

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
(“NJEDA”)
Closing Instructions-Technology Business Tax
Certificate Transfer Program – 2017

Please be aware that the closing process for the participation in the Technology Business Tax Certificate Transfer Program is a multi – step process as outlined below:

Step 1

In order for you to receive final approval to transfer tax benefits, the following items must first be provided to Closing Services via email to the NJEDA at: **nolclosingservices@njeda.com**
Please note, the following documents are fillable PDFs and are available at www.njeda.com.

- 1.1 Agreement
- 1.2 Buying Business Information Sheet;
- 1.3 Selling Business Tax Benefit Identification Form;
- 1.4 Private Financial Assistance Form;
- 1.5 If you were authorized to sell and did sell tax benefits in a prior year, a Spending Certification (if not previously submitted).

Kindly ensure that the amount of the NOL and R&D Credits your company intends to sell (shown on the Seller's Tax Benefit Identification Form) equals the approved amounts shown on your approval letter dated ^.

Upon review and approval of items #1.1-1.4 (and1.5 for returning Sellers) above by the NJEDA, the requested approval will be forwarded to the New Jersey Division of Taxation for review. If the tax benefit is approved by the Division of Taxation, a State of New Jersey Corporation Business Tax Benefit Transfer Certificate, (“Tax Certificate”) will be issued and forwarded to the NJEDA.

Notification to Seller - The NJEDA will then notify the Seller/Consultant, via email that it is in receipt of the Tax Certificate, and provide, via email, a PDF copy of the Tax Certificate.

Step 2

After receipt of the PDF copy of the Tax Certificate by the Seller/Consultant, the Seller/Consultant should compile:

2.1. A completed and executed Exhibit “NOL Employee Closing Certification Log” showing the ***expected*** number of employees **on the date of closing.**

In addition, upon being notified by the NJEDA that the Tax Certificate has been issued, the Seller must provide notice to the Buyer that NJEDA is in receipt of the Tax Certificate (“Buyer Notice”). The Buyer must agree to purchase the Tax Certificate within ten (10) days of receiving the Buyer Notice. **The Seller must provide a copy of the Buyer Notice to: NJEDA - Closing Services, at nolclosingservices@njeda.com.**

Upon satisfactory receipt and review of #2.1 above, the NJEDA will release the *original* Tax Certificate to the Seller/Consultant, which will be sent via UPS unless otherwise instructed by the Seller/Consultant.

Step 3

Upon release of the Tax Certificate by the NJEDA to the Seller or Consultant, **the Buyer** must provide to NJEDA within one (1) business day of the final closing date and sent **via overnight delivery or hand delivery** to Closing Services-NOL at the address below:

3.1 A fully executed original copy (with buyer and seller *original* signatures) of the Tax Certificate

3.2 An executed Seller’s Closing Certificate dated the Date of Closing.

An email with a PDF of the fully executed Tax Certificate to **nolclosingservices@njeda.com** is acceptable, but a hard copy, fully executed Tax Certificate is also required. **Please be sure to request a delivery receipt as the Tax Certificate is NOT valid unless Step 3 is complete.**

Seller must provide the following documentation:

3.3 A completed and executed Exhibit “NOL Employee Closing Certification Log” (as of the actual Closing Date. Note: the document in Step 2 is an estimate for the closing date) This document is available at www.njeda.com.

ONLY IF THE NJEDA RECEIVES A FULLY EXECUTED ORIGINAL COPY OF THE TAX CERTIFICATE, ITEMS 3.2 AND 3.3 WILL THE DOCUMENT BE VALID.

The Seller's Closing Certificate **MUST BE DATED THE DATE OF CLOSING** and state, among other things, that:

a) The information in your application continues to be accurate in all material respects;
and

b) As of the date of this certificate, the company is operating as a new or expanding, emerging biotechnology or technology business and has no current intention to cease operating as a new or expanding emerging biotechnology or technology business.

Further information may be requested to establish that your company is currently operating as a new or expanding emerging biotechnology or technology company.

All documentation must be in form and substance satisfactory to the Authority.

You must return the documents listed above to the following address:

**Closing Services-NOL
NJEDA
36 West State Street, PO Box 990 (overnight/hand delivery)
Trenton, NJ 08625**

If you have any questions, please feel free to call Closing Officers-Bonds and Incentives, Carol Hirth at (609) 858-6653 or Kathy Smith at (609) 858-6766. Thank you again for your interest and congratulations.

NOTICE: If funds are used for construction, renovations or the installation of equipment, the NJEDA requires that prevailing wages be paid to the construction workers and those contractors comply with the NJEDA's Affirmative Action Program. All construction contracts must contain additional language as set forth in NJEDA Affirmative Action Addendum to Construction Contract. In addition, the general contractor must include said language in all subcontracts. Regulations, forms, guidance documents (including an Affirmative Action and Prevailing Wage program summary) are available at www.njeda.com/affirmativeaction.