



BUILDING THE JERSEY COMEBACK

Governor Christie's FY 2013 Budget Continues Administration's Commitment To Making The Garden State Competitive Again

Since Governor Christie Took Office, New Jersey Has Added 74,500 Private-Sector Jobs. ([New Jersey Department of Labor and Workforce Development](#), Accessed: 3/22/12)

New Jersey's Unemployment Rate Has Declined From 9.7 Percent To 9.0 Percent. ([New Jersey Department of Labor and Workforce Development](#), Accessed: 3/22/12)

GOVERNOR CHRIS CHRISTIE: CREATING REAL JERSEY JOBS



<http://www.youtube.com/watch?v=Erm8AF3PTaA>

THE GOVERNOR'S FISCAL YEAR 2013 BUDGET PROVIDES \$347.5 MILLION IN BUSINESS TAX RELIEF, THE SECOND YEAR OF BIPARTISAN, JOB-CREATING BUSINESS TAX CUTS AND TAX POLICY.

With continued reforms, New Jersey's tax policy is reflecting the reality of today's global economy: New Jersey's businesses and workers compete not only with companies in other states, Canada and Mexico, but with manufacturers and service providers in other parts of the Americas, as well as Asia and Europe.

These reforms were crafted with input from job creators around the state, who have stressed the need for tax reforms to increase the state's competitiveness, improve the business climate and create Jersey Jobs. This package of reforms was passed in 2011 with bipartisan support and is being implemented in an economically prudent and fiscally responsible manner. They are now entering their second year of phase-in in the fiscal year 2013 budget:

Income Tax

- **Business Income/Loss Netting and Loss Carry-Forward Relief.** Unlike the federal government and most other states, New Jersey penalizes small businesses by only allowing losses in each category of income to be offset against income in the same category. Current law also does not allow losses to be carried forward and used to offset gains in subsequent years. This discourages diversified entrepreneurship and burdens loss-generating business startups. Governor Christie's plan provides a smooth transition toward a fairer method for taxing entrepreneurs and small businesses.

Corporate Business Tax

- **Phased-In Single Sales Factor.** By moving to a single sales factor, Governor Christie has removed a barrier to firms seeking to locate and grow their business and jobs in New Jersey, while also helping retain companies with headquarters in the state.
- **Increase in the Research and Development Credit to 100%.** Before this reform, qualified R&D spending in New Jersey could be used to offset only up to 50% of corporate tax liability. Governor Christie's reforms now allow critical, economically-beneficial research and development spending in the state to be used to offset all of the corporate tax liability, increasing the incentive for research and development investment – the associated economic investment and growth – to take place in the Garden State. This change is helping New Jersey regain and grow its reputation as a home for innovation, particularly in critical industries and economic centers like bio- and life- sciences and pharmaceuticals.
- **Reduce the Minimum Tax on S-Corporations by 25%.** Prior to this reform, every one of New Jersey's neighboring states had lower S-corporation minimum taxes, with three states having no minimum tax whatsoever. Governor Christie's reform is providing relief to New Jersey's existing small businesses and increasing the state's competitiveness by making our tax landscape more attractive to small and startup businesses.

Transitional Energy Facility Assessment

- **Transitional Energy Facility Assessment (TEFA).** Tax relief in the form of energy cost savings, first promised in 1997, is finally happening under Governor Christie. The TEFA was created as a temporary tax as part of the shift from a gross receipts tax on energy to a combination of Corporation Business and the Sales and Use taxes. The original phase-out schedule for the assessment had it ending on December 31, 2002; however, subsequent Governors and Legislatures extended the sunset. New Jersey's current energy costs are among the highest in the nation. By allowing the TEFA to phase out, Governor Christie is reducing the adverse economic effect of high energy costs for all consumers.

ATLANTIC CITY LEADS THE NATION IN NEW CONSTRUCTION JOBS

New Jersey's Atlantic City-Hammonton metropolitan area ranked #1 in the *Associated General Contractors of America's* [analysis](#) of 337 metro areas from January 2011 to January 2012, adding the highest percentage of new construction jobs (45 percent, 1,700 jobs). Vineland-Millville-Bridgeton was also among the top five metro areas, with a 24 percent increase in new construction jobs (500 jobs).

Among the new construction is the soon to be opened Revel Casino. The \$2.8 billion project, which encompasses a 53-story, 6.3 million square foot, 3,800 room hotel and casino, is the largest property of its kind in Atlantic City. Total job creation is estimated at more than 10,000 jobs, including 5,500 permanent jobs, **2,600 construction jobs**, and 1,100 manufacturing jobs.

Through the Christie Administration's pro-growth policies, New Jersey has once again become a home for business. From Fortune 500 firms to small and medium-sized businesses, the companies listed below have committed to generating and retaining over 28,000 jobs, bringing more than \$4.6 billion in total public-private investment to the Garden State, since January 2010.

Attractions & Relocations	Retentions & Expansions
ADJ Realty New Jersey (E&T Plastic Manufacturing) (New York to Teterboro)	A&P Coat, Apron & Linen Supply Inc.
Alice & Olivia (New York to Secaucus)	Aeropostale, Inc.
Aricent US Inc. (New York & California to East Brunswick)	All Things Media, LLC
Asurion Insurance Services (Tennessee to Bridgewater)	Allergan Inc.
Bind-Rite/Union Graphics (New York to Carlstadt)	Amneal Oharmaceuticals LLC and Kashiv Pharma, LLC
	Anchor Glass Container Corporation
	Atlantic Coast Media Group
	Bayer HealthCare LLC and Affiliates

Bottom Dollar (Hamilton)
Catapult Holdings (Philadelphia to Camden)
Celsion Corporation (Maryland to Lawrence)
DGL Group Ltd. (Brooklyn to Edison)
Global Compliance Services (North Carolina to Red Bank)
Gordon International (New York to Freehold)
hgregg, Inc. (Philadelphia to Swedesboro)
Hilliard Farber & Company, Inc. (New York to Jersey City)
Hotel Connections, Ltd. (New York to Jersey City)
ICUP, Inc. (Croydon, PA to Cherry Hill)
Intrasphere Technologies (New York to Jersey City)
Inventek Colloidal Cleaners (Philadelphia to Mt. Laurel)
JFC International (New York to Linden)
Kenco Group (Tennessee to Robbinsville)
Mars Retail Group (Nevada to Mt. Arlington)
Metrovision Production Group (New York to Carlstadt)
Otsuka America Pharmaceutical, Inc. (Maryland to West Windsor)
Pfizer, Inc. (New York to Madison)
Pinnacle Foods Group (New York to Cherry Hill)
Precise Corporation Printing (New York to Harrison)
Princeton Information, Ltd. (New York to Jersey City)
Proximo Spirits (New York to Jersey City)
Revolution Foods, Inc. (Elizabeth)
SCS Commodities (New York to Jersey City)
Solar Nation Inc., Solar Nation Development and Solar Nation New Jersey (Edison)
SSM Industries (Philadelphia to West Deptford)
Streamline Airlines (West Trenton)
Teachers Insurance and Annuity Association of America and Affiliates (NC, NY and CO to Woodbridge)
Tercica, Inc., Ipsen S.A. (Biomeasure) (California to Bernards)
The TriZetto Group (New York to Union)
Vitech Systems Group, Inc.

Betar Inc.
Bracco Diagnostics, Inc.
Broadway Kleer Guard Corp.
Burlington Coat Factory
Campbell Soup Company
Carlo's Bakery
CCS Materials Inc.
Church & Dwight
Citibank, N.A. Inc.
Coca Cola Enterprises
Coim USA
Conopco/Unilever
Crane Group International, LLC
Direct Success Inc.
Diversified Industries
Dr. Reddy's Laboratories
Elementis Corporation
Elephant Group, dba Saveology.com
EMX, LP and Subsidiaries
Evonik Degussa Corporation
Exel Inc.
Ferraro Foods, Inc.
Futurewei Technologies
Goya Foods
Grand LHN I Urban Renewal LLC
Harrison Hotel 1, LLC, or affiliate
Honeywell International
IDL Techniedge
Ikaria Holdings
Innopharma Inc.
Jefferies & Company, Inc.
JVK Operations
Maple Beverage Packers, LLC
Marine Container Services, Inc.
Medin Corp.
Mednet Healthcare Technologies
Merisel Americas, Inc.
Mission Solutions Engineering
National Financial Services
NJ Manufacturers Insurance Group
Novo Nordisk
Oticon
Oxford Instruments
Panasonic Corporation
PBF Holding Company, LLC
Performance Foods
Pitney Bowes
PNY Technologies
Procura Management
Puratos
Quidsi, Inc.
Realogy Corporation

	Reliance Vitamin Regeneron Pharmaceuticals, Inc. Robertet, Inc. Rollon Corporation Rosetta Marketing Group, LLC Shupper-Brickle Equipment Sigma Design Standard Chartered Bank SYNEX Corporation Textol The Dunn & Bradstreet Corporation Torus US Services United Parcel Service Vertellus Specialiaties, Inc. Vertis Victory Refrigeration VISH LLC Von Morris Corporation Watson Pharmaceuticals (Parsippany) Watson Pharmaceuticals (North Brunswick)
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Foreign Direct Investment Projects	New Projects
Ansmann USA (Germany to Fairfield) Archimedes Pharma (UK to Bedminster) CSPC Pharma (China to New Brunswick) EffiSolar Ferring International Pharmascience (Switzerland to Parsippany) Fluitec International (Belgium to Jersey City) Friendwell (Taiwan to Newark) Hisun Pharma (China to Princeton) Huakai Pharma (China to Cranbury) Inova Multimedia IVC (China to Freehold) Jhejiang Hisor Medtech (France to Newark) MX Solar USA (Italy to Franklin) Padtech (Norway to Flemington) Photocure, Inc. (Norway to Princeton) Schar USA (Italy to Logan) Technogym (Italy to Allendale) Thrombogenics (Belgium to Middlesex County) UK Postings (United Kingdom to Edison) Valcrest (France to Bridgeton) Wenzhou New Focus (China to Livingston)	36-54 Rector Street, LLC 70 Columbus Co., LLC 810 Broad, LLC Boraie Development, LLC Campbell Soup Company Cedar Shopping Centers Daily News, L.P. Eatontown Monmouth Mall LLC Focus Camera Fountains Applied LWAG, LLC Jersey Gardens Lodging JVK Operations Newark Farmer's Market Newark Screens Panasonic Corporation Pearson Inc. and related entities Port Imperial South LLC RBH-TRB Newark Holdings, LLC Revel Atlantic City Saker ShopRite Summerhill Square, LLC TDAF I Pru Hotel Urban Renewal Company, LLC Transit Village Wakefern Food Corp. (Newark) Wakefern Food Corp. (Elizabeth)

Sources: NJ Economic Development Authority/NJ Business Action Center, March 2012