



City of
CLEVELAND
ECONOMIC DEVELOPMENT

DPS COMMITTEE:
JOB CREATION INCOME TAX CREDIT INCENTIVE PROGRAM
NOVEMBER 28, 2023

EXISTING – JOB CREATION INCENTIVE PROGRAM (JCIP)



- Authorized July 13, 2005 with ordinance 172-A-06
- Must create at least **25** new, full-time jobs in City.
- Eligible applicants may receive **GRANTS** up to **50%** of new payroll taxes for up to **3 years**.
- Grants paid for with **General Fund** allocation to ED.
- Grants over \$75,000 require all employees paid living wage.
- Letter of Support from Ward Councilperson Required.
- Certified payroll submission required.

NEW – JOB CREATION INCOME TAX credit program (JCIT)

- Must create at least **50** new, full-time jobs in City that earn 100% of citywide median income. **(Currently \$33,678 or \$16.19/hour)**
- Eligible applicants may receive **TAX CREDIT** up to **50% of new payroll taxes** for up to **5 YEARS**.
- Applicants receive **TAX CREDITS** will be provided on businesses net profit return through CCA. Does not impact General Revenue Fund.
- Credits applied to all in-person jobs (at least 60% of hours worked in the City) Credit only applies to hours worked in City, not WFH hours worked elsewhere.
- Applicants must be up to date on all taxes to receive credit.
- State law requires individual legislation – marketed holistically.

JOB CREATION INCENTIVES SIDE BY SIDE

	JCIP	JCIT
Minimum # of Jobs	25+	50+
Wage Requirements	Living Wage	Citywide Median Income (\$16.19)
Incentive Type	Grant	Tax Credit
Funding Source	General Fund Allocation	Net Profit Tax Return
Value of Incentive	Up to 50% of 2.5% Income Tax (New Jobs)	Up to 50% of 2.5% Income Tax (New Jobs)
Length of Incentive	3 Years	5 Years