

Ohio New Markets Tax Credit Program: Determination

Instructions: The information provided in this form will be used by the Ohio Development Services Agency to determine if a business is a qualified active low-income community business as that term is defined in section 5725.33(A)(4) of the Revised Code. Please complete all data fields and submit the form to Development while attaching all supporting documentation.

Step 1: QALICB Information

Provide the following basic information about the proposed QALICB.

- A. Name of the business:
- B. EIN of the business:
- C. Address of the business:

- D. Description of the business:

- E. Nature of the business:

- F. Management Structure / Organizational Chart of the business: (provide as attachment)

- G. Is the business expected to be a qualified low income community business (QALICB) under the U.S. Department of Treasury New Markets Tax Credit program?
Yes No

Attachment A: All documentation related to the above questions should be labeled as Attachment A. Documentation may include the management structure, organizational chart and federal QALICB information. Include page numbers and highlight relevant sections.

Step 2: Annual Revenue

Demonstrate that the business does not derive or project to derive 15% or more of its annual revenue from the rental or sale of real property.

- A. Does the business derive or project to derive revenue from the rental or sale of real property?
Yes No

- B. If the answer to 2a is “yes”, how much of the business’ annual revenue (expressed as a percentage of the business’ total annual revenue) will be derived from the rental or sale of real property?

- C. If the answer to 2a is “no”, provide evidence that the qualified business does not expect to derive 15% or more of its gross annual revenue from the rental or sale of real property over the course of the seven year tax credit period.

Attachment B: All documentation related to the above questions should be labeled as Attachment B. Documentation may include current financial statements, audited financial statements, prior year tax return, etc. Include page numbers and highlight relevant sections. Evidence may be in the form of a letter

from the authorized representative of the qualified business indicating that they have a reasonable expectation that this requirement will be met. Include page numbers and highlight relevant sections.

Step 3: Special Purpose Entity (Not applicable if the answer in 2a was “no” or the percentage in 2b is less than 15%)

If the business does derive or project to derive 15% or more of its annual revenue from the rental or sale of real property, provide documentation that demonstrates the business is a special purpose entity, principally owned by a principal user of that property formed solely for the purpose of renting, either directly or indirectly, or selling real property back to such principal user if such principal user does not derive 15% or more of its gross annual revenue from the rental or sale of real property [Ohio Revised Code § 5725.33(A)(4)].

- A. To evidence the **principal user** of the property, provide documentation that shows the user occupies for the conduct of its business more than 50% of the rentable square footage in a building subject to a lease or other rental agreement for a term not less than the credit allowance period.

Attachment C: *All documentation related to the above questions should be labeled as Attachment C. Documentation must include a lease or rental agreement as well as evidence of the total square footage of the building. Include page numbers and highlight relevant sections.*

- B. To evidence that the entity is **principally owned** by a principal user, provide documentation that shows ownership, directly or by a person that controls the principal user, of at least 80% of the outstanding shares or other equity interest and the power to exercise, directly or indirectly, a controlling influence over the management policies of the special purpose entity.

Attachment D: *All documentation related to the above questions should be labeled as Attachment D. Documentation must include certificates or other evidence of ownership and operating, partnership, or voting agreements to evidence control of management. Include page numbers and highlight relevant sections.*

- C. Provide documentation that shows the principal user does not derive, and does not expect to derive over the course of the seven-year tax credit period, 15% or more of its gross annual revenue from the rental or sale of real property.

Attachment E: *All documentation related to the above questions should be labeled as Attachment E. Documentation may include current financial statements, audited financial statements, prior year tax return, etc. Include page numbers and highlight relevant sections. Evidence may be in the form of a letter from the authorized officer or representative of the principal business or qualified business indicating that they have a reasonable expectation that this requirement will be met.*

The undersigned acknowledges that a copy of the information in this form is being submitted to the Ohio Development Services Agency as part of the process to obtain a financial benefit from the State of Ohio, that the State of Ohio will rely on the information provided in this form to make a determination on eligibility of the business for the Ohio New Markets Tax Credit program, and that presenting a false claim to the State of Ohio may subject the undersigned and/or the entities they represent to criminal and/or civil penalties as provided for in Ohio Revised Code § 2921.13. Further, the undersigned, individually and on behalf of the entity he/she represents, swears or affirms under penalty of law, that he/she is an authorized representative of such entity and that all of the information provided in this form (including the supporting documentation) is true, correct and complete to the best of their knowledge.

Signature of Authorized Representative of the QALICB Date

Type or print name

The undersigned CDE has reviewed the information submitted by the QALICB and has no reason to believe that any of the information provided in this form (including the supporting documentation) is not true, correct and complete to the best of their knowledge. Further, the undersigned, individually and on behalf of the entity he/she represents, swears or affirms under penalty of law, that he/she is an authorized representative of such entity and is operating in compliance with their signed allocation agreement with the Ohio Development Services Agency.

Signature of Authorized Representative of CDE Date

Type or print name

Project Contact Information:

- Name:
- Address:
- Email:
- Phone number:

Please send a hard copy of this form only, with original signatures along with the Determination Fee in the amount of \$100 made out to ‘Treasurer, State of Ohio’ to:

Attn: Ohio New Markets Tax Credit Program Manager
Ohio Development Services Agency, Office of Strategic Business Investments
77 South High Street, 28th floor
Columbus, OH 43215

Please send an electronic copy of this form along with all supporting documentation to:

Ohionewmarkets@development.ohio.gov