

# Spotsylvania County Technology Zone Program Annual Review Application



A complete application must be hand delivered on or before **March First 1<sup>st</sup>**. **Any questions concerning the Technology Zone Program should be directed to Department of Economic Development at (540) 507-7210.**

Please make a copy of the application for your records. Mail, fax or hand deliver the original application (**only pages 8-10**) to the following address:

Commissioner of the Revenue  
Attention: Technology Zone Renewal  
P.O. Box 175  
Spotsylvania, VA 22553  
or  
Physical address  
9104 Courthouse Rd.  
Spotsylvania, VA. 22553

Fax number: 540-582-7421

Please attach the following:

- An official Virginia Employment Commission report for wage verification
- Provide a listing of business property used in the operation of the qualified technology business and include date of purchase, address where equipment is housed, proof of purchase and a detailed depreciation schedule
- Any other information as requested by the Commissioner of Revenue or the Department of Economic Development.

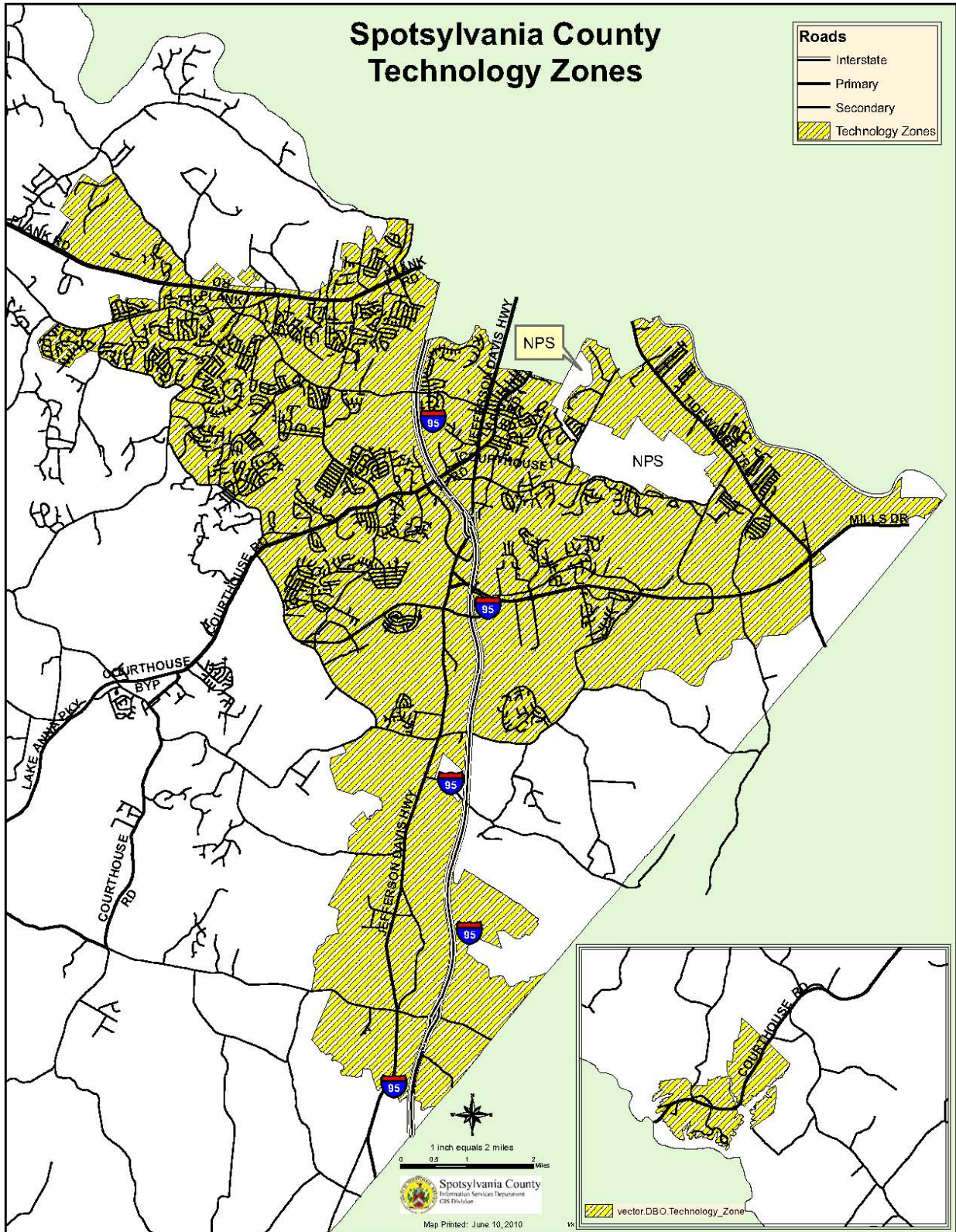
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# Spotsylvania County Technology Zones

**Roads**

- Interstate
- Primary
- Secondary
- Technology Zones



# Definitions

**Base Year** defined as the calendar year preceding the calendar year in which the applicant submits the Technology Zone Program Qualification Application to DED.

**Business** means any corporation, partnership, electing small business (subchapter S) corporation, limited-liability company or sole proprietorship authorized to conduct business in the Commonwealth of Virginia.

The term "Business" does not include organizations that are exempt from state income tax on all income except unrelated business taxable income as defined in the Internal Revenue Code, Section 512; nor does it include homeowners associations as defined in the Internal Revenue Code, Section 528.

**Capital Investments** means moneys used by a Technology Business to purchase Fixed Assets and not moneys used for day-to-day operating expenses. Fixed Assets owned by the Technology Business that are moved into the Technology Zone from another location within the County shall not be included in the calculation of Capital Investments.

**County Code** means the Code of the County of Spotsylvania, Virginia, as amended.

**DED** means the County's Department of Economic Development.

**Employee** means a person who is on the payroll of the Technology Business's establishment within the Technology Zone and whose workstation's primary location is within the Technology Zone.

**Existing Technology Business** means a Technology Business that was actively engaged in the conduct of trade or business in the County prior to an area being designated as a Technology Zone pursuant to this Article.

**Fixed Asset** means long-lived tangible property owned by a Technology Business that is used by the Technology Business in the production of its income including real estate, plant, machinery and equipment.

**Full-Time Employee** means an Employee who is employed in a job for an indefinite duration at a Technology Business located in a Technology Zone and is required either:

- (A) To work at least minimum number of hours as determined by the Federal Government to qualify as a Full-Time Employee per week for a period consisting of forty-eight (48) consecutive weeks, or
- (B) Work at least the minimum number of hours as determined by the federal government to qualify as a Full-Time Employee per week for a portion of the calendar year in which the Employee was hired by the Technology Business.

Seasonal, temporary, leased, contract labor or an Employee whose job function is shifted from an existing location within the County to a Technology Business within the Technology Zone is not a Full-Time Employee.

***Incentive Period*** means a five (5) year period during which a Qualified Technology Business receives the benefit of Technology Zone incentives.

***Internal Revenue Code*** means the Internal Revenue Code of 1986, as amended, Title 26 of the United States Code.

***New Technology Business*** means a Technology Business not already existing within the County prior to an area being designated as a Technology Zone pursuant to this Article.

***Qualified Technology Business*** means a Technology Business that has met the qualifications set forth in Section 24-7 and continues to meet such qualifications as required by this Article.

***Technology Business*** means a Business whose primary purpose is the research, development, or manufacture and/or design for lease, sale or license of Technology Products, Processes or Related Services.

***Technology Products, Processes or Related Services*** means engaging in the activities of automation, biotechnology, biomedical research, chemicals, computer hardware, computer software, defense, electronics, energy, environmental, homeland security, manufacturing equipment, advanced materials, medical technologies, pharmaceuticals, photonics, electronic-based subassemblies and components, testing and measurement, Telecommunications, systems integration, information systems, internet software or data and data warehousing or training in the above concentration areas.

In no case will the use of computers or telecommunication services used by a Business in its administrative operations qualify the Business as a Technology Business.

***Technology Zone*** means a specific geographic area or areas created pursuant to Chapter 38, Title 58.1 of the Code of Virginia of 1950, as amended, to foster the development and expansion of Technology Businesses in the County.

***Technology Zone Program Annual Review Application*** means an application to be completed annually, available from the DED to renew and submit data in order to continue receiving incentive rebates.

***Technology Zone Program Qualification Application*** means an application available from the DED to qualify to receive Technology Zone incentives established by this Article.

***Telecommunications*** means internet, e-mail or similar services, but shall exclude voice, telephone and facsimile communications.

***Year 1*** means the calendar year in which the Technology Business submits a Technology Zone Program Annual Review Application to the Commissioner of Revenue on or before March First (1st) of that year and is qualified as a Qualified Technology Business in such year pursuant to the Certification Procedure described in this Article.

# COUNTY OF SPOTSYLVANIA TECHNOLOGY ZONE PROGRAM Annual Review Application

## PART I. BACKGROUND INFORMATION

1. Technology Zone Location

Route 1 Corridor       Route 2 Corridor       Route 3 Corridor

2. Business Firm Identification

(BOTH NUMBERS ARE REQUIRED)

\_\_\_\_\_ Federal Employee I.D. No. (FEIN)    \_\_\_\_\_ Virginia Employment Commission I.D. No.

3. Name of Business Firm

\_\_\_\_\_ Legal Name

\_\_\_\_\_ Trading Name (If different from legal name)

4. Address (Indicate the physical address of the Zone establishment).

\_\_\_\_\_ Street Address                      \_\_\_\_\_ City                      \_\_\_\_\_ State                      \_\_\_\_\_ Zip Code

5. Principal Mailing Address (Only complete this item if information is different from line 4).

\_\_\_\_\_ Street or Post Office Box                      \_\_\_\_\_ City                      \_\_\_\_\_ State                      \_\_\_\_\_ Zip Code

6. Date the Business Firm began operation at the location in the Technology Zone: \_\_\_\_\_  
Month/Year

7. Business Firm Contact: \_\_\_\_\_  
Name of Person                      Business Telephone Number

8. Business Firm Web address \_\_\_\_\_

9. Qualified Business Activity Code (See Qualified Business Activity Chart) \_\_\_\_\_

10. Brief description of qualified business activity. \_\_\_\_\_  
(attach second page if necessary)

11. Business/Professional/Occupational Licenses (BPOL) Tax Background

a. BPOL paid to the County for each year in business or up to 3 years.

(If the applicant is a new business place N/A on Line a, and b s and skip to Line c).

\$ \_\_\_\_\_ Year \_\_\_\_  
\$ \_\_\_\_\_ Year \_\_\_\_  
\$ \_\_\_\_\_ Year \_\_\_\_

b. Add lines above and divide by the number of years entered. This will be your Base Year BPOL figure.

\$ \_\_\_\_\_

c. BPOL paid to the County in year 1) \$ \_\_\_\_\_ and subsequent qualifying years;

2) \$ \_\_\_\_\_ 3) \$ \_\_\_\_\_ 4) \$ \_\_\_\_\_ 5) \$ \_\_\_\_\_

**Total BPOL paid in Year 1 through qualifying years.**

\$ \_\_\_\_\_

12. Machinery and Tools Tax Background

a. Machinery and Tools Tax paid to the County for each year in business or up to 3 years.

(If the applicant is a new business skip to Line c and place N/A on Line a and b).

\$ \_\_\_\_\_ Year \_\_\_\_  
\$ \_\_\_\_\_ Year \_\_\_\_  
\$ \_\_\_\_\_ Year \_\_\_\_

b. Add lines above and divide by the number of years entered. This will be your Base Year Machinery and Tools Tax figure.

\$ \_\_\_\_\_

c. Machinery and Tools Tax paid to the County in Year 1) \$ \_\_\_\_\_ and subsequent qualifying years;

2) \$ \_\_\_\_\_ 3) \$ \_\_\_\_\_ 4) \$ \_\_\_\_\_ 5) \$ \_\_\_\_\_

**Total Machinery and Tools Tax paid in Year 1 through qualifying years.**

\$ \_\_\_\_\_

## PART II. QUALIFICATION INFORMATION

1. Type of business  
 New [ ] Existing [ ] What is the business firm's base calendar year used for qualification? \_\_\_\_\_
2. Employment Verification

**Employment Verification is used to determine if the firm has met the Program's minimum employment requirement.**

**Note:** The minimum threshold for an Existing Technology Business is equal to an increase in the average number of full-time employees in the technology zone by ten percent (10%) over the firm's base year or the increase must constitute at least three (3) net new full-time employees to the County, whichever is greater. For a New Technology Business the minimum job threshold in a Technology Zone is five (5) new full-time jobs.

**How to Calculate Average Full-time Employment:**

Each applicant must calculate the average number of employees it has employed in either the base year and/or qualifying year, depending on whether the firm is a new or existing business.

**Note:** *New business firms qualifying for the first five-year incentive period, do not have to calculate base year employment. New firms seeking to qualify for a second five-year period will need to calculate the base year employment since they will be treated as an existing business and will need to indicate this on the application.*

- a. Average number of full-time employees employed by the firm during the base calendar year. \_\_\_\_\_  
 (If the applicant is a new business place N/A on Line a, and skip to Line b).
- b. Average number of full-time employees employed by the firm during Year 1. \_\_\_\_\_
- c. Average number of full-time employees hired after the base year. (Subtract Line a from Line b). \_\_\_\_\_
- d. Percentage increase in the average number of full-time employees hired after the base year. (Divide Line c by Line b). \_\_\_\_\_

3. Wage Verification
- a. Average number of full-time employees employed in the base calendar year whose wages were equal to or greater than twenty percent (20%) above the County's average annual salary. \_\_\_\_\_
- b. Average number of full-time employees employed in Year 1 whose wages were equal to or greater than twenty percent (20%) above the County's average annual salary. \_\_\_\_\_
- c. Average number of full-time employees employed after the Base Year whose wages were equal to or greater than twenty percent (20%) above the County's average annual salary. (Subtract Line a from Line b). \_\_\_\_\_
- d. Percent of full-time employees hired after the Base Year whose wages were equal to or greater than twenty percent (20%) above the County's average annual salary. (Divide Line c by Line b). \_\_\_\_\_

4. Investment Verification

**The Investment Verification is used to determine if the business firm has met the Program's minimum investment requirement. A business firm is required to examine the amount of capital investment it has made within the technology zone. For the purposes of this Program capital investment is defined as moneys used by a Technology Business to purchase Fixed Assets and not moneys used for day-to-day operating expenses. Fixed Assets means long-lived tangible property owned by a Technology Business that is used by the Technology Business in the production of its income including real estate, plant, machinery and equipment.**

**Note:** At a minimum a firm must make an added capital investment in the Technology Zone of at least one hundred thousand dollars (\$100,000) for existing technology business and one hundred fifty thousand dollars (\$150,000) for New Technology Businesses if capital investment is being used as the qualifying criteria.

**Important**  
**Note:** The capital investment made in Year 1 is entered on line (b) and Subsequent capital investment made in each of the following qualifying years (2 through 5) are entered on the following line. If no new capital investment is made after Year 1, enter \$0 for the appropriate qualifying year. Total the amount of capitalized investment made from Year 1 through the last year of qualification.

If a qualified technology business disposes of any capital investments during any of the remaining qualifying years the firm is to enter this information on the lines provided.

**Important**  
**Note:** The disposal of any capital investment in Year 1 is entered on line (c)(1) and subsequent disposal of capital investments in each of the following qualifying years (2 through 5) are entered on the following line. (Disposal includes any capital investment moved out of the Technology Zone during any qualifying year). If no capital investment is disposed of in any of the qualifying years after Year 1, enter \$0 for the appropriate qualifying year. Total the amount of capitalized investment made from Year 1 through the last year of qualification.

**Important**

**Note: If the net new investment threshold falls below \$100,000 for the Existing Technology Businesses or \$150,000 for the New Technology Businesses the business firm will forfeit any claim to incentives for that year. The same holds true for the employment and wage tests should either fall below the minimum threshold. If the business firm regains the threshold employment, wages and investment necessary to qualify, the business firm can continue to receive incentives for the time remaining in the firm's five-year incentive period.**

a. Capital investment made in Year 1) \$ \_\_\_\_\_ and subsequent qualifying years;

2) \$ \_\_\_\_\_ 3) \$ \_\_\_\_\_ 4) \$ \_\_\_\_\_ 5) \$ \_\_\_\_\_

**Total Capitalized Investment made in Year 1 through qualifying years.** \$ \_\_\_\_\_

b. Disposal of capital investment in Year 1) \$ \_\_\_\_\_ and subsequent qualifying years;

2) \$ \_\_\_\_\_ 3) \$ \_\_\_\_\_ 4) \$ \_\_\_\_\_ 5) \$ \_\_\_\_\_

**Total disposal of capitalized investment made in Year 1 through qualifying years.** \$ \_\_\_\_\_

c. Total capital investment (subtract line b from line a) \$ \_\_\_\_\_

### PART III. DECLARATION

**BUSINESS FIRM REPRESENTATIVE:**

I, the undersigned am an authorized representative of the business firm for which the request is made. I declare under penalty of perjury that this request has been examined by me and is, to the best of my knowledge, an accurate statement. I further affirm that the business firm has met the requirements for the Technology Zone Program and understand the claw back provisions as set forth in County of Spotsylvania, Code of Virginia Chapter 38, Title 58.1. All records relevant to the information required by this form shall be made available to the Director of Economic Development/Technology Zone Administrator.

\_\_\_\_\_  
Signature Typed or Printed Name

\_\_\_\_\_  
Title Date

This agreement was witnessed by me this day of \_\_\_\_\_  
month/day/year

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**Office Use Only**  
Date Received \_\_\_\_\_

**Year of Qualification**  
1 [ ] 2 [ ] 3 [ ] 4 [ ] 5 [ ]

# Spotsylvania County Average Annual Salary

<u>Year</u>	<u>Salary</u>	<u>Source</u>
Annual Salary for 2009	35,204.00	VEC 2 <sup>nd</sup> qtr. 2008

# Qualified Technology Business Codes

(If you do not find your corresponding code, please write the type of Industry in the space provided on the application)

## **FACTORY AUTOMATION**

AUT-AS assembly manufacturing systems  
AUT-AT automatic test equipment  
AUT-FM Flexible manufacturing systems  
AUT-MC manufacturing control systems  
AUT-ME manufacturing measuring equipment  
AUT-MH materials handling/shipping equipment  
AUT-MT machine tools/press/ equipment  
AUT-MV machine vision systems  
AUT-RO robots/robotic equipment  
AUT-ZZ other factory automation equipment

## **BIOTECHNOLOGY**

BIO-AN animal biotech systems  
BIO-CC cell culture technologies  
BIO-CT catalysts  
BIO-EL bioelectronic equipment  
BIO-EQ biotechnology equipment  
BIO-GE genetic engineering systems  
BIO-IM immunology systems  
BIO-MS biomass/biochemicals  
BIO-MT biomaterials  
BIO-NZ enzyme technology systems  
BIO-PE proteins/protein engineering systems  
BIO-PL plant biotech systems  
BIO-ZZ other biotechnology systems

## **CHEMICALS**

CHE-AP application specific chemicals  
CHE-DY chemical dyes/pigments  
CHE-EX explosive chemicals  
CHE-IG industrial gases  
CHE-IN inorganic chemicals  
CHE-OR organic chemicals  
CHE-PT petrochemicals/petroleum  
CHE-RE reagents  
CHE-ZZ other chemicals nec

## **COMPUTER HARDWARE**

COM-AI artificial intelligence hardware  
COM-AX computer accessories/components  
COM-BU business equipment  
COM-CB computer boards  
COM-CM computer memory systems  
COM-CN converters  
COM-CP CPUs  
COM-IN computer input devices  
COM--MC microcomputers  
COM-MF mainframes  
COM-MN minicomputers

COM-MO monitors

COM-MS supercomputers

## **COMPUTER HARDWARE CONT.**

COM\_OU computer output devices  
COM-PC peripheral controllers  
COM-SN computer hardware for handicapped individuals  
COM-SP specialized computers  
COM-TR terminals  
COM-ZZ other computer hardware nec

## **DEFENSE**

DEF-AS antisubmarine warfare equipment  
DEF-CC command/control equipment  
DEF-EW electronic warfare equipment  
DEFGR defense ground support equipment  
DEF-MI Missiles & related equipment  
DEF-OR ordnance systems equipment  
DEF-ST surveillance/tracking systems  
DEF-TS defense training simulation equipment  
DEF-WA defense warning systems  
DEF-ZZ other defense/military equipment nec

## **ENERGY**

ENR-AL alternative energy systems  
ENR-CN conventional energy equipment  
ENR-CO energy conservation equipment  
ENR-EM energy management systems  
ENR-EP electronic power sources  
ENR-FU conventional and alternate fuel  
ENR-HV hvac equipment  
ENR-LI lighting systems  
ENR-ME meteorological equipment  
ENR-MI mining equipment  
ENR-OG oil/gas recovery equipment  
ENR-ST energy storage equipment  
ENR-TB turbines  
ENR-TR electrical power transmission equipment  
ENR-TS power plant personnel training equipment  
ENR-ZZ other energy equipment nec

## **ENVIRONMENTAL**

ENV-AN environment analysis equipment  
ENV-CP control/prevention equipment  
ENV-TR treatment/abatement equipment  
ENV-WD waste disposal equipment  
ENV-ZZ other environmental services and equipment nec

**MANUFACTURING EQUIPMENT**

MAN-AE aerospace manufacturing equipment  
MAN-BP biotechnology and pharmaceutical mnfng equipment  
MAN-CH chemical processing equipment  
MAN-CO computer hardware manufacturing equipment  
MAN-EL electrical apparatus manufacturing equipment  
MAN-EP electronic and photonic manufacturing equipment  
MAN-MA materials processing equipment  
MAN-ZZ other manufacturing equipment nec

**ADVANCED MATERIALS**

MAT-AB abrasives  
MAT-AD adhesives  
MAT-AM additives/modifiers  
MAT-CE ceramics/related materials  
MAT-CM composites  
MAT-CN construction/building materials  
MAT-CO coatings/coating materials  
MAT-DE desiccants  
MAT-EL electronic materials  
MAT-FO foams/foamed materials  
MAT-FR fillers/reinforcements

**ADVANCED MATERIALS**

MAT-ME metals & alloys  
MAT-MO monomers  
MAT-NF nonmetalliferrous minerals  
MAT-NU nuclear materials  
MAT-OL oils/lubricants  
MAT-PO polymers  
MAT-TX textiles/fibers  
MAT-ZZ other materials nec

**MEDICAL**

MED-DE dental equipment  
MED-DG medical diagnostic equipment  
MED-HA handicap aids  
MED-HH home health care products  
MED-IM implants/prostheses  
MED-MO medical monitoring equipment  
MED-RE rehabilitation devices  
MED-RP medical reproduction-related equipment  
MED-SU surgical/medical equipment  
MED-TH medical therapeutic equipment  
MED-VT veterinary equipment  
MED-ZZ other medical equipment nec

**PHARMACEUTICALS**

PHA-AH antihistamine drugs  
PHA-AI anti-infective agents  
PHA-AN antineoplastic agents  
PHA-AU autonomic drugs  
PHA-BL blood products  
PHA-CN central nervous system drugs  
PHA-CV cardiovascular drugs  
PHA-DI diagnostic agents  
PHA-EX expectorant/antitussives  
PHA-EY eye, ear, nose and throat preparations  
PHA-GI gastrointestinal drugs  
PHA-HO hormones/synthetic substitutes  
PHA-LA local anesthetics  
PHA-ME metabolic/water balance agents  
PHA-OC over-the counter drugs  
PHA-PA pharmaceutical packaging  
PHA-PU pulmonary agents  
PHA-RP reproductive organ drugs  
PHA-SE serums & related agents  
PHA-SK skin/mucous membrane drugs  
PHA-VI vitamins  
PHA-VT veterinary pharmaceuticals  
PHA-ZZ other pharmaceuticals nec

**PHOTONICS**

PHO-AD acousto-optic equipment  
PHO-CA cameras & related equipment  
PHO-DI displays  
PHO-FO fiber optics & related equipment  
PHO-LA lasers/laser related equipment  
PHO-OE optoelectronic devices  
PHO-OP photonics & related equipment  
PHO-ZZ other photonics equipment nec

**COMPUTER SOFTWARE**

SOF-AC accounting software  
SOF-AI artificial intelligence software  
SOF-BA banking software  
SOF-CN construction software  
SOF-CS communications systems software  
SOF-DM database/file management software  
SOF-ED educational and training software  
SOF-FM facilities management software  
SOF-FN financial analysis/management software  
SOF-GO government software  
SOF-HL health services software  
SOF-IN insurance software  
SOF-LE legal software

SOF-LI library software  
SOF-MA manufacturing software systems  
SOF-ME media and communications software  
SOF-NP non-profit organization software

#### **COMPUTER SOFTWARE CONT.**

SOF-NR natural resource management software  
SOF-OA office automation software  
SOF-PD software development systems  
SOF-PM project management software  
SOF-PU public utilities software  
SOF-RE real estate software  
SOF-SM sales/marketing software  
SOF-SR service industry software  
SOF-TR transportation software  
SOF-TS technical/scientific software  
SOF-UT utility systems software  
SOF-WD warehousing and distribution software  
SOF-ZA other applications software nec  
SOF-ZZ other software nec

#### **SUBASSEMBLIES & COMPONENTS**

SUB-CE electronic connectors/packaging  
SUB-CL electrical connectors/packaging  
SUB-CM mechanical connectors/packaging  
SUB-EM electromechanical devices  
SUB-ES electronic subsystems  
SUB-ET electron tubes  
SUB-ME non-electronic, mechanical devices  
SUB-PC passive components  
SUB-SE semiconductors/semiconductor devices  
SUB-TR transducers  
SUB-ZZ other subassemblies/subsystems nec

#### **TEST & MEASUREMENT**

TAM-AN analyzers  
TAM-CA calibrators  
TAM-CR counters/recorders  
TAM-DE detection equipment  
TAM-ME measurement equipment  
TAM-OS oscilloscopes  
TAM-PV process variable controllers  
TAM-SC scientific/laboratory equipment  
TAM-SS security/safety equipment  
TAM-ZZ other test & measurement equipment nec

#### **TELECOMMUNICATIONS**

TEL-AV audio/video equipment  
TEL-BR broadcasting/receiving equipment  
TEL-CI communications interfaces  
TEL-CS communications security devices  
TEL-DC data concentration equipment  
TEL-EM electronic mail equipment  
TEL-MX multiplexes/modems  
TEL-NW communications networks and related equipment  
TEL-SI signal-related equipment  
TEL-SM satellite and microwave communications related equipment  
TEL-TD telecom distribution equipment  
TEL-TE telephone/voice equipment  
TEL-TR transmission system/equipment  
TEL-ZD other data communications equipment nec  
TEL-ZZ other telecommunications equipment nec

#### **TRANSPORTATION**

TRN-AI aircraft  
TRN-AS major aircraft systems  
TRN-GS ground support equipment for aircraft  
TRN-GT ground transportation equipment  
TRN-MA marine systems/equipment  
TRN-PR air/spacecraft propulsion equipment  
TRN-SI signaling equipment  
TRN-SP spacecraft/space vehicles  
TRN-SS space systems  
TRN-TC traffic control equipment for ground vehicles  
TRN-TS training/simulation equipment  
TRN-ZZ other transportation equipment nec