

ASSEMBLY, No. 2414

STATE OF NEW JERSEY

INTRODUCED OCTOBER 7, 1996

By Assemblymen DiGAETANO and DORIA

1 AN ACT increasing the new jobs investment tax credit under the
2 corporation business tax for new jobs and investment in research
3 and development, amending P.L.1993, c.170.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. Section 2 of P.L.1993, c.170 (C.54:10A-5.5) is amended to read
9 as follows:

10 2. As used in this act:

11 "Business relocation or expansion" means capital investment in a
12 new or expanded business facility in this State.

13 "Business facility" means any factory, mill, plant, refinery,
14 warehouse, building, complex of buildings or structural components
15 of buildings, and all machinery, equipment and personal property
16 located within this State, used in connection with the operation of the
17 business of a corporation that is subject to the tax imposed pursuant
18 to section 5 of P.L.1945, c.162 (C.54:10A-5), and all facility
19 preparation and start-up costs of the taxpayer for the business facility
20 which it capitalizes for federal income tax purposes.

21 "Compensation" means wages, salaries, commissions or any other
22 form of remuneration paid to employees for personal services.

23 "Controlled group" means one or more chains of corporations
24 connected through stock ownership with a common parent corporation
25 if stock possessing at least 50% of the voting power of all classes of
26 stock of each of the corporations is owned directly or indirectly by one
27 or more of the corporations; and the common parent owns directly
28 stock possessing at least 50% of the voting power of all classes of
29 stock of at least one of the other corporations.

30 "Director" means the Director of the Division of Taxation in the
31 Department of the Treasury.

32 "Expanded business facility" means any business facility, other than
33 a new business facility, resulting from acquisition, construction,
34 reconstruction, installation or erection of improvements or additions

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 to existing property if such improvements or additions are purchased
2 on or after the operative date of this act, but only to the extent of a
3 taxpayer's qualified investment in such improvements or additions.

4 "New business facility" means a business facility which:

5 a. is employed by a taxpayer in the conduct of a business which is
6 or will be taxable under P.L.1945, c.162 (C.54:10A-1 et seq.). Such
7 facility shall not be considered a new business facility in the hands of
8 a taxpayer if the taxpayer's only activity with respect to such facility
9 is to lease it to another person;

10 b. is purchased by a taxpayer and is placed in service or use on or
11 after the operative date of this act;

12 c. was not purchased by a taxpayer from a related person. The
13 director may waive this requirement if the facility was acquired from
14 a related person for its fair market value and the acquisition was not
15 tax motivated;

16 d. was not in service or use during the 90 day period immediately
17 prior to transfer of the title to the facility, provided that this restriction
18 for the 90 day period may be waived by the director if the director
19 determines that individuals employed at the facility may be considered
20 as "new employees" as defined in this section.

21 "New employee" means an individual residing and domiciled in this
22 State, hired by a taxpayer to fill a position or a job in this State which
23 previously did not exist in the taxpayer's business enterprise in this
24 State prior to the date on which the taxpayer's qualified investment is
25 placed in service or use in this State provided that:

26 a. the individual's duties in connection with the operation of the
27 business facility are on a regular, full-time and permanent basis or
28 regular part-time and permanent basis;

29 b. the individual is not a related individual as defined in subsection
30 (i) of section 51 of the federal Internal Revenue Code of 1986, 26
31 U.S.C. §51, or does not own 10% or more of the business with such
32 ownership interest to be determined under the rules set forth in section
33 267 of the federal Internal Revenue Code of 1986, 26 U.S.C. §267;

34 c. the individual is not an individual who worked for the taxpayer
35 during the six month period ending on the date the taxpayer's qualified
36 investment is placed in service or use and is rehired by the taxpayer
37 during the six month period beginning on the date the taxpayer's
38 qualified investment is placed in service or use in this State; and

39 d. the individual is not an employee for whom the taxpayer is
40 allowed a credit pursuant to section 19 of P.L.1983, c.303
41 (C.52:27H-78) or section 12 of P.L.1985, c.227 (C.55:19-13).

42 As used in this definition: "full-time" means employment for at least
43 140 hours per month at a wage not less than the State or federal
44 minimum wage, if either minimum wage provision is applicable to the
45 business and "permanent basis" does not include employment that is
46 temporary or seasonal and therefore the compensation paid to

1 temporary or seasonal employees will not be considered for purposes
2 of sections 4 and 6 of this act; and "part-time" means customarily
3 performing such duties at least 20 hours per week for at least six
4 months during the tax year. In no event shall the number of new
5 employees directly attributable to the qualified investment for the
6 purpose of the credit allowed pursuant to this act exceed the total
7 increase in the taxpayer's average employment in this State for the tax
8 year over the average employment in this State for the previous tax
9 year and in no event shall the number of new employees directly
10 attributable to the qualified investment for the purpose of the credit
11 allowed pursuant to this act exceed one half of the average
12 employment in this State for the tax year; and provided, that the
13 director may require that the net increase in the taxpayer's employment
14 in this State be determined and certified for the taxpayer's controlled
15 group.

16 Provided further, however, that individuals filling jobs saved as a
17 direct result of the taxpayer's qualified investment in property
18 purchased for business relocation or expansion on or after the
19 operative date of this act may be treated as new employees filling new
20 jobs if the taxpayer certifies the material facts to the director and the
21 director expressly finds that: but for the new employer purchasing the
22 assets of a business in bankruptcy under chapter 7 or 11 of the United
23 States Bankruptcy Code and such new employer making qualified
24 investment in property purchased for business relocation or expansion,
25 the assets would have been sold by the United States bankruptcy court
26 in a liquidation sale and the jobs so saved would have been lost; or but
27 for the taxpayer's qualified investment in property purchased for
28 business relocation or expansion in this State, the business facility in
29 this State would have closed and the employees located at the facility
30 would have lost their jobs; provided that the director shall not make
31 this certification unless the director finds that the business is insolvent
32 as defined in paragraph (32) of 11 U.S.C. s.101 or that the business
33 facility was destroyed in whole or in significant part by fire, flood or
34 act of God.

35 "New job" means a job which did not exist in the business of the
36 taxpayer in this State prior to the taxpayer's qualified investment being
37 made, and which is filled by a new employee.

38 "Partnership" means a syndicate, group, pool, joint venture or other
39 unincorporated organization through or by means of which any
40 business, financial operation or venture is carried on, and which is not
41 a trust or estate, a corporation or a sole proprietorship. The term
42 "partner" includes a member in such a syndicate, group, pool, joint
43 venture or organization.

44 "Property purchased for business relocation or expansion" means
45 improvements to real property and tangible personal property, but only
46 if that improvement or personal property was constructed or

1 purchased and placed in service or use by the taxpayer, for use as a
2 component part of a new or expanded business facility located in this
3 State.

4 a. Property purchased for business relocation or expansion shall
5 include only:

6 (1) improvements to real property placed in service or use on or
7 after the operative date of this act by the taxpayer;

8 (2) tangible personal property placed in service or use by the
9 taxpayer on or after the operative date of this act, with respect to
10 which depreciation, or amortization in lieu of depreciation, is
11 allowable in determining the corporation business tax liability of the
12 taxpayer under P.L.1945, c.162, and which has a remaining recovery
13 period of three or more years at the time the property is placed in
14 service or use in this State; or

15 (3) tangible personal property owned and used by the taxpayer at
16 a business location outside this State which is moved into this State on
17 or after the operative date of this act, for use as a component part of
18 a new or expanded business facility located in this State; provided that
19 the property is depreciable or amortizable personal property for
20 income tax purposes, and has a remaining recovery period of three or
21 more years at the time the property is placed in service or use in this
22 State.

23 b. Property purchased for business relocation or expansion shall
24 not include:

25 (1) Repair costs, including materials used in the repair, unless for
26 federal income tax purposes, the cost of the repair must be capitalized
27 and not expensed;

28 (2) Airplanes;

29 (3) Property which is primarily used outside this State with that use
30 being determined based upon the amount of time the property is
31 actually used both within and without this State;

32 (4) Property which is acquired incident to the purchase of the stock
33 or assets of the seller unless for good cause shown, the director
34 consents to waiving this disqualification; or

35 (5) Property purchased on or after the operative date of this act,
36 unless pursuant to a written contract to purchase executed prior to the
37 operative date of this act, the cost or consideration for which cannot
38 be quantified with any reasonable degree of accuracy at the time such
39 property is placed in service or use; provided that if the contract of
40 purchase specifies a minimum purchase price the amount thereof shall
41 be used to determine the qualified investment in such property under
42 section 5 of this act if the property otherwise qualifies as property
43 purchased for business relocation or expansion.

44 c. Property shall be deemed to have been purchased prior to a
45 specified date only if:

46 (1) the physical construction, reconstruction or erection of the

1 property was begun prior to the specified date, or such property was
2 constructed, reconstructed, erected or acquired pursuant to a written
3 contract as existing and binding on the purchase prior to the specified
4 date; or

5 (2) the machinery or equipment was owned by the taxpayer prior
6 to the specified date, or was acquired by the taxpayer pursuant to a
7 binding purchase contract which was in effect prior to the specified
8 date.

9 "Purchase" means any acquisition of property, including an
10 acquisition pursuant to a lease, but only if:

11 a. the property is not acquired from a person whose relationship to
12 the person acquiring it would result in the disallowance of deductions
13 under section 267 or subsection (b) of section 707 of the federal
14 Internal Revenue Code of 1986, 26 U.S.C. §267 or §707;

15 b. the property is not acquired by one member of a controlled
16 group from another member of the same controlled group. The
17 director may waive this requirement if the property was acquired from
18 a related party for its then fair market value; and

19 c. the basis of the property for federal income tax purposes, in the
20 hands of the person acquiring it, is not determined:

21 (1) in whole or in part by reference to the federal adjusted basis of
22 such property in the hands of the person from whom it was acquired;
23 or

24 (2) under subsection (e) of section 1014 of the federal Internal
25 Revenue Code of 1986, 26 U.S.C. §1014.

26 "Related person" means:

27 a. a corporation, partnership, association or trust controlled by the
28 taxpayer;

29 b. an individual, corporation, partnership, association or trust that
30 is in control of the taxpayer;

31 c. a corporation, partnership, association or trust controlled by an
32 individual, corporation, partnership, association or trust that is in
33 control of the taxpayer; or

34 d. a member of the same controlled group as the taxpayer.

35 As used in the definition of related person and as is applicable to
36 the definitions of purchase and small business taxpayer, "control," with
37 respect to a corporation, means ownership, directly or indirectly, of
38 stock possessing 50% or more of the total combined voting power of
39 all classes of the stock of the corporation entitled to vote; "control,"
40 with respect to a trust, means ownership, directly or indirectly, of 50%
41 or more of the beneficial interest in the principal or income of the
42 trust. The ownership of stock in a corporation, of a capital or profits
43 interest in a partnership or association or of a beneficial interest in a
44 trust shall be determined in accordance with the rules for constructive
45 ownership of stock provided in subsection (c) of section 267 of the
46 federal Internal Revenue Code of 1986, 26 U.S.C. §267, other than

1 paragraph (3) of subsection (c) of that section.

2 "Research and development" means qualified research as
3 determined in accordance with section 41 of the federal Internal
4 Revenue Code of 1986, 26 U.S.C. §41.

5 "Small business taxpayer" means a taxpayer that has an annual
6 payroll, as calculated pursuant to section 6 of P.L.1945, c.162
7 (C.54:10A-6), of \$2,000,000 or less and annual gross receipts, as
8 calculated pursuant to section 6 of P.L.1945, c.162 (C.54:10A-6), of
9 not more than \$6,000,000 for the tax year in which property purchased
10 for business relocation or expansion is placed in service or use by the
11 taxpayer; provided that beginning with tax years commencing on and
12 after January 1 next following the operative date of this act the
13 director shall prescribe the amount of annual payroll and annual gross
14 receipts which shall apply by increasing each such amount hereinabove
15 by an annual inflation adjustment factor, which prescribed amount shall
16 be rounded to the next lowest multiple of \$50. "Annual inflation
17 adjustment factor" means the factor calculated by dividing the
18 consumer price index for urban wage earners and clerical workers for
19 the nation, as prepared by the United States Department of Labor for
20 September of the calendar year prior to the calendar year in which the
21 tax year begins, by that index for September of the calendar year two
22 years prior to the calendar year in which the tax year begins. The
23 annual payroll of a taxpayer shall include the employees of its domestic
24 and foreign affiliates, whether employed on a full-time, part-time,
25 temporary, or other basis, during the preceding 12 months. If a
26 taxpayer has not been in existence for 12 months, the payroll of the
27 taxpayer shall be divided by the number of weeks, including fractions
28 of a week, that it has been in business, and the result multiplied by 52.
29 That amount shall then be added to the 12 month payrolls of its
30 domestic and foreign affiliates to determine the annual payroll of the
31 taxpayer for purposes of this definition. The annual gross receipts of
32 a taxpayer shall include the annual gross receipts of its foreign and
33 domestic affiliates. The annual gross receipts of a taxpayer which has
34 been in business for three or more complete tax years means the
35 average of the annual gross receipts of the business for the last three
36 tax years. For purposes of this definition, the gross receipts of the
37 taxpayer includes receipts from sales of tangible personal property and
38 services, interests, rents, royalties, fees, commissions and receipts
39 from any other source, but less returns and allowances, sales of fixed
40 assets, interaffiliated transactions between a business and its domestic
41 and foreign affiliates, and taxes collected for remittance to a third
42 party, as shown on its books for federal income tax purposes. The
43 annual receipts of a taxpayer that has been in business for less than
44 three complete tax years means its total receipts for the period it has
45 been in business, divided by the number of weeks including fractions
46 of a week that it has been in business, and multiplied by 52.

1 "Affiliates" includes all concerns that are affiliates of each other when
 2 either directly or indirectly one concern controls the other or a third
 3 party or parties controls both. In determining whether concerns are
 4 independently owned and operated and whether or not affiliation
 5 exists, the director shall consider all appropriate factors, including
 6 common ownership, common management and contractual
 7 relationships. "Concern" means any business entity organized for
 8 profit (even if its ownership is in the hands of a nonprofit entity),
 9 having a place of business located in this State, and which makes a
 10 contribution to the economy of this State through payment of taxes,
 11 or the sale or use in this State of tangible personal property, or the
 12 procurement or providing of services in this State, or the hiring of
 13 employees who work in this State. "Concern" includes but is not
 14 limited to any person as defined in R.S.1:1-2.

15 "Tax year" means the fiscal or calendar accounting year of a
 16 taxpayer.

17 (cf: P.L.1993, c.170, s.2)

18

19 2. Section 5 of P.L.1993, c.170 (C.54:10A-5.8) is amended to read
 20 as follows:

21 5. a. The qualified investment in property purchased for business
 22 relocation or expansion shall be the applicable percentage of the cost
 23 of each property purchased for business relocation or expansion which
 24 is placed in service or use in this State by the taxpayer during the tax
 25 year. Provided, that only the cost of property purchased for business
 26 relocation or expansion placed in service or use in this State during the
 27 tax year for which the average value of the taxpayer's real and tangible
 28 personal property within the State as shall be determined pursuant to
 29 subsection (A) of section 6 of P.L.1945, c.162 (C.54:10A-6), is
 30 greater than that average value for the previous tax year, shall be
 31 considered in determining qualified investment.

32 b. For the purpose of subsection a., the applicable percentage of
 33 any cost of property purchased for business relocation or expansion,
 34 that is not used for the purposes of research and development, shall be
 35 determined under the following table:

36 If the property has a:	The applicable 37 percentage is:
38 Three year recovery period	35%
39 Five year recovery period	70%
40 Seven year recovery period	100%

41

42 The applicable percentage of any cost of property purchased for
 43 business relocation or expansion that is used for the purposes of
 44 research and development shall be 100%. The recovery period of any
 45 property, for purposes of this section, shall be determined as of the

1 date such property is first placed in service or use in this State by the
2 taxpayer, determined in accordance with section 168 of the federal
3 Internal Revenue Code of 1986, 26 U.S.C. §168.

4 c. For purposes of subsection a., the cost of each property
5 purchased for business relocation or expansion shall be determined
6 under the following restrictions:

7 (1) cost shall not include the value of property given in trade or
8 exchange for the property purchased for business relocation or
9 expansion;

10 (2) if property is damaged or destroyed by fire, flood, storm or
11 other casualty, or is stolen, the cost of replacement property shall not
12 include any insurance proceeds received in compensation for the loss;

13 (3) in the case of self-constructed property, the cost thereof shall
14 be the amount properly charged to the capital account for depreciation
15 in accordance with federal income tax law; and

16 (4) the cost of property used by the taxpayer out-of-State and then
17 brought into this State shall be determined based on the remaining
18 recovery period of the property at the time it is placed in service or
19 use in this State, and the cost shall be the original cost of the property
20 to the taxpayer less straight line depreciation allowable for the tax
21 years or portions thereof the taxpayer used the property outside this
22 State.

23 (5) The cost of equipment acquired by written lease is the minimum
24 amount required by the agreement, agreements, contract or contracts
25 to be paid over the term of the lease, provided however, that the
26 minimum amount shall not include any amount required to be paid, as
27 determined by the director, after the expiration of the recovery period
28 of the equipment.

29 d. No amount of cost for property the cost of which qualifies for
30 the credit allowable under section 42 of P.L.1987, c.102
31 (C.54:10A-5.3), or for the credits allowed under the "Manufacturing
32 Equipment and Employment Investment Tax Credit Act," P.L.1993,
33 c.171 (C.54:10A-5.16 et al.), shall be allowed as qualified investment
34 under this section.

35 (cf: P.L.1993,c.170, s.5)

36

37 3. Section 6 of P.L.1993, c.170 (54:10A-5.9) is amended to read
38 as follows:

39 6. a. The new jobs factor used to determine the amount of credit
40 allowed under this act shall be based on the number of new jobs
41 created in this State that are directly attributable to the qualified
42 investment of the taxpayer.

43 b. (1) (a) For a taxpayer that is not a small business taxpayer, if
44 50 new jobs are created and filled that are not performing, supervising
45 or in direct support of research and development functions, during the
46 tax year in which the qualified investment is placed in service or use

1 in this State, the applicable new jobs factor shall be 0.005. For each
2 50 additional new jobs over the initial 50, up to 1000 total new jobs,
3 the applicable new jobs factor of 0.005 shall be increased by adding
4 thereto 0.005, up to a maximum new jobs factor of 0.10.

5 (b) For a taxpayer that is not a small business taxpayer, if five new
6 jobs are created and filled performing, supervising or in direct support
7 of research and development functions during the tax year in which the
8 qualified investment is placed in service or use in this State, the
9 applicable new jobs factor shall be 0.01. For each five additional new
10 jobs over the initial five, up to 100 total new jobs, the applicable new
11 jobs factor of 0.01 shall be increased by adding thereto 0.01, up to a
12 maximum new jobs factor of 0.20.

13 (c) During each of the remaining four years of the five year credit
14 period, the taxpayer shall redetermine the new jobs factor for the tax
15 year on the annual return based on the average number of new
16 employees employed in new jobs during that tax year (determined on
17 a monthly basis) created as the direct result of the taxpayer's qualified
18 investment.

19 (2) (a) For a taxpayer that is a small business taxpayer, if five new
20 jobs are created and filled that are not performing, supervising or in
21 direct support of non research and development functions, during the
22 tax year in which the qualified investment is placed in service or use
23 in this State, the applicable new jobs factor shall be 0.005. For each
24 five additional new jobs over the initial five, up to 100 total new jobs,
25 the applicable new jobs factor of 0.005 shall be increased by adding
26 thereto 0.005, up to a maximum new jobs factor of 0.10.

27 (b) For a taxpayer that is a small business taxpayer, if five new jobs
28 are created and filled performing, supervising or in direct support of
29 research and development functions during the tax year in which the
30 qualified investment is placed in service or use in this State, the
31 applicable new jobs factor shall be 0.01. For each five additional new
32 jobs over the initial five, up to 100 total new jobs, the applicable new
33 jobs factor of 0.01 shall be increased by adding thereto 0.01, up to a
34 maximum new jobs factor of 0.20.

35 (c) During each of the remaining four years of the five year credit
36 period, the taxpayer shall redetermine the new jobs factor for the tax
37 year on the annual return based on the average number of new
38 employees employed in new jobs during that tax year (determined on
39 a monthly basis) created as the direct result of the taxpayer's qualified
40 investment.

41 c. An employee's position shall be directly attributable to the
42 qualified investment if:

43 (1) the employee's service is performed or the employee's base of
44 operations is at the new or expanded business facility;

45 (2) the position did not exist prior to the construction, renovation,
46 expansion or acquisition of the business facility and the making of the

1 qualified investment; and

2 (3) but for the qualified investment, the position would not have
3 existed.

4 d. With the annual corporation business tax return filed under
5 P.L.1945, c.162, for each tax year during the five year credit period
6 for a qualified investment, the taxpayer shall certify:

7 (1) the new jobs factor for that tax year for the qualified
8 investment;

9 (2) the amount of the credit allowed for that year for the qualified
10 investment;

11 (3) that the qualified investment property continued to be used in
12 the business, or if any of it was disposed of during the year, the date
13 of disposition, and that such property was not disposed of prior to
14 expiration of its recovery period, as determined under section 5 of this
15 act; and

16 (4) that the new jobs are directly attributable to the qualified
17 investment, are filled by individuals who meet the definition of new
18 employee, and the median annual compensation of all new employees
19 is equal to or greater than the minimum median annual compensation
20 required by section 3 of this act.

21 e. With the annual return for the corporation business tax imposed
22 under P.L.1945, c.162, filed for the tax year in which the qualified
23 investment is first placed in service or use in this State, the taxpayer
24 shall estimate and certify the number of new jobs reasonably projected
25 to be created by it in this State within the period prescribed in
26 subsection g. of this section, that are, or will be directly attributable to
27 the qualified investment of the taxpayer.

28 f. The hours of part-time employees shall be aggregated to
29 determine the number of equivalent full-time employees for the
30 purpose of determining the new jobs factor pursuant to subsection b.
31 of this section but shall not be so aggregated for the purposes of
32 subsection c. of this section.

33 g. With the annual return for the tax imposed under P.L.1945,
34 c.162, filed for the third tax year in which the qualified investment is
35 in service or use in this State, the taxpayer shall certify the actual
36 number of new jobs created by it in this State, that are directly
37 attributable to the qualified investment of the taxpayer.

38 (1) If the actual number of jobs created would result in a higher
39 new jobs factor, the credit allowed under this act shall be redetermined
40 and amended returns filed for the first and second tax years that the
41 qualified investment was in service or use in this State.

42 (2) If the actual number of jobs created would result in a lower
43 new jobs factor, the credit previously allowed under this act shall be
44 redetermined and amended returns filed for the first and second tax
45 years. Any additional taxes due under P.L.1945, c.162, shall be
46 remitted with the amended returns filed with the director, together

1 with any penalty and interest, for failure to pay any such tax when due
2 as provided in the State Tax Uniform Procedure Law, R.S.54:48-1 et
3 seq.

4 (cf: P.L.1993, c.170, s.6)

5
6 4. This act shall take effect immediately.

7
8
9 STATEMENT

10
11 This bill makes special provisions under the new jobs investment tax
12 credit to allow enhanced corporation business tax credits for research
13 and development investment and job creation. This bill increases the
14 amount of research and development investment costs that are eligible
15 for the credit. It also doubles the credit's value for research and
16 development from a maximum of 10 percent of the investment's cost
17 to 20 percent.

18 Currently, the amount of credit depends on the amount of qualified
19 investment and the number of new jobs created, but may not exceed
20 10 percent. The cost of constructing or expanding facilities is
21 discounted depending on the useful life of the property, and qualified
22 investment may be less than 100 percent of cost. Under this bill, the
23 entire cost of property is considered a qualified investment, provided
24 that the property is used for research and development.

25 The current credit also depends on the number of new jobs created
26 by the new investment. Small business taxpayers may receive a credit
27 of one half of one percent of the qualified investment for every 5 jobs
28 created up to a 10 percent credit for 100 new jobs created; larger
29 businesses receive the same credit for every 50 new jobs up to a
30 maximum of 1000 new jobs. Under this bill, any taxpayer that creates
31 new research and development jobs can receive a credit of one percent
32 of the qualified investment for every 5 new jobs, up to a 20 percent
33 credit for 100 new jobs created, without regard to the size of the
34 taxpayer.

35 This bill creates a new measure for determining the new jobs
36 investment tax credit that applies only to investment in facilities used
37 for research and development purposes and the creation of jobs
38 performing, supervising or supporting research and development
39 functions. Investment to create jobs that does not meet the special
40 research and development criteria will qualify for the existing credit.

41
42
43
44
45 _____
46 Increases the new jobs investment tax credit under the corporation
business tax for new jobs and investment in research and development.