

Incentives in Greater Sacramento



Name and jurisdiction	Qualification requirements	Other considerations	Total funds available
Economic Development Incentive Program City of Elk Grove	20 full-time employees (FTE) at or above 100% of Area Median Income for the Sacramento metropolitan statistical area (MSA) or 50 FTE at or above 75% of Area Median Income for the Sacramento MSA	<ul style="list-style-type: none"> Target industries aligned Projects located in Old Town SPA need not meet previous criteria Companies moving into space vacant for two years or more get preference 	\$200,000 per fiscal year
Business Attraction and Development Strategy City of Sacramento	Adding employment to target industries, including food and agriculture, advanced manufacturing, information and communication technology, future mobility, clean economy and life science and health services	Incentive funds must help further develop and grow targeted industries or significant job creation in targeted geographic areas of the city	Dependent on allocation of funds via the City's various initiatives to meet goals and stay current with market conditions
Job and Talent Attraction Incentive City of Rancho Cordova	20 FTE within target industries with annual wage over \$100,000, averaging a grant amount of \$10,000 per new job. Terms are discretionary and negotiated as part of an agreement	Companies must fall within target industries or be a headquarters operation. Must be located in the city for at least five years	\$2.5 million; max of \$100,000 per company
Help to Hire Subsidized Wage Placer County	Participants are employees of your company, cannot displace existing workers, compensation at or above minimum wage, employer may not have had layoffs in past 120 days, etc.	Hires must be Placer County residents enrolled in the Employment Services program and cannot be related to any county administrator	Dependent on County funds; companies eligible to receive \$10,500 for each eligible hire

Community	Fee deferrals or offsets	Infrastructure and other financing	Expedited permitting	Development services ombudsman	Sewer credit	Small business support programs	Employee onboarding/ talent assistance	Sales/ property tax incentives
Citrus Heights			◆	◆		◆	◆	
Davis	◆		◆	◆		◆	◆	
El Dorado County	◆		◆	◆		◆	◆	◆
Elk Grove	◆	◆	◆	◆	◆	◆	◆	◆
Folsom			◆	◆			◆	
Galt	◆	◆	◆	◆				◆
Lincoln	◆	◆	◆	◆		◆	◆	◆
Loomis				◆				
Placer County	◆		◆	◆		◆	◆	
Rancho Cordova	◆	◆	◆	◆	◆	◆	◆	
Rocklin	◆	◆	◆	◆		◆		
Roseville	◆	◆	◆	◆				◆
Sacramento	◆	◆	◆	◆		◆	◆	◆
Sacramento County			◆			◆	◆	◆
Sutter County	◆	◆						◆
West Sacramento	◆	◆	◆	◆	◆		◆	◆
Woodland	◆							
Yolo County		◆	◆			◆		◆
Yuba City	◆	◆	◆	◆				◆
Yuba County	◆	◆	◆	◆		◆	◆	

Incentives GSEC has helped companies secure



Bosch

\$575 million proposed CHIPS Act funds, \$25 million California Competes tax credit and \$10 million local utilities incentive



Clutch

\$11.3 million California Competes tax credit



Centene

\$9,000/job incentive from the City of Sacramento and \$7 million California Competes tax credit



Elve Speed

\$15 million California Competes tax credit



Mary Ann's Baking Co.

\$5 million California Competes tax credit and Sacramento Municipal Utility District (SMUD) economic development rate



Kubota Tractor

\$1.95 million California Competes tax credit

Featured State of California incentives



California Competes Tax Credit

The California Competes Tax Credit (CCTC) is available to businesses that want to locate in California or existing California businesses that want to stay and grow. The CCTC is awarded to individual businesses through a competitive application process and has up to three application periods each fiscal year. Credit awards are competitive and subject to credit availability. The tentative amount of credit available for allocation each year is \$180 million. The amount any one business can request in tax credits must be at least \$20,000, but no more than 20% of the total credit allocation available for the fiscal year.

<https://business.ca.gov/calcompetes>

Zero Emission Vehicle Manufacturing Grants

The California Energy Commission has approved \$240 million in grants for zero-emission vehicle and component supply chain manufacturing, including refueling and battery manufacturing. No more than \$50 million per awardee. Companies need to have a lease or purchase sales agreement signed. A 10% match from non-governmental sources is required. Solicitation forthcoming.

<https://www.energy.ca.gov/programs-and-topics/programs/clean-transportation-program>

New Employment Credit

This credit is for employers that hire qualified full-time employees, pay wages for work performed by that employee in a designated geographic area (DGA) and follow all proper reporting and filing requirements. The employer must have a net increase in jobs and must pay qualified wages, which amount to 1.5 times the California minimum wage, but not over 3.5 times the California minimum wage. Qualified employees must perform at least 50% of their labor within the DGA, must be employed full-time and must meet one of several additional criteria options. The total tax credit is equal to 35% of all qualified wages and can be used for up to 60 months.

<https://www.ftb.ca.gov/file/business/credits/new-employment-credit/index.html>

Research and Development Tax Credit

The California Research & Development (R&D) tax credit program reduces state income tax. A business may qualify for the credit if it paid for or incurred qualified research expenses while conducting qualified research activity in California. A business may receive 15% of the excess of current year research expenditures over a computed base amount (minimum of 50% of current year research expenses) or a 24% credit for basic research payments to third party organizations.

<https://www.ftb.ca.gov/file/business/credits/california-research.html>

Partial Sales and Use Tax Exemption for Manufacturing

The partial exemption applies only to the state sales and use tax rate portion, currently at 3.9375%. Qualified companies are those engaged in manufacturing, processing, refining, fabricating or recycling or for companies engaged in R&D for either biotechnology or physical, engineering and life science. The manufacturing equipment must be used at least 50% of the time for manufacturing purposes, must remain in California for at least a year and should have a useful year greater than one year. Purchases in excess of \$200 million in any one year do not qualify.

<https://www.cdtfa.ca.gov/industry/manufacturing-and-research-and-development-equipment-exemption/>

Advanced Transportation and Manufacturing Full Sales and Use Tax Exclusion

The California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) provides a full sale and use tax exclusion for advanced manufacturers and manufacturers of alternative source and advanced transportation products, components or systems.

<http://www.treasurer.ca.gov/caeatfa/ste/index.asp>

Employment Training Panel

The Employment Training Panel (ETP) provides funding to employers to assist in upgrading the skills of their workers. ETP uses a pay-for-performance contract to provide a specific, fixed-fee cash reimbursement for the costs of employer-customized, job-specific skills training conducted by a company and is inclusive of all administration and training costs. Contracts are based on a two-year term. ETP funding is earned once the trainee completes a minimum number of ETP funded training hours and a post training employment retention period earning a contract specific wage.

<https://etp.ca.gov/>

Electric Program Investment Charge Program (EPIC)

The California Energy Commission's EPIC program invests in scientific and technological research to accelerate the transformation of the electricity sector to meet the state's energy and climate goals. The program invests more than \$130 million annually to support research efforts in the renewable energy, electric technologies and electric grid resiliency spaces.

<https://www.energy.ca.gov/programs-and-topics/programs/electric-program-investment-charge-epic-program>

Utility rate and energy efficiency incentives



SMUD

Economic Development Rate

Program provides rate reduction over the first 10 years of a new project's lifetime to ease the burden on new businesses getting on their feet. Multiple options exist including a taper rate beginning at 6% year one, beginning to taper in year six or a flat 4.5% rate discount across the 10-year period. Additional rate discounts are given to businesses located in disadvantaged communities.

Granted on a per-project basis.

Electrification and Energy Efficient Design

Up to \$250,000 incentive toward energy efficient design for buildings and systems.

Workplace EV Charging Station Grant

Grant of \$4,500 per handle toward installation of Level 2 electric vehicle (EV) chargers. SMUD also offers special low rates for plug-in EV (PEV) charging to companies.

<https://www.smud.org/en/Going-Green/Electric-Vehicles/Business>

PG&E

Economic Development Rate

For new business customers and existing customers looking to expand operations, PG&E offers an economic development incentive which provides a **12% discount on electricity for five years.**

<https://www.pge.com/en/business-resources/economic-development.html>