

Accumulated Tax Credit Expansion Program

The Accumulated Tax Credit Expansion Program allows Connecticut businesses to utilize unused tax credits for capital projects, planned or underway, that will increase employment, result in business expansion, or generate substantial economic returns to the state economy.

Eligible companies must:

- Have in excess of \$500,000 of CT R&D tax credits on their balance sheet without ability to utilize them in the next two years
- Must be located in the State of Connecticut
- Must employ more than 10 individuals

Applicants must submit a plan of expansion or innovation to DECD which have one or more of the following characteristics:

- Generate at least 50 new jobs in the State of Connecticut
- Require capital expenditures of \$5 million or greater

Applicants will be required to provide information upon which DECD in consultation with the Department of Revenue Services can evaluate the application including, but not limited to:

- A detailed 5 year growth plan which has detailed budgets for operating expenses and capital expenditures
- Employee growth over the plan period, including expected annual salary and benefits
- Verification of level of qualified accumulated credits being requested to be utilized under the program

Applicants must complete the [DECD application](#) which will be reviewed and analyzed to ensure compliance with the statute. Approved applicants will obtain written approval for a specified amount of tax abatement prior to being allowed to offset taxes, and over what period of time. Credits may not be utilized until 2020, per statute; credits may be sold or assigned. This review and approval will be undertaken in consultation with the Commissioner of the Department of Revenue Services.

The Accumulated Tax Credit Expansion Program was created in [Public Act 17-2](#) (June Special Session), section 701.

For more information, contact Rob Michalik at 860-500-2486.