



BROWN FINK BOYCE & ASTLE, LLP

CERTIFIED PUBLIC ACCOUNTANTS | BUSINESS ADVISORS

“In these challenging economic times, it was great to receive the refunds and tax credits. We used the tax credits to help increase our staff and invest in new state-of-the-art equipment. We couldn’t be happier with the work BFBA did for our company. It’s also easier for us to plan, knowing that we have credits we can use on future tax filings.”

JOHN GLASSON  
CONTROLLER  
AIRCO MECHANICAL, INC.

## EZ Money for Your Business

For companies located in one of California’s 42 designated Enterprise Zones (EZ), access to cash and tax credits may be just a phone call away. Businesses like yours have already received hundreds of thousands of dollars from an incentive program designed to stimulate growth and create jobs.

### The EZ Opportunity

To foster growth, development, and investment in specific areas of the state, the California Trade and Commerce Agency designated specific areas as Enterprise Zones. Tax-paying businesses in California Enterprise Zones are eligible for special tax refunds based on hiring, or for equipment purchases for each of the past four years.

- **Hiring Credit**—\$12,000 or more in credits in the first year, and \$37,000 or more over five years for each qualified employee
- **Sales and Use Tax Credit**—sales tax credits for the first \$20 million of qualifying purchases each year based on current sales tax rates
- **Business Expense Deduction**—accelerated expense deductions for certain depreciable property

Brown, Fink, Boyce & Astle, LLP (BFBA) is a full-service CPA firm specializing in California Enterprise Zone tax credits, with staff that has been obtaining these credits for clients for more than ten years. Our goal is to help companies like yours receive cash refunds for prior tax years and enjoy reduced tax rates for the future so that you can invest in your community and create new jobs. Our tax professionals know the laws associated with Enterprise Zones, and are experts in calculating and obtaining these credits.

“We were literally leaving money on the table by not applying for the credits. Thanks to this program we have been able to reinvest the savings into hiring additional employees and adding additional equipment in our fabrication yard,” Jerad Patterson, CFO of Viking Steel, said.

### No Up-Front Fees

As is true with any tax filing, the documentation process is rigorous. BFBA will conduct a free, no obligation assessment of your Enterprise Zone credit potential for the previous four tax years. We have developed strong relationships with many Enterprise Zone coordinators throughout the state, making our credit validation process as efficient as possible.

Once we are retained, our team of specialists will complete the required paperwork and documentation, and file the claim for credits or refund on your behalf.

### Act Now!

Our team of professionals is ready to help you realize your company’s maximum allowable tax refund and credit benefits. Time is of the essence—tax laws only allow us to file for the previous four tax filing years. If your business was thriving four years ago, your refund may be significant. Waiting could cause a large benefit year to be closed, and any refunds or credits you might have received will no longer be available.

“BFBA got the refunds I was eligible for and advised my accountant how to save even more in future tax years. BFBA did all the work, and we received all the benefits without any of the pain, frustration, or paperwork we would have expected. We couldn’t be happier with the professional process, and the outcome exceeded our expectations,” Jim Ludlow, CFO of Stiles Custom Metal, Inc., said.

# You've got questions? BFBA has EZ answers!

## I already work with a CPA. Why do I need BFBA?

We are not looking to replace your current CPAs. We can provide them with the documentation and support to include in your tax returns. We specialize in local and state tax consulting and our clients are able to significantly reduce their income tax liabilities through our services.

## Who is a qualified employee?

Enterprise Zone businesses can claim hiring credits for any employee hired after the Enterprise Zone designation was made, who spends at least 90 percent of work time on activities related to business within the Enterprise Zone, performs at least 50 percent of their work within the Enterprise Zone, and meets one or more of 12 additional criteria. The criteria are diverse, so more employees qualify than you might expect. BFBA will evaluate each employee for you and identify those who are eligible.

## What property qualifies for the Sales and Use Tax Credit?

Qualified property includes the purchase of machinery or machinery parts used in the following:

- Fabricating, processing, assembling, and manufacturing
- Production of renewable energy resources
- Air or water pollution control mechanisms
- Data processing and communications equipment

## This year has been tough for my business and I'm not sure I'll need any tax credits this year.

You can receive cash refunds for prior years and reduced tax for future years. Credits can also be carried forward for use in the future, thus reducing tax liability in more profitable years.

## What makes BFBA the best choice for my EZ opportunity?

In 1983, a group of managers from the Big 4 accounting firms founded BFBA with the goal of providing superior value through consistent, attentive service. We have dedicated tax and audit departments and exceptionally high staff retention rates, which ensures consistency in every client relationship. We offer large firm expertise with small firm attention to our clients. Brown, Fink, Boyce & Astle, LLP conducts a thorough review to identify all qualified employees, handles all of the required paperwork for certifying each employee, and calculates the credits they generate. We manage the entire process, with minimal time required from you or your staff.

## I'm ready to get started—what do I need to do?

We are just a phone call away. You can reach us in Sacramento at (916) 924-0800 or in Modesto at (209) 589-2440.

For more information about our firm, you can also visit our Web site at [www.bfba.com](http://www.bfba.com).

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### HIRING CREDIT

Suppose Company A has 40 employees working within the Enterprise Zone, and 18 of those employees qualify for the hiring credit. Each employee makes \$10/hour and works 2,080 hours per year = \$20,800 in wages

The following credits would be available (estimated):

Year 1	\$ 187,200
Year 2	\$ 149,760
Year 3	\$ 112,320
Year 4	\$ 74,880
Year 5	\$ 37,440
<b>Total Credit</b>	<b>\$ 561,600</b>

### SALES AND USE TAX CREDIT

Suppose Company A purchases \$200,000 worth of qualified property. The current tax rate is 8.375%.

Corporations can claim credit on the first \$1 million of qualifying purchases per year.

The Sales and Use Tax Credit would be calculated as follows:

Amount of qualifying purchases	\$ 200,000
Amount of state sales tax paid	\$ 16,750
<b>Total Credit</b>	<b>\$ 16,750</b>



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