



Delaware

Tax Benefits and Incentives for Convenience Services Operators



This state-by-state guide highlights a range of tax credits and incentive programs specifically relevant to the convenience services industry, offering operators clear application instructions and links to find further information. While this report emphasizes programs tailored to the convenience services industry, you know your business and its unique needs.

Opportunities for Convenience Services Operators

First State Food System Program

DELAWARE DEPARTMENT OF AGRICULTURE

The program provides grant funding to entities that grow, process, store, transport, distribute, or sell food in the State of Delaware.

Eligibility Requirements

Eligible entities must grow, process, store, transport, distribute, or sell food in the State of Delaware.

Application Information

Application instructions and forms can be found on the program website.

[Application Link](#)

[Additional information from the Delaware Community Foundation.](#)

Business Finder's Fee Tax Credit

DELAWARE DIVISION OF SMALL BUSINESS

A certified sponsor firm and a certified new business firm shall each be eligible for a tax credit equal to \$500 times the total number of full-time Delaware employees of the certified new business firm each tax year for 3 tax years from the new business certification date.

Eligibility Requirements

To qualify for a business finder's fee credit, a proposed sponsor firm and proposed new business firm shall submit a joint application to the Division, which shall consider whether the application meets the following criteria:

1. The proposed sponsor firm and proposed new business firm each meet the requirements of this subchapter to be a sponsor firm and new business firm, respectively;
2. The new business firm intends to relocate to the State of Delaware as a result of recruitment efforts by the sponsor firm, including, but not limited to, written solicitations, inducements, or other incentives, and intends to establish a Delaware business location, and to obtain a Delaware business license within 8 months of the date of application;

3. The new business firm intends to employ 3 or more full-time Delaware employees within 8 months of the date of application; and
4. The new business firm is not receiving a tax credit pursuant to the New Economy Jobs Program set forth in subchapter IX of Chapter 20 of this title.

The Division shall review the joint application, and the Director shall, within the exercise of the Director's discretion, certify those applications that meet these standards.

[Application Link](#)

[Additional information from the Delaware Division of Small Business.](#)

Delaware Clean Vehicle Rebate Program

DELAWARE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL

The Delaware Clean Vehicle Rebate Program provides incentives for Delawareans to buy or lease new electric vehicles. The vehicle rebate program encourages the deployment of electric vehicles as part of Delaware's commitment to innovation in the transportation sector, reducing greenhouse gases and improving the state's air quality. The Delaware Clean Vehicle Rebate is not a tax credit. It is a cash rebate for purchased or leased vehicles, and it must be applied for within 90 days of the purchase date.

Eligibility Requirements

Applicant Eligibility:

- Delaware residents (must provide copy of driver's license).
- Active-duty military members stationed in Delaware with a temporary Delaware residential address but with permanent residency in another state (must provide Proof of Service letter).
- Businesses, nonprofit organizations or other organizations with both a physical location and address in Delaware and a Delaware business license. (Must provide copy of business license if applying for the rebate as a business. Temporary business licenses are not accepted.)
- State agencies or departments, municipal governments or county governments in the state of Delaware.
- Schools, colleges and universities located in the state of Delaware.

Vehicle Eligibility:

- Must be purchased or leased on or after May 1, 2023, the launch of the Clean Vehicle Rebate Program Funding Round 6*
- Be on the list of Eligible Vehicles.
- Have a base MSRP of less than \$50,000.
- Be one of the following vehicle types:
 - Battery Electric Vehicles (BEV) – Vehicles that are powered by high-capacity batteries that are charged using an external power source. Battery electric vehicles do not have a gasoline or diesel internal combustion engine.
 - Plug-in Hybrid Electric Vehicles (PHEV) – Vehicles that use batteries that are charged by an external power source in conjunction with a gasoline or diesel internal combustion engine.
- Must be a new vehicle registered in the state of Delaware.

Application Information

Applying through a participating Delaware dealership: There are many dealerships in Delaware that can accept the

rebate on the customer's behalf and provide the rebate at the point of sale. Browse a list of participating dealerships in Delaware.

Applying for the rebate post-purchase: To apply for a rebate under the Clean Vehicle Rebate Program, applicants must first register as a supplier with the state of Delaware at esupplier.erp.delaware.gov. Once the supplier file is approved, applicants will receive a Supplier ID number. A Supplier ID number is required to complete the application. Applications will not be processed or paid without the Supplier ID Number.

Note: You only need to register as a supplier once. If you have previously submitted your information, you do not need to submit it again. For assistance, please contact the Supplier Maintenance Team at 302-526-5600 or FSF_Supplier_Maintenance@delaware.gov.

All applicants are required to submit the following documentation:

- A copy of the purchase or lease agreement.
- A current copy of the permanent or temporary vehicle registration card
- One of the following is required as a proof of residency or operation in the state of Delaware:
 - A copy of the applicant's driver's license.
 - A copy of a military proof of service letter.
 - A copy of an applicant's Delaware business license (temporary business licensees are not accepted) or other form of accepted documentation as listed in the Implementation Manual.

[Application Link](#)

[Additional information available from the Delaware Department of Natural Resources and Environmental Control.](#)

Delaware Strategic Fund

DELAWARE DIVISION OF SMALL BUSINESS

The Delaware Strategic Fund is the primary funding source to support business retention and expansion through grants and low-interest loans to projects that grow the state's economy in a significant way.

Eligibility Requirements

Examples of projects that may qualify for assistance:

- New or expanding manufacturing facility
- New or expanding distribution center
- New or expanding corporate headquarters
- New or expanding research facility

For more information, please contact the Delaware Division of Small Business.

Application Information

For more information, please contact the Delaware Division of Small Business:

Becky Harrington

Delaware Division of Small Business

820 North French Street

Wilmington, DE 19801

Phone: 302-577-8477

bharrington@choosedelaware.com

[Additional information available from the Delaware Division of Small Business.](#)

EDGE Grant

DELAWARE DIVISION OF SMALL BUSINESS

The EDGE Grant program gives qualified small businesses in Delaware an opportunity to level the playing field compared to larger businesses, by offering access to significant capital.

Eligibility Requirements

Qualified applications must:

- Have been in operation less than 7 years
- Employ 10 people or fewer
- Be majority located in Delaware
- Have not received a previous Strat Fund grant

Application Information

Edge applications can be found on our website, <https://business.delaware.gov/edge/> when the application period is open, and by clicking on the 'download application' link. You may fill out the application online and submit it as a PDF to edgegrants@delaware.gov (applications are only accepted electronically within the designated timeframe).

[Application Link](#)

[Additional information available from the Delaware Division of Small Business.](#)

Electric Vehicle Charging Equipment Rebates

DELAWARE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL

The Department of Natural Resources and Environmental Control offers rebates to reduce the cost of electric vehicle charging stations that can be installed at multi-family dwellings, workplaces, outside businesses and in other public places.

Eligibility Requirements

The Electric Vehicle Charging Equipment Rebate Program provides rebates for Level 2 electric vehicle charging stations purchased and installed after May 1, 2023.

Four types of charging stations are eligible:

- Multi-family: Properties with four or more residential units, such as condos and apartments.
- Public Access: Charging stations that are open to the public, such as retail centers, park and rides, hospitals, schools and universities, downtown areas, parking garages, hotels, parks and destinations and attractions.
- Workplace: Employers in a non-residential place of business.
- Fleet: Charging stations for fleet vehicles only and not available to the public.

Application Information

Application Process: (visit website for a full list of links)

Step 1 - Read the Rebate Program Description and Guidance document for the type of project you are applying for (Multi-Family Dwellings or Public Access, Fleet and Workplace)

Step 2 - Register as a “supplier” with the state of Delaware using the Division of Accounting eSupplier Portal. (Find more information in the New Supplier Registration Guide or view this instructional video)

If you have previously registered as a Supplier, you do not need to complete this step.

Step 3 - Complete the pre-approval application.

Step 4 - DNREC staff will respond within 10 business days with an approval letter with the approved rebate amount.

Step 5 - Complete the installation of the project within one year of the pre-approval letter.

Step 6 - Submit final paid invoices and documentation and a copy of the approval letter to DNREC.Transportation@delaware.gov for reimbursement.

[Application Link](#)

[Additional information available from the Delaware Department of Natural Resources and Environmental Control.](#)

Individuals With Disabilities Employer Tax Credit

DELAWARE DIVISION OF REVENUE

The Individuals with Disabilities Tax Credit incentivizes Delaware employers to hire job candidates referred by vocational rehabilitation facilities.

Eligibility Requirements

A qualified employer must hire and employ 1 or more vocational rehabilitation referrals. Vocational rehabilitation referral means any individual who is certified as:

1. Having a physical or mental disability which, for such individual, constitutes or results in a substantial impediment to employment; and
2. Having been referred to the employer upon completion of, or while receiving, rehabilitative services.

"Sustained employment" means a period of employment that is not less than 185 days during the taxable year.

Contact Information

Becky Harrington
Delaware Division of Revenue
820 North French Street
Wilmington, DE 19801
Phone: 302-576-6577

bharrington@choosedelaware.com

[Additional information available from the Delaware Prosperity Partnership.](#)

Neighborhood Assistance Tax Credit Program

DELAWARE STATE HOUSING AUTHORITY

The Neighborhood Assistance Act (NAA) Program encourages businesses and individuals who pay Delaware state income taxes to invest in programs serving impoverished neighborhoods or serving low and moderate income families.

Eligibility Requirements

Taxpayer eligibility requirements:

1. The NAA Tax Credit is available to any individual or business paying income tax in Delaware and whose contribution is made to an approved NAA non-profit organization.
2. Contributor must meet the minimum contribution amounts: Business, \$10,000; Individuals, \$2,500.
3. Maximum contribution cannot exceed \$100,000 per tax year. (\$50,000 maximum credit).
4. The maximum amount of contributions by any taxpayer in a 3-year period is \$200,000. (\$100,000 in NAA tax credits over a 3-year period).

Application Information

A full list of required materials and documents are found on the program website for non-profits and taxpayers.

[Additional information available from the Delaware State Housing Authority.](#)

New Business Facility Tax Credits

DELAWARE DIVISION OF REVENUE

Encourage startups and investments into new business facilities and require creation of 5 new jobs and provide a capital investment of \$200,000.

Eligibility Requirements

Eligible businesses must create 5 new jobs and provide a capital investment of \$200,000 (\$40,000 per employee).

Application Information

Please contact the agency website and see Form 402AP 9901 for details.

[Application Link](#)

[Additional information from the Delaware Prosperity Partnership.](#)

Public Utility Tax Exemption/Reduction

DELAWARE DIVISION OF REVENUE

Delaware offers a range of exemptions and reductions to its Public Utility Tax for a range of industries and scenarios.

Eligibility Requirements

To qualify, each Delaware business location must submit a completed Form 5507, Claim for Refund for Public Utility Tax, to the Division of Revenue.

Application Information

Mail Form 5507 to Division of Revenue, P.O. Box 2044, Wilmington, Delaware 19899-2044. You must attach to Form 5507 sufficient documentation to support the payment of the Public Utility Tax in the qualifying activity. If you are claiming a refund as a result of an expansion of an existing facility or the creation of a new facility you must document the Public Utility Tax paid at each facility.

[Application Link](#)

[Additional information from the Delaware Division of Revenue.](#)

SBSCI Loan Participation Program

DIVISION OF SMALL BUSINESS

The State Small Business Credit Initiative [Participation Loan](#) enables small businesses in Delaware to obtain short to long-term financing to help businesses grow and expand, ultimately creating and retaining jobs in Delaware.

Eligibility Requirements

For more information, please contact the Delaware Division of Small Business.

Delaware Division of Small Business

820 North French Street

Wilmington, DE 19801

Phone: 302-577-8477

business@state.de.us

Application Information

1. The borrower applies to receive a loan or line of credit from a financial institution that participates in the program.
2. If the participating financial institution chooses to issue financing to the borrower and believes that the borrower qualifies to participate in the DELPP program, the financial institution submits a complete DELPP application to DSB.
3. The DSB reviews the application and notifies the financial institution if the loan has been accepted for participation. If the loan has been accepted for participation, there will be a contract drawn up between the DSB and the participating financial institution, which outlines the terms of the loan. Each newly approved loan requires a separate executed Participation Agreement.
4. The DSB will issue payment to the financial institution along with the fully executed Participation Agreement.
5. The financial institution administers the total loan amount (including DSB's portion of the loan), and remits DSB's portion of borrower payments to the DSB as the borrower payments are received.

[Additional information from the Delaware Division of Small Business.](#)

Veterans Opportunity Credit

DELAWARE DIVISION OF REVENUE

The [Veterans Opportunity Credit](#) is a refundable tax credit that is an incentive to hire veterans who served overseas conflicts since 2001.

Eligibility Requirements

1. Veterans who served in recent overseas conflicts which a veteran received: (i) the Afghanistan Campaign Medal; (ii) the Iraq Campaign Medal; or (iii) the Global War on Terrorism Expeditionary Medal.
2. Veterans initially hired on or after January 1 2012 and prior to January 1, 2016.
3. Veterans who have been employed for at least 185 days during the taxable year.

Application Information

File using DE Form 700.

[Application Link](#)

[Additional information from the Delaware Division of Revenue.](#)

Workforce Training Grant

DELAWARE DIVISION OF SMALL BUSINESS

The [Workforce Training Grant](#) is a matching grant program available to eligible Delaware companies. It is designed for Delaware employers who need to raise the skill levels of their existing workforce through customized training.

Eligibility Requirements

Applicants for Workforce Training grants must be able to demonstrate a business need for the training. Training programs should be related to new and innovative processes or programs, machinery, or technology-related upgrades. Training projects that create new jobs within the State will be given priority. The full rubric can be found here: <https://business.delaware.gov/wp-content/uploads/sites/118/2023/05/Workforce-Training-Grant-Evaluation-Rubric-and-Score-Sheet.pdf>

Application Information

The Division will use the Workforce Training Grant Assessment Form to ensure that all grants are evaluated consistently. Grant applications will be evaluated in the order in which they are received. All decisions on grant funding will be communicated to the applicant within 45 days. Training programs cannot begin until a fully executed contract exists; the Division will not fund programs retroactively.

[Application Link](#)

[Additional information available from the Delaware Division of Small Business.](#)

Other Credits, Incentives, and Government Programs

Delaware Agricultural Financing Program (DAFP)

DELAWARE DIVISION OF SMALL BUSINESS

Equipment loans will be available for supporting activities including production, processing, packaging, aggregation, and distribution for both small and large-scale operations.

Delaware Brownfields Revolving Loan Fund

DELAWARE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL

The Brownfield Revolving Loan Fund provides loans to eligible brownfield developers for remediation activities on

a Brownfield Site.

Delaware Historic Preservation Tax Credit

DELAWARE DIVISION OF HISTORICAL AND CULTURAL AFFAIRS

Delaware's Historic Preservation Tax Credit Program assists in preserving and rehabilitating historic buildings throughout Delaware.

Delaware Technical Innovation Program (DTIP)

DELAWARE DIVISION OF SMALL BUSINESS

Delaware Technical Innovation Program offers transition grants for companies that have completed Phase I and applied for Phase II of the federal Small Business Innovation Research or Small Business Technology Transfer programs as they work to bring new products to market.

Graduated Lab Space Incentive Program

DELAWARE DIVISION OF SMALL BUSINESS

The Delaware Graduated Lab Space Incentive Program is designed to support existing companies and attract new companies requiring lab space. The program addresses the shortage of lab space that is crucial to ensuring that Delaware can maintain and attract innovative, scalable companies, as well as reap the economic benefit those growing companies provide.

Hazardous Substance Cleanup Act Brownfield Grants

DELAWARE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL

The program provides grant funding opportunities to assist in paying reasonable remedial costs incurred in responding to a hazardous substance remedy.

Hazardous Substance Site Cleanup Loan Program

DELAWARE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL

The Hazardous Substance Site Cleanup Loan Program provides low interest loans for project costs directly related to improving, restoring or protecting human health and the environment by remediating releases of hazardous substances.

Land And Historic Resource Conservation Tax Credit

DELAWARE DIVISION OF REVENUE

Delaware's Historic Preservation Tax Credit Program assists in preserving and rehabilitating historic buildings throughout Delaware. Applicants may be eligible for tax credits for rehabilitation work on properties that are listed in the National Register of Historic Places, or are certified as contributing to a listed historic district. The rehabilitation work must meet the Secretary of the Interior's Standards for Rehabilitation.

New Economy Jobs Program Credits

DELAWARE DIVISION OF REVENUE

The New Economy Jobs program creates incentives to attract and retain Delaware employers which employ the most qualified individuals working in the forefront of traditional and emerging business competition.

Research And Development Tax Credit

DELAWARE DIVISION OF REVENUE

The Research and Development Tax Credit is for qualified Delaware businesses that incur research and development expenses.

Site Readiness Fund

DELAWARE DIVISION OF SMALL BUSINESS

The Delaware Site Readiness Fund promotes economic growth and stability by investing in the development or improvement of commercial and industrial sites to attract job-creating businesses.

Specialty Crop Block Grant Program

DELAWARE DEPARTMENT OF AGRICULTURE

Individual producers, producer groups, organizations and associations, as well as state and local organizations, academic, and other specialty crops stakeholders can apply for funding for projects that benefit the specialty crop industry as a whole and provide a positive impact with measurable outcomes.

SSBCI Delaware Capital Access Program

DELAWARE DIVISION OF SMALL BUSINESS

The Delaware Capital Access Program is designed to use a small number of public resources to generate a large amount of private bank financing.

Tax-Exempt Bond Financing

DELAWARE DIVISION OF SMALL BUSINESS

The program allows the Division to act as the conduit issuer on bond for tax-exempt, non-profit organizations.

Transportation Infrastructure Investment Fund

DELAWARE DEPARTMENT OF TRANSPORTATION

The Transportation Infrastructure Investment Fund is established to provide economic assistance for renovation, construction, or any other type of improvements to roads and related transportation infrastructure in order to attract new businesses to this state, or expand existing businesses in this State, when such an economic development opportunity would create a significant number of direct, permanent, quality full-time jobs.

Young Farmer Loan Program

DELAWARE DEPARTMENT OF AGRICULTURE

The Young Farmer Loan Program offers a 30-year, no interest loan to help young farmers purchase farmland, one of the chief obstacles to starting out in business.