

State Brownfields Corporate and Income Tax Credit Programs

<i>State</i>	<i>Program/website – credit amount and eligible expenditures</i>	<i>Eligible sites</i>	<i>Transf-erable¹</i>	<i>Automatic vs. needs test or statewide cap</i>	<i>Variations in the amount of the credit and other program details</i>
Conn.	Industrial Site Investment Tax Credit Up to 100% of redevelopment costs with a \$100 million per project ceiling. Credit scheduled over 10 years.	1. Industrial site subject to contamination; 2. Community meets size and distress criteria; and, 3. Minimum investment - \$5 Mil.	Yes	Statewide cap of \$500 million Credit amount depends on needs test and impact analysis.	Lower minimum investment requirements (\$2 million) for historic preservation and mixed residential-commercial projects.
Del.	Qualified Investment in Targeted Areas Job creation and investment tax credits of \$400 to \$750 credit for each \$100,000 of new investment, and \$400 to \$900 for each new job.	Located in a distressed area and creating at least 5 jobs	Yes	Automatic	The highest amounts of the credits go for sites that are either certified brownfields or where the re-use is generating green jobs
Fla.	Voluntary Cleanup Tax Credit Program <ul style="list-style-type: none"> • 50% for site rehabilitation costs includes site assessment, cleanup, and monitoring; not to exceed \$500,000 per year; • An additional 25% of total eligible site rehabilitation costs if a Site Rehabilitation Completion Order is approved; not to exceed \$500,000 per site (one-time); • 50% of total eligible landfill/solid waste removal costs not to exceed \$500,000 (one-time application). 	Sites in designated brownfield areas and subject to executed Brownfield or Voluntary Site Rehabilitation Agreements or dry-cleaning sites with executed Voluntary Cleanup Agreement	Yes	Statewide cap of \$5 million	<ul style="list-style-type: none"> ▪ An additional 25% of eligible costs if the site reuse is affordable housing or health care facilities; ▪ Job Bonus tax refund of \$2,500 for each new job created; ▪ Sales tax refunds on building materials used in construction of affordable housing
Ill.	Environmental Remediation Tax Credit 25% of site assessment and remediation costs over \$100,000. Limit - up to \$40K/yr, \$150k	Meets the state definition of a brownfields site	Yes	Automatic	The threshold of \$100,000 in column 1 is not applicable in enterprise zones.

¹ “Transferable” refers to whether the tax credit recipient can transfer the credit to an entity that has greater tax liability.

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	per site.				
Ind.	Voluntary Remediation Tax Credit The lesser of 10% of the total cost of the remediation or \$100,000.	Requires: <ul style="list-style-type: none"> • local government support; • a “good faith effort to recover costs from RP’s; • State certification of remediation plan 	Yes	Automatic, but with greater requirements than similar programs in other states	
Iowa	Brownfields-Greyfields Tax Credit <ul style="list-style-type: none"> • Greyfields site: 12% to 15% of total investment costs; • Brownfields site: 24% – 30% of total investment costs 	Grayfield: improvements at least 25 years old and: <ul style="list-style-type: none"> • 30 percent or more vacancy; • Assessed value decreased by 25% or more; or, • Current use is a parking lot or vacant 	Yes	Needs test and Statewide cap of \$5 million	The higher percentages are for sites that meet green building standards
Ky.	Voluntary Remediation Tax Credit 100% of site assessment and remediation up to \$150,000 (see also the statute)	In state Voluntary Cleanup Program (VCP)	Yes	Automatic	Also linked to property tax reduction
Mass.	Brownfields Tax Credit 25-50% of site assessment and cleanup	Economically distressed area; response costs exceed 15% of assessed value	Yes	Automatic	The higher 50% credit is for “full” cleanups only – no use restrictions.

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Miss.	<p>Brownfields Tax Credit in Redevelopment Project Areas</p> <p>Tax capture/reimbursement program: counts state sales, income, and franchise taxes generated by the site and reimburses the developer for 2 ½ times eligible site assessment and cleanup costs.</p> <p>Brownfields Tax Credit (Statewide, including outside Redevelopment Project Area)</p> <p>25% up to \$150,000 (\$40,000 annual ceiling) of site assessment and remediation costs.</p>	Cleanup agreement w/ MDEQ	No	Automatic	
Mo.	<p>Brownfield Remediation Tax Credit</p> <p>Up to 100% of remediation and demolition costs - need must be demonstrated. Costs incurred prior to authorization by MO DED are ineligible.</p>	<ul style="list-style-type: none"> Abandoned or underutilized for 3 years Project creates 10 new or 25 retained jobs In state VCP Local government endorsement 	Yes	Needs test and benefit analysis test. Limited to the lesser of: lowest bid; gap in financing; benefit to the State; least amount necessary to cause project to occur.	<p>DED will issue 75% of the credits upon adequate proof of payment of the costs; the remaining 25% until completion of the cleanup.</p> <p>The amount of the credit available for demolition not associated with remediation cannot exceed the total amount of credits approved for remediation.</p>
NY	<p>Brownfields Cleanup Program Tax Credit</p> <ul style="list-style-type: none"> Redevelopment Credits - 10% - 22% of total development costs up to \$35 million or three times site prep costs, whichever is less Site prep credits – 22% to 50% of cleanup and site preparation costs depending on the extent of the cleanup Environmental Insurance - One-time credit of 50% (up to \$30,000) of environmental insurance costs 	Eligibility depends on completing a “Brownfields Cleanup Agreement” with the regulatory side of BCP.	Transfer-able to new owner only (the credit is fully refund-able)	Automatic based on admission to the State Brownfields Cleanup Program, which has a set of criteria	<p>Redevelopment credits:</p> <ul style="list-style-type: none"> manufacturing projects – up to \$45 million in credits or 6 times cleanup costs, whichever is less Additional 8% credit if located in distressed area Additional 2% credit if cleanup to an unrestricted use <p>Site prep credits:</p> <ul style="list-style-type: none"> Higher percentages are for unrestricted use cleanups

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					with residential re-use.
NJ	NJ Brownfield Contaminated Site Remediation Act/Site Reimbursement Fund Post-development reimbursement of up to 75% of eligible site assessment and remediation costs based on state taxes generated from the site.	Depends on state revenues from the site	No	Needs test	Reimbursement for up to 75% of the remediation costs
SC	Credit for Expenses Incurred Through Brownfields Voluntary Cleanup Program 50% of site assessment and remediation costs up to \$50,000 per year. Any unused credit up to \$100,000 may be carried forward five years. (See also the application).	In state VCP	No	Automatic	

[About Redevelopment Economics:](#)

Redevelopment Economics specializes in strategic economic planning and analysis for brownfields and similarly challenged urban redevelopment sites. The firm has a particular expertise in creative financing for brownfields projects, including identifying and procuring incentives that have helped close gaps on more than 40 projects. Redevelopment Economics is also a leading consultant in the field of policy analysis for smart growth and brownfields redevelopment. The firm’s resume includes working on state brownfields and smart growth policy issues for Maryland, Washington State, Iowa, Portland, Portland Metro, and the City of Rochester. There are at least six state laws that been based on our work.

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