

ARIZONA

GRANT NAME	SOURCE	DESCRIPTION	STATE DEPARTMENT	FUNDING	DEADLINES
Incumbent Worker Training Program	https://arizonaatwork.com/recruit-talent/training-programs	Incumbent Worker Training Program The Incumbent Worker Training Program is designed to help your existing workforce obtain skills necessary to retain employment and prevent job loss. Training activities are carried out by the local workforce development board (LWDB) in conjunction with an employer or a group of employers for the purpose of assisting workers in obtaining the skills necessary to retain employment or avert layoffs.	ARIZONA@WORK	N/A	Rolling
On the Job (OTJ) Training	https://arizonaatwork.com/recruit-talent/training-programs	You may qualify to receive a reimbursement for staff engaged in productive work while participating in on-the-job training.	ARIZONA@WORK	N/A	Rolling
Customized Training Program	https://arizonaatwork.com/recruit-talent/training-programs	The Customized Training Program is designed for specific requirements of an employer or group of employers, which is related to new production or service procedures, upgrading to new jobs that require new skills, workplace literacy, or other appropriate purposes as identified by the local board. Upon completion of the training, the employer must commit to employ or continue to employ the individual(s) who participated in the in the training.	ARIZONA@WORK	N/A	Rolling
Quality Jobs Tax Credit	https://www.azcommerce.com/incentives/quality-jobs	The Quality Jobs tax credit offers up to \$9,000 of Arizona income or premium tax credits spread over a three-year period for each net new quality job (\$3,000 per year). The Quality Jobs tax credit is capped at 10,000 jobs being claimed each year by all participants. A taxpayer must apply for Pre-Approval by submitting an electronic Request for Pre-Approval. A taxpayer must also submit an electronic Application for Quality Jobs Tax Credits to Commerce. If the applicant meets all eligibility requirements, Commerce will issue a Tax Credit Allocation Letter to the taxpayer identifying the credit the taxpayer may be able to claim with the Arizona Department of Revenue (Revenue) or the Arizona Department of Insurance (Insurance), as applicable.	Arizona Commerce Authority	Tax Credit	Rolling
Qualified Facility Tax Credit	https://www.azcommerce.com/incentives/qualified-facility	The Qualified Facility tax credit (A.R.S. § 41-1512) was established by the Arizona legislature in 2012, and amended in 2016, to promote the location and expansion of manufacturing facilities, including manufacturing-related research & development or headquarters facilities. The Program accomplishes this goal by providing a refundable tax credit to taxpayers who are expanding or locating a Qualified Facility in Arizona. The Arizona Commerce Authority (ACA) may authorize up to \$70 million per calendar year in tax credits to qualified companies beginning January 2013 through December 2022. The tax credits will be authorized on a first-come, first-served basis, according to a priority placement number assigned by the ACA at the time of Pre-Approval.	Arizona Commerce Authority	Tax Credit	Rolling
Work Opportunity Tax Credit	https://des.az.gov/services/employment/employer-resources/work-opportunity-program-wotc	Through the Work Opportunity Tax Credit (WOTC) Program, employers have the opportunity to earn a federal tax credit between \$1,200 and \$9,600 per employee. This tax credit is dependent upon the new employee qualifying as a member of one of the specific target groups and working a minimum of 120 hours in their first year.	Arizona Department of Economic Security	Tax Credit	Rolling
Research and Development Tax Credit	https://www.azcommerce.com/incentives/research-development	Enacted in 1992 for corporations (currently, A.R.S. § 43-1168) and 1999 for individuals (A.R.S. § 43-1074.01), the nonrefundable R&D tax credit has been administered by the Arizona Department of Revenue (Revenue). The 2011 through 2022 R&D tax credit is equal to 24% of the first \$2.5 million in qualifying expenses plus 15% of the qualifying expenses in excess of \$2.5 million. For 2023 and thereafter, the tax credit rates will be 20% of the first \$2.5 million in qualifying expenses plus 11% of the qualifying expenses in excess of \$2.5 million.	Arizona Department of Revenue	Tax Credit	Rolling

ARIZONA (CONTINUED)

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R&D REFUNDABLE TAX CREDIT	https://www.azcommerce.com/incentives/research-development/rd-refundable-tax-credit/	The R&D refundable tax credit program is established by A.R.S. § 41-1507 and is administered by the Arizona Commerce Authority (ACA). Starting in 2010, a qualifying company may be eligible to claim a partial refund of its current year excess R&D credit. A company that is otherwise qualified for the R&D tax credit who employs less than 150 full-time employees can apply to the ACA for a partial refund of up to 75% of the excess credit amount. The ACA has been given the authority to approve refunds under this program up to \$5 million in any calendar year. Therefore, refunds are approved by the ACA on a first-come, first-served basis, according to the date and time an application is filed with the ACA. Beginning in calendar year 2019, the maximum refund amount per taxpayer is \$100,000 in a single tax year.	Arizona Commerce Authority	Tax Credit	Rolling
SALES TAX EXEMPTIONS FOR MANUFACTURING	https://www.azcommerce.com/incentives/sales-tax-exemptions-for-manufacturing/	Exemptions are available for: Machinery or equipment used directly in manufacturing, see A.R.S. § 42-5159(B)(1). Machinery, equipment or transmission lines used directly in producing or transmitting electrical power, but not including distribution, see A.R.S. § 42-5159(B)(4). Machinery or equipment used in research and development, see A.R.S. § 42-5159(B)(14). The electricity or natural gas for businesses that are principally engaged in manufacturing or smelting operations. See A.R.S. §§ 42-5063(C)(6) and 42-5159(G).	Arizona Department of Revenue	Tax Credit	Rolling
Arizona Apprenticeship Program	https://des.az.gov/services/employment/registered-apprenticeship/apprenticeship-employers	A Registered Apprenticeship is an opportunity for a worker to earn a salary while receiving mandatory on-the-job (OTJ) training, and related technical instruction (RTI). Apprenticeship programs are sponsored by individual employers, employer associations and/or joint employer and labor groups. The sponsor of an apprenticeship program plans and administers the program. Apprentices must be full-time employees of the employer who is sponsoring the training program. However, in the event of a School-to-Registered Apprenticeship program, apprentices may be employed part-time. Typically, the wage of an apprentice starts at 40-50% of a skilled worker's wage. Wages increase progressively with satisfactory completion of work assignments and Related Technical Instruction.	Arizona Department of Economic Security	N/A	Rolling