

ENTERPRISE ZONE PROGRAM & BENEFITS



About Enterprise Zone Program

The Enterprise Zone Program is an economic development program established by the Maryland General Assembly to provide tax incentives to eligible businesses that are locating or expanding their facilities within designated zones. Talbot County offers two enterprise zones—one in Easton and one in Tilghman Island.

Real Estate Property Tax Credit

The program offers 10-year tax credits for businesses locating or expanding facilities within the Enterprise Zone that meet eligibility requirements.

The program offers an 80% credit on taxes due on any expansion, renovation or capital improvement in the property during the first five years. For the subsequent five years, the credit decreases by 10 percent annually. After 10 years, the property is returned to the tax rolls at its full assessed value.

Years	% of Tax Credits
1–5	80%
6	70%
7	60%
8	50%
9	40%
10	30%

PROGRAM PROCEDURES

- Applicant must be certified as eligible for the credit by the Talbot Economic Development Enterprise Zone Administrator.
- Contact Talbot County Department of Economic Development and Tourism at 410-770-8058 with questions.





Income Tax Credits

General Enterprise Zone Income Tax Credit — Businesses can qualify for one-time \$1,000 credit for each qualified new employee filling a newly created position in an Enterprise Zone. The credit is available for any worker who meets the employment requirements.

First Year	\$3,000
Second Year	\$2,000
Third Year	\$1,000

Enterprise Zone Income Tax Credit for Economically Disadvantaged Employees — Available for businesses hiring economically disadvantaged employees to fill newly-created positions. The tax credit is for a three-year period for each qualified employee and is earned at the following flat rates: First year—\$3,000; second year—\$2,000; third year—\$1,000. To claim the economically disadvantaged employee tax credit, a certification of eligibility for each disadvantaged employee must be obtained from the Maryland Job Service, Department of Labor, Licensing and Regulation.

The following requirements apply to both the general credit and the credit for hiring economically disadvantaged employees:

- Employee must have been hired after the business was located in the zone or after the zone was designated.
- Employee must have been employed for at least 35 hours each week for six months before or during the taxable year in which the credit is taken.
- Employee must spend half of all work time in the zone or in an activity related to the zone.
- Employee must have been hired to fill a new position. A firm's number of full-time positions must increase by the number of credits taken.
- Employee must earn at least 150 percent of the Federal minimum wage.

For more information, contact the Talbot County Department of Economic Development and Tourism at 410-770-8058 or admin@talbotworks.org.

