



NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY

new jersey

Highly educated, perfectly located.

Technology Business Tax Certificate Transfer Program

If You Are:

An unprofitable New Jersey-based technology or biotechnology company with fewer than 225 U.S. employees (including parent company and all subsidiaries).

You Can Apply For:

The ability to sell net operating losses and research and development (R&D) tax credits to unrelated profitable corporations.

In The Amount Of:

Net operating losses and tax credits may be sold for at least 80% of their value, up to a maximum lifetime benefit of \$15 million per business.

To Be Used For:

Growth and operations, including working capital or to fund research.

Benefits:

The Technology Business Tax Certificate Transfer Program enables technology and biotechnology companies that have promise but are not currently realizing a profit to turn net operating losses and R&D tax credits into capital.

Program Details:

- Up to \$60 million is available annually, with \$10 million set aside for businesses located in Innovation Zones (any unused balance of the \$10 million set-aside is reverted to the general program pool).*
- Only technology and biotechnology companies whose primary business involves the provision of a scientific process, product or service are eligible.
- An eligible company must own, have filed for, or have a license to use protected, proprietary intellectual property (defined as a patent or a registered copyright).
- An eligible company cannot have had positive net operating income on either of its last two full-year income statements according to GAAP. In addition, an eligible company cannot have a parent company with positive net operating income, or be part of a consolidated group of affiliates for federal income tax purposes with positive net operating income.
- An eligible company must have at least one full-time employee working in New Jersey if incorporated or formed less than three years, five full-time employees in New Jersey if incorporated or formed more than three years but less than five years, or 10 full-time employees in New Jersey if incorporated or formed more than five years.
- An eligible company must have financial statements for the two most recent full years of operation compiled, reviewed or audited by an independent CPA firm and prepared according to US GAAP

continued

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Fees**:

- Application Fee: \$2,500

** All fees are non-refundable.

Application Deadline:

Thursday, June 30, 2016 11:59 PM

Application and application fee must be submitted via the online application. No other form of application and payment will be accepted for entry into the program. EDA must receive completed application by deadline. The application will not be considered submitted until you receive the confirmation message at the end of the application. Please retain this confirmation in the event that it is needed. A link to the online application is below.

N.J. Corporate Business Tax Return Deadline:

The Applicant Company's Corporate Business Tax returns, with all required schedules and attachments, must be filed with the NJ Division of Taxation by the application deadline (above). Failure to file by the program deadline will result in the Applicant Company having no available tax benefit for the current program year.

Program Video Presentation:

Please visit <http://www.njeda.com/NOL> for more information.

Program Links:

[Sample Online Application\(for illustrative purposes only - see application link below to apply\)](#)

[Frequently Asked Questions](#)

[Definitions](#)

[List of Required Documents \(these items must be attached in the online application, if applicable\)](#)

[Benefit Estimator \(for estimate purposes only\)](#)

[Buyers List](#)

[Online Application](#)

[New Jersey Emerging Technology and Biotechnology Financial Assistance Act, N.J.S.A. 34:1B-7.37 et seq.](#)

TO ANSWER ANY QUESTIONS YOU MAY HAVE, PLEASE FIRST CONSULT WITH THE PROGRAM VIDEOS AND LINKS PROVIDED ABOVE, SUCH AS "FREQUENTLY ASKED QUESTIONS" AND "LIST OF REQUIRED DOCUMENTS".

IF THIS DOES NOT ANSWER YOUR QUESTIONS, PLEASE EMAIL YOUR QUESTIONS AND CONTACT INFORMATION TO NOL@NJEDA.COM.

ALL EMAILED QUESTIONS AND THEIR RESPONSES ARE CONSIDERED PUBLIC KNOWLEDGE. THE QUESTIONS AND RESPONSES ARE REVIEWED BY THE DEPUTY ATTORNEY GENERAL'S OFFICE AND POSTED IN THE PROGRAM'S "FREQUENTLY ASKED QUESTIONS" (link above).

For more information on the Technology Business Tax Certificate Transfer Program, visit www.njeda.com.