

CRED

COMMUNITY REVITALIZATION ENHANCEMENT DISTRICT TAX CREDIT

DESCRIPTION

The Community Revitalization Enhancement District (CRED) Tax Credit provides an incentive for investment in community revitalization enhancement districts (Indiana Code 36-7-13). The credit is established by Ind. Code 6-3.1-19. Please note that the CRED tax credit is not the same as the CRED financing tool established under Indiana Code 36-7-13.

PROJECT ELIGIBILITY

The credit is available to taxpayers that make qualified investments for the redevelopment or rehabilitation of property located within a revitalization district. Only those projects that the IEDC expects to have a positive return on investment will be considered.

- » A taxpayer is not eligible for more than one of the following tax credits for the same project:
- » Community revitalization enhancement district tax credit (CRED)
- » Redevelopment tax credit (beginning Jan 2020)
- » Industrial recovery tax credit (DINO) (expiring Dec. 31, 2019)
- » Hoosier business investment tax credit (HBI)
- » Venture capital investment tax credit (VCI)

ELIGIBLE QUALIFIED INVESTMENT COSTS

The applicant's qualified investment must be made for the redevelopment or rehabilitation of property located within a CRED, pursuant to a plan adopted by an advisory commission on industrial development per Indiana Code 36-7-13, and approved by the IEDC before the expenditure is made.

Eligible costs may include:

- » Acquisition costs, when necessary for redevelopment or rehabilitation
- » Architectural and engineering fees
- » Construction management and demolition costs
- » Environmental remediation costs
- » FF&E, if nonmovable
- » Permitting costs directly related to rehabilitation
- » Other hard costs
- » Eligible costs do not include:
- » Legal and accounting fees
- » Developer fees
- » Feasibility studies
- » Property insurance
- » FF&E, if movable
- » Loan costs
- » Other professional fees not directly related to rehabilitation of the property
- » Reserves
- » Other soft costs

CALCULATION AND APPLICATION OF CREDIT

The credit amount is equal to the amount of qualified investment made by the taxpayer during the taxable year multiplied by 25%. The credit may be passed through (see Indiana Code 6-3.1-19-13). The credit is applied against the taxpayer's state or local tax liability, and may be carried forward to the immediately following taxable years.

APPLICATION

An application must be approved before an investment is made. See the application for additional requirements. The application can be found on the IEDC's website.



CRED

COMMUNITY REVITALIZATION ENHANCEMENT DISTRICT TAX CREDIT

CRED EXPIRATION DATES

Pursuant to Indiana Code, eligible community revitalization enhancement districts expire on the following dates:

CRED	EXPIRATION DATE
Anderson	6/30/2030
Bloomington Downtown	6/30/2019
Bloomington Thompson	6/30/2019
Muncie Delco	6/30/2020
Muncie ABB Industrial Centre	6/30/2028
Fort Wayne Downtown	6/30/2026
Fort Wayne Southtown Centre	6/30/2021
Indianapolis Lafayette Square	6/30/2023
Marion	Expired
South Bend	10/15/2019