on a full-time basis and whose customary annual employment is less than nine months. For example, individuals hired by a CPA firm during the tax return season in order to process returns who work full-time over a three-month period are seasonal employees.

**Subsequent base year:**

The base year for calculating the number of grant eligible positions in a second or subsequent five consecutive calendar year grant period. If a second or subsequent five-year grant period is requested within two years after the previous five-year grant period, the subsequent base year will be the firm's last grant year. The calculation of this subsequent base year employment will be determined by the number of permanent full-time positions in the preceding base year, plus the number of threshold positions, plus the number of grant eligible positions in the final year of the previous grant period. If a business firm applies for a subsequent five-consecutive-year grant period beyond the two years immediately following the completion of the previous five-year grant period, the business firm shall use one of the two preceding calendar years as subsequent base year, at the choice of the business firm.

**Threshold number:**

An increase of four permanent full-time positions over the number of permanent full-time positions in the base year or subsequent base year.

**Transferred employee:**

An employee of a firm in Virginia that is relocated to an enterprise zone facility owned or operated by that firm.

**Wage rate:**

The hourly wage paid to an employee inclusive of shift premiums and commissions. In the case of salaried employees, the hourly wage rate shall be determined by dividing the annual salary, inclusive of shift premiums and commissions by 1,820 hours. Bonuses, overtime, and tips are not to be included in the determination of wage rate.

## Chart Of Activity Numbers

### Agriculture, Forestry, Fishing and Hunting

Activity Code	Subsector Description
111	Crop Production
112	Animal Production
113	Forestry and Logging
114	Fishing, Hunting and Trapping
115	Support Activities for Agriculture and Forestry

### Mining

Activity Code	Subsector Description
211	Oil and Gas Extraction
212	Mining (except Oil and Gas)
213	Support Activities for Mining

### Utilities

Activity Code	Subsector Description
221	Utilities

### Construction

Activity Code	Subsector Description
236	Building, Developing, and General Contracting
237	Heavy and Civil Engineering Construction
238	Special Trade Contractors

### Manufacturing

Activity Code	Subsector Description
311	Food Manufacturing
312	Beverage and Tobacco Product Manufacturing
313	Textile Mills

314	Textile Product Mills
315	Apparel Manufacturing
316	Leather and Allied Product Manufacturing
321	Wood Product Manufacturing
322	Paper Manufacturing
323	Printing and Related Support Activities
324	Petroleum and Coal Products Manufacturing
325	Chemical Manufacturing
326	Plastics and Rubber Products Manufacturing
327	Nonmetallic Mineral Product Manufacturing
331	Primary Metal Manufacturing
332	Fabricated Metal Product Manufacturing
333	Machinery Manufacturing
334	Computer and Electronic Product Manufacturing
335	Electrical Equipment, Appliance, and Component Manufacturing
336	Transportation Equipment Manufacturing
337	Furniture and Related Product Manufacturing
339	Miscellaneous Manufacturingt

## Wholesale Trade

Activity Code	Subsector Description
423	Wholesale Trade, Durable Goods
424	Wholesale Trade, Nondurable Goods
425	Wholesale Electronic Markets and Agents and Brokers

## Retail Trade – PROHIBITED FROM APPLYING FOR JOB CREATION GRANTS

Activity Code	Subsector Description
441	Motor Vehicle and Parts Dealers
442	Furniture and Home Furnishings Stores
443	Electronics and Appliance Stores
444	Building Material and Garden Equipment and Supplies Dealers
445	Food and Beverage Stores
446	Health and Personal Care Stores
447	Gasoline Stations
448	Clothing and Clothing Accessories Stores
451	Sporting Goods, Hobby, Book, and Music Stores
452	General Merchandise Stores
453	Miscellaneous Store Retailers
454	Nonstore Retailers

## Transportation and Warehousing

Activity Code	Subsector Description
423	Wholesale Trade, Durable Goods
424	Wholesale Trade, Nondurable Goods
425	Wholesale Electronic Markets and Agents and Brokers
481	Air Transportation
482	Rail Transportation
483	Water Transportation
484	Truck Transportation
485	Transit and Ground Passenger Transportation
486	Pipeline Transportation
487	Scenic and Sightseeing Transportation



488	Support Activities for Transportation
491	Postal Service
492	Couriers and Messengers
493	Warehousing and Storage

## Information

Activity Code	Subsector Description
511	Publishing Industries
512	Motion Picture and Sound Recording Industries
515	Broadcasting and Telecommunications
517	Telecommunications
518	Data Processing Services, Hosting, and Related Services
519	Other Information Services

## Finance and Insurance

Activity Code	Subsector Description
521	Monetary Authorities – Central Bank
522	Credit Intermediation and Related Activities
523	Securities, Commodity Contracts, Other Financial Investments and Related Activities
524	Insurance Carriers and Related Activities
525	Funds, Trusts, and Other Financial Vehicles

## Real Estate and Rental and Leasing

Activity Code	Subsector Description
531	Real Estate
532	Rental and Leasing Services
533	Lessors of Nonfinancial Intangible Assets (except Copyright)

### Professional, Scientific, and Technical Services

Activity Code	Subsector Description
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541	Professional, Scientific, and Technical Services
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### Management of Companies and Enterprises

Activity Code	Subsector Description
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551	Management of Companies and Enterprises
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562	Waste Management and Remediation Services
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### Educational Services

Activity Code	Subsector Description
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611	Educational Services
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### Health Care and Social Assistance

Activity Code	Subsector Description
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621	Ambulatory Health Care Services
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622	Hospitals
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623	Nursing and Residential Care Facilities
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624	Social Assistance
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### Arts, Entertainment, and Recreation

Activity Code	Subsector Description
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711	Performing Arts, Spectator Sports, and Related Industries
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712	Museums, Historical Sites, and Similar Institutions
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713	Amusement, Gambling, and Recreation Industries
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### Accommodation and Food Services

Activity Code	Subsector Description
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721	Accommodation
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722	Food Services and Drinking Places-- Prohibited from applying for job creation grants
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## Other Services (except Public Administration)

Activity Code	Subsector Description
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811	Repair and Maintenance
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812	Personal and Laundry Services—Prohibited from applying for the Job Creation Grant
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813	Religious, Grant making, Civic, Professional, and Similar
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814	Private Households
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