

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

3% Investment Tax Credit

IDAHO STATE TAX COMMISSION

An investment tax credit on all new depreciable, tangible, personal property (machinery and equipment) used in Idaho.

Eligibility Requirements

To qualify:

1. Qualifying property is new or used depreciable property. Idaho adopted the definition of qualifying property found in Internal Revenue Code (IRC) Sections 46(c) and 48 in effect prior to 1986 for this credit.
2. The depreciable life must be three years or more.
3. Property not used in Idaho and vehicles under 8,000 pounds gross weights do not qualify.

Property used in a trade or business that does qualify includes:

1. Tangible personal property-machinery and equipment.
2. Other tangible property used as an integral part of manufacturing, production, extraction, furnishing, transportation, communications, utility services, or research facilities and bulk storage facilities used in connection with those businesses.
3. Elevators and escalators.
4. Single purpose agricultural or horticultural structures, such as a commercial greenhouse or a milking barn.
5. Certain qualified timber property.
6. Petroleum storage facilities.

Application Information

Contact the Idaho State Tax Commission for more information.

Idaho State Tax Commission
11321 West Chinden Boulevard
Boise, ID 83714
Phone: 800-842-5858
Fax: 208-334-2631
taxrep@tax.idaho.gov

Capital Investment Property Tax Exemption

IDAHO STATE TAX COMMISSION

Businesses considering new non-retail facilities may receive a partial or full property tax exemption for up to 5 years from local county commissioners. Required investments for property tax exemption range from \$500,000 to \$3 million depending on county.

Eligibility Requirements

The statute states that commercial or industrial facilities which are non-retail will qualify.

Application Information

Contact the State Tax Commission for more information.

Alan Dornfest

Idaho State Tax Commission

11321 West Chinden Boulevard

Boise, ID 83714

Phone: 208-334-7750

alan.dornfest@tax.idaho.gov

Idaho College Savings Program Employer Tax Credit

IDAHO STATE TAX COMMISSION

Employers are eligible to receive a 20% tax credit for contributions made to an employee's IDEAL college savings account.

Eligibility Requirements

Contact the State Tax Commission for more information.

Application Information

Contact the State Tax Commission for more information.

Idaho State Tax Commission

1132 West Chinden Boulevard

Boise, ID

Phone: 208-334-7660

taxrep@tax.idaho.gov

Other Credits, Incentives, and Government Programs

5% Research and Development Income Tax Credit

IDAHO STATE TAX COMMISSION

Businesses conducting basic and qualified research may earn an income tax credit of 5%.

Agricultural Development Loan Program

IDAHO STATE DEPARTMENT OF AGRICULTURE

The Idaho Agricultural Development Loan Program is administered by the Idaho State Department of Agriculture to

offer financing and assistance to individuals and organizations in Idaho whose Agricultural projects or efforts will provide for Rural Economic Development in Idaho and who cannot obtain credit. from conventional sources.

Aircraft Sales Tax Exemption

IDAHO STATE TAX COMMISSION

Certain materials, parts and components installed on certain aircrafts are exempt from the sales and usage tax.

Broadband Income Tax Credit

IDAHO STATE TAX COMMISSION

Businesses that purchase qualified broadband equipment and infrastructure for the benefit of end users in Idaho may earn a 3% income tax credit up to \$750,000. This credit is transferable and may be carried forward up to 14 years. Businesses must have PUC Approval.

Clean Room Sales Tax Exemption

IDAHO STATE TAX COMMISSION

Any tangible personal property that is used exclusively in a clean room or to maintain the environment of a clean room, is exempt from sales tax.

Collateral Support Program

IDAHO HOUSING AND FINANCE ASSOCIATION

The Collateral Support Program enhances the collateral of qualified small business borrowers to help them attain financing.

Computer Sales Tax Exemption

IDAHO STATE TAX COMMISSION

Computer software that is delivered electronically, remotely accessed, or delivered by the load and leave method the vendor loads the software at the user location but does not transfer any tangible personal property containing the software to the user, is exempt from Idaho sales and use tax.

Data Center Sales Tax Exemption

IDAHO STATE TAX COMMISSION

New data centers choosing to locate in Idaho will be eligible for sales tax exemption on server equipment as well as construction materials used in the construction of the data center facility.

Idaho Business Advantage

IDAHO STATE TAX COMMISSION

Businesses that invest a minimum of \$500,000 in new facilities and create at least 10 new jobs paying \$40,000 annually plus benefits may qualify for a variety of incentives.

Idaho Gem Grant

IDAHO DEPARTMENT OF COMMERCE

This program provides grants to help create and retain jobs in small towns with populations less than 10,000.

Idaho Global Entrepreneurial Mission (IGEM) Program

IDAHO DEPARTMENT OF COMMERCE

The IGEM grant program funds commercialization studies where university researchers and business experts partner together.

Idaho Prime Loan Program

IDAHO STATE TREASURER'S OFFICE

The Idaho Prime Loan Program "The Idaho Prime" is a loan program designed specifically with small businesses in mind. This innovative program is a cooperative effort between the Idaho State Treasurers.

Idaho Rural Economic Development And Integrated Freight Transportation (REDIFIT)

IDAHO STATE DEPARTMENT OF AGRICULTURE

REDIFit provides loans and grants to assist businesses and industries as well as qualified short line or intermodal freight shippers to upgrade, expand, rehabilitate, purchase or modernize equipment and facilities for Idaho's freight shipping infrastructure.

Idaho Tax Reimbursement Incentive

IDAHO DEPARTMENT OF COMMERCE

TRI is a performance-based economic development incentive that provides a tax credit up to 30% for up to 15 years on new corporate income tax, sales tax, and payroll taxes paid because of a new qualifying project. To qualify, a new project must meet certain requirements for creating high-paying jobs in Idaho.

Industrial Revenue Bonds (IRBS)

IDAHO DEPARTMENT OF COMMERCE

Industrial revenue bonds (IRBs) are a means of primarily financing the construction, enlargement, or equipping of manufacturing plants, and a limited number of non-manufacturing facilities.

Net Operating Loss Deductions

IDAHO STATE TAX COMMISSION

The Net Operating Loss program offers a tax provision for businesses which lose money each year.

Non-Retail Facilities Property Tax Exemption

IDAHO STATE TAX COMMISSION

Businesses that invest in new non-retail facilities may receive partial or full property tax exemptions on new plant and building facilities and all personal property related thereto from local county commissioners.

Pollution Control Equipment Sales Tax Exemption

IDAHO STATE TAX COMMISSION

Businesses purchasing required pollution control equipment are exempt from sales tax on those purchases. Required pollution control facilities are exempt from property tax.

Production Sales Tax Exemption

IDAHO STATE TAX COMMISSION

There is 100% sales tax exemption for equipment and raw materials.

Rural Community Investment Fund (RCIF)

IDAHO DEPARTMENT OF COMMERCE

The Rural Community Investment Fund (RCIF) program provides funds to rural areas in support of economic expansion and job creation.

Rural Idaho Economic Development Professional Grant Program

IDAHO DEPARTMENT OF COMMERCE

State funds are appropriated to help rural areas employ full-time Economic Development Professionals who, with a board of directors, manage locally directed economic development programs.

State Trade Expansion Program (STEP Grant)

IDAHO DEPARTMENT OF COMMERCE

The State of Idaho has State Trade Expansion Program (STEP) Grant funds for projects occurring through September 29, 2023. STEP is funded in part through a grant with the U.S. Small Business Administration (SBA) and is administered by Idaho Commerce.

The Idaho Semiconductors for America Act

IDAHO COMMERCE, IDAHO TAX COMMISSION

Provides qualifying Idaho semiconductor companies with a sale and use tax exemption on the purchase of qualifying construction and building materials. To qualify for the incentive, business must also qualify for the Federal CHIPS and Science Act of 2020.

Utility And Industrial Fuels Sales Tax Exemption

IDAHO STATE TAX COMMISSION

Businesses are exempt from paying sales tax on utilities and industrial fuels. Examples include power, water, natural gas, and telephone.

Workforce Development Training Fund

IDAHO WORKFORCE DEVELOPMENT COUNCIL

The Idaho Workforce Development Training Fund Grant Programs support growth of the economy by assisting employers with job creation and integration of technology, specifically through the development of skills in their existing and/or new employees. And provide a return on investment to Idahoans as evidenced by increased wages, job creation, capital investment, retention of Idaho's workforce, credential attainment and/or customer satisfaction (employer and trainee).