

New Jersey Manufacturing Voucher Program (NJMVP)



Pilot Program – Phase 1

Frequently Asked Questions (FAQ)

Table of Contents

General Program	5
1. What is the New Jersey Economic Development Authority (NJEDA or the Authority)?	5
2. What is the New Jersey Manufacturing Voucher Program?	5
3. Is this a grant or a tax credit and when do we receive a voucher from the NJEDA?	6
4. When will the application be available and how do I apply?	6
5. What sectors does this program concentrate on?	6
6. How long will applications remain open?	6
7. Are the Pre-Qualification applications on a first come first get basis?	6
8. Are there bonuses associated with this program?	6
9. What is considered a Small Business and how do you calculate FTE?	7
10. Is the installation of the equipment subject to Prevailing Wage?	7
11. How can a contractor become a Department of Labor Public Works Contractor?	7
12. Where can a contractor be added to the NJEDA Interested Contractor list?	7
13. What kind of equipment is eligible?	8
14. Is there a minimum project cost (equipment + installation) to be eligible for the program?	8
15. Can my company submit multiple applications?	8
16. How long do I have to receive the equipment?	8
17. How will my company receive the voucher money?	8
18. Is the grant paid to my company or the vendor where equipment was purchased?	8
19. Is the application fee reimbursable if it is found that I am not eligible for the program?	8
20. Will I be required to repay the grant funding or provide matching funds?	8
Eligibility.....	8
21. Can my company have already purchased the equipment when we put in an application?	8
22. What documents do I need to provide with my pre-qualification?	9
23. When can I purchase the equipment?	9
24. Does my company have to provide proof of purchase to receive the award?	9
25. What does my company’s status have to be at time of application?	9
26. Are not-for-profit companies eligible for this program?	9
27. What is considered a manufacturer in a Targeted Industry?	9

28. Is my company eligible if it is not in a Targeted Industry?	10
29. How will I know when the Pre-Qualification application is open?	10
30. Can the grant be used to purchase software that advance the manufacturing process including ERP systems that track as well as print lot & batch numbers on labels that are used on the vials or bottles?	10
31. If equipment costs more than \$1,000,000 can a company still apply and use the grant towards the purchase?	10
32. What if my company has multiple subsidiaries, could each EIN apply for the Manufacturing Voucher Program?	10
33. Can I submit multiple manufacturing equipment solicitations on one application, or must you submit a separate application for each piece of equipment?	10
34. Would manufacturing of Elevators/elevator components qualify for this grant?	10
35. How can I confirm if I am located in a qualified opportunity zone?	11
36. Is an Urban Enterprise Zone (UEZ) zone the same as a Qualified Opportunity Zone (QOZ)?	11
37. Can I combine to the available bonuses to increase my award size?	11
38. Is there some specific process to register and certify as a NJ manufacturing company?	11
39. Can you buy out an equipment lease with these funds?	11
40. Can I use this grant even if I am planning to lease or finance manufacturing equipment that our company is actively contemplating but have yet to commit to?	11
41. Are there any requirements for new jobs to be created or salary requirements?	11
42. How are the jobs for Full Time Equivalent (FTE) determined, is it based on the New Jersey facility or Company-wide?	11
43. What is the tax treatment (Federal/NJ corporate) of receiving/using this grant? Is the income taxable? Is the cost of equipment reduced for depreciation purposes?	11
44. I am part of a new company in a targeted industry (clean energy/ advanced materials) with the aim of manufacturing our material in the coming years but are currently in our R&D phase. Is R&D equipment eligible for the grant?	11
45. How long will it take to fill out the Pre-Qualification Application?	12
46. If my company gets approved during the pre-qualifying application, will that assure we get the funds through the application?	12
47. Are companies registered in other states but having manufacturing facility in NJ eligible for this program?	12
48. If my headquarters is located in New Jersey but my manufacturing facility is in another state, am I eligible for this program?	12
49. How do I determine equipment purchase is from a New Jersey assembler versus just a distributor?	12
50. Does the equipment have to have a certain useful life? What if it just lasts for one year?	12
51. If we have specific questions about either our company eligibility or the advanced manufacturing requirements eligibility is there a way to clarify with someone before starting the process?	12
52. Can you purchase used equipment vs. new?	12
53. We are a food company that has a retail store, but we are also going into wholesale, is the wholesale side of our business eligible?	12
54. We provide a service utilizing our patented technologies. We do not manufacture a product are we still eligible for this program?	13
55. Would miscellaneous equipment tied to the manufacturing process for example, exhaust fan used for ventilation during the manufacturing process, would the equipment and installation of the exhaust fans qualify through this program?	13
56. Is the state planning on doing this program on an annual basis?	13

57. What if you are eligible but the grant has run out by the time you submit your application due to high volume? It seems like you just lose the \$1,000. Or are you pre-approving the number of companies that will be approved via application?	13
58. If the application gets denied, would NJEDA tell us why? If it's correctable, could the application be resubmitted?	13
59. Are foreign employees considered for FTE, also are foreign subsidiary employees considered for FTE?	14
60. Technically speaking, we must order the equipment by June 30, 2023 however, if the lead times are long we have until June 30, 2025 to have the equipment installed or is it 2 years from the date of the purchase? or is it calendar year?	14
61. Will a transportation business qualify?	14
62. Will applications for small businesses/minority businesses be reviewed before larger businesses?	14
63. On the Targeted Industry list, Film & Digital media companies are listed - is this indeed a targeted industry for NJ MVP?	14
64. I see from the pre-qualification document checklist, that we need to submit the equipment quote in the pre-qualification process. This would mean that we would need to have received this quote prior to your estimated mid-December opening. But there are prohibitions on pre-existing business arrangements, so when can the quote be dated? Before or after the date of the pre-qualification document submission?	14
65. Can we start getting equipment quotes already?	14
66. Just to confirm the funds will be available after delivery and install?	14
67. Can used equipment be bought from other manufacturer? Or does it have to be bought from used equipment dealer/broker?	14
68. We are a woman owned business in the process of being certified. What is the deadline for certification uploads? Can they be uploaded later for a bonus?	15
69. For pre-qualification - do we need to give all equipment quotes at that time? It may take us more time to get all the quotes together beyond 12/15/22.	15
70. Is it possible to get a copy of this webinar?	15
71. Is this eligible for service companies like daycare centers or cleaning services?	15
72. I am a repair shop of various manufacturing equipment, am I eligible for this program?	15
73. Our project includes multiple pieces of equipment, will it be one application for the entire project? Part of our project requires a build out of to house the equipment, is that build out eligible as well?	15
74. Do we need to keep checking the website or is there a way to add our email to a list such that once the portal opens for pre-qualification we are notified?	15
75. Can you define what a collective bargaining agreement is?	16
76. How do you define a "Small Business"?	16
77. Is the cost of building a new cleanroom used in the manufacturing of products in a targeted industry eligible?	16
78. Are some manufacturing interests preferred over others, e.g., medical devices vs recycled products?	16
79. Does the manufacturing equipment have to be robotics or does a better piece of manufacturing qualify?	16
80. Will a percentage of the \$20 million be allocated to small diverse businesses only?	16
81. I have a cleaning service and I provide services to a manufacturing company. I would use equipment to clean logistic and other manufacturing equipment, am I eligible for this program?	17
82. Would the purchase and construction of a new greenhouse, including advanced automated watering and heating systems that grows plants for NJ farmers qualify for this grant?	17
83. Are meal delivery companies (sends directly to customers but no store front) classified as non-retail food and beverage?	17

84. Does the 12-month clock with two 6-month extension start at date of purchase or 6/30/2023?	17
85. We are a coffee roaster in NJ, are we a “targeted business”? I want to purchase a new coffee roaster, is that considered as “advanced manufacturing equipment”?	17
86. Is the creation of custom books and albums, considered to be a manufacturing business?	18
87. Is this award eligible for a new company that will open because of this incentive (given there will be no WR-30 yet)? For example, my company currently resides in New York, but we are moving to New Jersey to open our manufacturing facility, will we be eligible to apply for this program?	18
88. Must the equipment being purchased be manufactured in NJ or could I order from a company located overseas?	18
89. Would a forklift (used in the manufacturing process) be considered eligible?	18
90. My company repairs hybrid/electric/gas trucks and vehicles, can I use the funds to invest or buy updated air conditioning machines and alignment machines?	18
91. I have a food packaging company and I would like to purchase a new packaging machine. Will I qualify?	18
92. If I am going to have purchases across multiple NJ manufacturing sites, would I need to submit separate applications per manufacturing sites?	18
93. If build out is part of your total project cost, can you start building out before you purchase equipment and still include those costs?	19
94. I am a Cannabis manufacturer, is my business eligible for this program?	19
95. We are a Media production company that provides editing to the film and digital media industry, we would like to purchase a new high-end film editing equipment. Are we eligible for this program?	19
FEES	20
96. Will there be fees associated with this program?	20
97. What will happen if my company moves out of state?	20
98. Does the recapture end after 3 years, or does the percentage continue to get smaller as the years go on?	20



New Jersey Manufacturing Voucher Program (NJMVP)

Pilot Program – Phase 1

Frequently Asked Questions (FAQ)

The New Jersey Manufacturing Voucher Program (NJ MVP) provides New Jersey manufacturers a grant to access equipment they need to become more efficient, productive, and profitable.

These questions are meant to provide guidance regarding a number of questions often asked about this program. This information does not constitute legal or accounting advice. Please see the current copy of the [New Jersey Manufacturing Voucher Program Rules](#) which sets forth the criteria under which the company is eligible for the grant of tax credits for further guidance.

If you have any questions or need clarification on any of these questions or answers, please email your request to njmvp@njeda.com.

General Program

1. *What is the New Jersey Economic Development Authority (NJEDA or the Authority)?*

The NJEDA is the State's principal agency for driving economic growth, working to carry out Governor Phil Murphy's vision for a stronger and fairer economy. The NJEDA is committed to making New Jersey a national model for inclusive and sustainable economic development by focusing on key strategies to help build strong and dynamic communities, create good jobs for New Jersey residents, and foster innovation.

2. *What is the New Jersey Manufacturing Voucher Program?*

The New Jersey Manufacturing Voucher Program is a \$20,000,000 pilot grant program to assist New Jersey manufacturers with accessing the manufacturing equipment they need to become more efficient, productive, and profitable. The pilot program will provide grants for a portion of eligible equipment costs, up to a maximum award amount of \$250,000 per manufacturer.

Please note: Applicants must be seeking assistance for a project they are actively contemplating but have yet to commit to. Projects where a contract has been signed, a Purchase Order placed, a deposit made in advance or previously purchased equipment prior to an approved NJ MVP application, will not be eligible for this program.

The program is intended for manufacturers within targeted industries that will purchase equipment that is used in the manufacturing process, or manufacturing equipment that meets the Advanced Manufacturing definition which integrates advanced or innovative technologies, processes, and materials to improve the manufacturing of products. The program will also offer bonuses for applicants that are certified woman, minority, or veteran owned businesses (WMVB), located in opportunity zone eligible census tracts, purchasing manufacturing equipment manufactured or assembled in New Jersey, as well as bonuses for companies that has a collective

bargaining agreement in place. NJ MVP is also committed to supporting small businesses by awarding manufacturers with under 100 Full Time Equivalent employees (FTE) higher award percentages.

Applications will be accepted on a rolling basis and remain open until all funds are committed.

3. *Is this a grant or a tax credit and when do we receive a voucher from the NJEDA?*

The New Jersey Manufacturing Voucher Program is a \$20,000,000 pilot grant program to assist New Jersey manufacturers with accessing manufacturing equipment. NJ MVP – New Jersey Manufacturing Voucher Program will provide equipment grants sized at 30% – 50% of the cost of the eligible equipment (including installation), up to a maximum award amount of \$250,000. Applicants who receive approval for the award will receive a grant based on the approved amount after the purchase, proof of deliver and installation of the equipment.

(Applicants must be seeking assistance for a project they are actively contemplating but have yet to commit to until they receive the final approval by NJEDA.)

4. *When will the application be available and how do I apply?*

The process will include two-steps (Pre-Qualification Application and Application):

1. First, the interested applicant company must submit pre-qualification application. The pre-qualification application will open on December 15, 2022 and will remain open on a rolling basis until December 22, 2022. ***Equipment should not be ordered at this point.***
 - All pre-qualification applications will be reviewed by NJEDA for completeness and eligibility. Applicants that submit incomplete pre-applications will be provided seven (7) business days after their application is reviewed to provide missing or incomplete documents.
2. Second, a pre-qualified applicant company will then be offered an invitation by NJEDA to apply. Applications will be accepted on a rolling basis. The application will remain open until all funds are committed. Applicants that submit incomplete applications will be provided seven (7) business days after their application is reviewed to provide missing or incomplete documents.
 - Applicant companies may purchase equipment once an application is submitted at their own risk but are encouraged to wait for an NJEDA approval.

5. *What sectors does this program concentrate on?*

This voucher program targets the state’s Targeted Industries. For a more comprehensive list check [here](#).

6. *How long will applications remain open?*

The Pre-Qualification application window will go live on December 15th, 2022 and will remain open through December 22, 2022. The final application will remain open until all funds are committed.

7. *Are the Pre-Qualification applications on a first come first get basis?*

No, Pre-Qualification applications will be received on a rolling basis and all Pre-Qualification applications received during the 7-day pre-application window will be reviewed for eligibility and completeness.

8. *Are there bonuses associated with this program?*

Yes, there are stackable bonuses associated with this program. The base award for eligible companies is 30% of the cost of the eligible equipment, capped at \$250,000 per company. The bonuses below will be added to that base award, with a cap of 40%.

NJ MVP is also committed to supporting small businesses by awarding manufacturers with 100 or less Full Time Equivalents (FTE) higher award percentages of 50% with a maximum award amount of \$250,000.

Stackable 5% Bonuses Available for each of the following:

- Equipment located, installed, and used in an Opportunity Zone Eligible Census Tract
- NJ Certified Woman Owned Business
- NJ Certified Minority Owned Business
- Certified Veteran Owned Business
- At least one Collective Bargaining Agreement in place.

Stackable 10% Bonuses Available for the following:

- Purchase equipment from a New Jersey Manufacturer. (Equipment must be manufactured and/or assembled in NJ)

9. *What is considered a Small Business and how do you calculate FTE?*

A “Small Business” means a business engaged primarily in one industry with 100 or fewer employees, as determined six months before application and at the time of application. An “Employee” of a small business shall include a person who is employed for consideration for at least 35 hours a week; who is employed pursuant to an employee leasing agreement for at least 35 hours a week; or who is a partner of a business who works for the partnership for at least 35 hours a week. An Employee of a small business shall also include any person who works as an independent contractor for the business or a contract worker who works at the business for at least 35 hours a week. For those persons who are employed by the business or who work for the business as independent contractors or contract workers for less than 35 hours, 35 hours of employment a week shall constitute one employee, regardless of whether the hours of work were performed by one or more persons. This is known as Full Time Equivalents. The Authority may determine a different number of hours a week or other standard of service generally accepted by custom or practice as full-time employment. For purposes of the number of employees, a small business shall include all of its affiliates, regardless of whether the affiliate may contribute full-time jobs or capital investment to the project.

10. *Is the installation of the equipment subject to Prevailing Wage?*

All contracts (including manufacturers/supplier agreements) that are **\$2,000 or more** and requires installation of equipment is **subject to Prevailing Wage Law**. The New Jersey Prevailing Wage Act is a law that sets a minimum pay rate to laborers, craftspeople, and apprentices working on public works projects for each county in the state. All NJEDA projects are subject to this requirement. You can find more information about prevailing wage at: <https://www.nj.gov/labor/wageandhour/prevailing-rates/public-works/>

11. *How can a contractor become a Department of Labor Public Works Contractor?*

Contractors can find more information about the registration process [here](#). Contractors may also contact DOL at pwcr@dol.nj.gov with questions.

12. *Where can a contractor be added to the NJEDA Interested Contractor list?*

Interested Public Works Registered Contractor(s) can complete a form at <https://www.njeda.com/child-care-facilities-improvement-program-public-works-contractor-interest-form/>.

13. *What kind of equipment is eligible?*

Eligible capital assets shall include any form of manufacturing equipment, technologically advanced equipment or production/operating systems, including but not limited to robotics, additive manufacturing, hardware or software for digital twinning, advanced sensor or control systems, IIoT (interconnected sensors, instruments, and other devices networked together with computer; industrial applications) systems and related security.

14. *Is there a minimum project cost (equipment + installation) to be eligible for the program?*

The total aggregated project cost (equipment + installation) must be at least \$25,000.00.

15. *Can my company submit multiple applications?*

Yes, companies and organizations may submit multiple project applications, so as long as the aggregate amount awarded to one company doesn't exceed \$250,000.00 over the life of the program and total aggregated project cost is at least \$25,000.00.

16. *How long do I have to receive the equipment?*

The company will be allowed 12 months for the delivery and installation of the equipment with two 6-month extensions before the funds are disbursed.

17. *How will my company receive the voucher money?*

One single award disbursement will be issued when proof of equipment delivery and installation is provided.

18. *Is the grant paid to my company or the vendor where equipment was purchased?*

The program is designed to directly reimburse the applicant for an eligible percentage of the cost of the equipment and installation.

19. *Is the application fee reimbursable, if it is found that I am not eligible for the program?*

There is no fee for the Pre-Qualification application where NJEDA will determine eligibility and completeness. Once a pre-qualification applicant is deemed eligible, a link will be provided to the applicant to fill out the NJMVP application and a fee of \$1,000 is due at time of application submission. As listed in N.J.A.C. § 19:30-6.1, a non-refundable fee of \$1,000 shall accompany every application. Applicants are encouraged to read and understand the guidelines of the program prior to submitting an application.

20. *Will I be required to repay the grant funding or provide matching funds?*

No, grants provided under the Manufacturing Voucher Program are not loans and are not required to be repaid. Applicants are not expected or allowed to provide matching funds.

Eligibility

21. *Can my company have already purchased the equipment when we put in an application?*

No, the applicants must be seeking assistance for a project they are actively contemplating but have yet to commit to.

In projects where a contract has been signed, a purchase order placed, or a deposit made in advance of submitting an MVP application WILL NOT be considered for funding.

22. What documents do I need to provide with my pre-qualification?

The following documents must be uploaded at the time of pre-qualification:

- A project Quote, Order Proforma, and / or Equipment Listing from a Vendor or Service Provider
- If the company is seeking the “small business” designation with total employees of 100 FTE or under then a recent quarterly WR-30 or if the company uses a PEO (Professional Employer Services), the PEO must write a letter on your behalf indicating the total number of Full Time Equivalent (FTE) it leased to you that are currently working. This should include both part-time and full-time with a total FTE count.
- Tax Clearance Certificate (not required but submit if you have it) (**Note: Certificates may be requested through the State of New Jersey’s online Premier Business Services (PBS) portal.** Under the Tax & Revenue Center, select Tax Services, then select Business Incentive Tax Clearance and ensure you pick New Jersey Economic Development Authority. See our website for step-by-step instructions at www.njeda.com/NJMVP).
- A copy of an active Collective bargaining agreement if you are seeking this bonus
- A copy of your New Jersey Certification if you are a Woman owned, Minority, and Veteran Owned Businesses (WMVB), if you are seeking this bonus.
- At the end of the Pre-Qualification application there are some documents that will need to be printed and uploaded with your signature.

23. When can I purchase the equipment?

Companies can order the equipment at their own risk after submitting the final application. However, it is recommended that companies wait until a NJEDA approval is issued. In addition, all approved companies must **purchase the equipment by June 30th 2023.**

24. Does my company have to provide proof of purchase to receive the award?

Yes, the company must provide proof of purchase, delivery, and installation prior to receiving the award.

25. What does my company’s status have to be at time of application?

The company must be a registered New Jersey company in good standing with the state by the time of approval (tax, clearance, DOL, and DEP checks). A new manufacturer to NJ could be eligible, as long as, they register to do business in NJ and provide a tax clearance certificate at the time of application.

26. Are not-for-profit companies eligible for this program?

Yes, for profit and not-for-profit companies are eligible but home-based businesses are ineligible.

27. What is considered a manufacturer in a Targeted Industry?

A manufacturer in a “Targeted industry” means any industry identified from time to time by the Authority which shall initially include advanced transportation and logistics, advanced manufacturing, aviation, autonomous vehicle and zero-emission vehicle research or development, clean energy, life sciences, hemp processing, non-retail food and beverage businesses including food innovation.

A full detailed list with examples can be found on our webpage <https://www.njeda.com/wp-content/uploads/2022/11/Appendix-C-Targeted-Industries-Definitions-11-7.pdf>

28. Is my company eligible if it is not in a Targeted Industry?

Yes, if your company is not in a [targeted industry](#) but the solicited equipment is defined as [Advanced Manufacturing](#) than that piece of equipment will be eligible. *Eligible capital assets shall include any form of manufacturing equipment, technologically advanced equipment or production/operating systems, including but not limited to robotics, additive manufacturing, hardware or software for digital twinning, advanced sensor or control systems, IIoT (interconnected sensors, instruments, and other devices networked together with computers' industrial applications) systems and related security.*

29. How will I know when the Pre-Qualification application is open?

Please visit www.njeda.com/njmvp for updates. We anticipate the Pre-Qualification application to be available at 10:00am EST on December 15, 2022. for applicants to start their process. You will have 7 days to submit your application with all the necessary information and attachments.

30. Can the grant be used to purchase software that advance the manufacturing process including ERP systems that track as well as print lot & batch numbers on labels that are used on the vials or bottles?

Yes, if the software is used in the manufacturing process for a manufacturer in a Targeted Industry or if the software meets the Advanced Manufacturing definition.

31. If equipment costs more than \$1,000,000 can a company still apply and use the grant towards the purchase?

Yes, you can apply for any manufacturing equipment at any cost, as long as, the minimum total aggregated project cost (equipment + installation) is at least \$25,000.00. The maximum award amount will be capped at \$250,000 per company.

32. What if my company has multiple subsidiaries, could each EIN apply for the Manufacturing Voucher Program?

The Companies and organizations may submit multiple project applications, so long as the aggregate amount awarded to any **one company** (including subsidiaries) does not exceed \$250,000 over the life of the program and total minimum aggregated project cost is at least \$25,000.

33. Can I submit multiple manufacturing equipment solicitations on one application, or must I submit a separate application for each piece of equipment?

You may apply for multiple pieces of equipment on the same application, so long as the aggregate amount awarded to any one company doesn't exceed \$250,000 over the life of the program and total minimum aggregated project cost is at least \$25,000.

34. Would manufacturing of elevators/elevator components qualify for this grant?

Even though the industry of elevator manufacturing is not a targeted industry, if the non-targeted industry applicant buys Advanced Manufacturing equipment, that would qualify for the NJMVP. Advanced manufacturing equipment includes, but is not limited to, activities that integrate advanced or innovative technologies, processes, and materials to improve the manufacturing of products. Such activities include research, development, commercialization, and implementation of **new manufacturing methods** and processes that

utilize technology or other innovative methodologies including both physical equipment and software supporting advanced production.

Examples of advanced manufacturing technologies include additive manufacturing technologies, computer-aided manufacturing, utilization of advanced sensors and robotics to improve production, development of advanced materials to support production, and digital twin development and utilization. This industry also includes firms that manufacture either finished or interim advanced technologies or components.

35. *How can I confirm if I am located in a qualified opportunity zone?*

A mapping tool will be available both on the Pre-qualification application and our webpage www.njeda.com/NJMVP to check if your location is in a qualified opportunity zone.

36. *Is an Urban Enterprise Zone (UEZ) zone the same as a Qualified Opportunity Zone (QOZ)?*

No, the UEZ is a different designation, although you could be in both a UEZ and in a Qualified Opportunity Zone. Our comprehensive mapping tool will help you identify if your location is in a Qualified Opportunity Zone.

37. *Can I combine the available bonuses to increase my award size?*

The available bonuses are stackable, but award sizes are capped at 40% of the project cost for companies with over 100 FTE's and capped at 50% for companies with 100 or less FTE's.

The maximum award amount to a single company ***is \$250,000.***

38. *Is there some specific process to register and certify as a NJ manufacturing company?*

No, you don't need to register as a NJ manufacturing company. The pre-qualification application will ask for support and a narrative of the company.

39. *Can you buy out an equipment lease with these funds?*

No, this funding is for a project that is being actively contemplating but have yet to commit to. No, this funding is for a project that is being actively contemplated but have yet to committed to.

40. *Can I use this grant even if I am planning to lease or finance manufacturing equipment that our company is actively contemplating but have yet to commit to? Can I use this grant if I am planning to lease or finance the manufacturing equipment?*

Yes, you could use this program if you are planning to lease or finance the manufacturing equipment. There are no restrictions in the fund sourcing of the acquisition.

41. *Are there any requirements for new jobs to be created or salary requirements?*

No, there are no job creation or salary requirements for this program.

42. *How are the jobs for Full Time Equivalent (FTE) determined, is it based on the New Jersey facility or Company-wide?*

To meet the "Small Business" eligibility, we look at the business, company-wide with 100 FTE or less.

43. *What is the tax treatment (Federal/NJ corporate) of receiving/using this grant? Is the income taxable? Is the cost of equipment reduced for depreciation purposes?*

We are unable to offer any tax advise but strongly suggest reaching out to your tax professional to understand any tax implication.

44. *I am part of a new company in a targeted industry (clean energy/ advanced materials) with the aim of manufacturing our material in the coming years but are currently in our R&D phase. Is R&D equipment eligible for the grant?*

Currently this program is designed for manufacturing companies, however, NJEDA has other programs to assist new targeted industries in the R&D phase. Please visit www.njeda.com to learn more.

45. *How long will it take to fill out the Pre-Qualification Application?*

The average time for an applicant to fill out and upload all pertinent documents is 20 minutes.

46. *If my company gets approved during the pre-qualifying application, will that assure we get the funds through the application?*

The Pre-Qualification application is the first step to determine eligibility and completeness. You will receive a link that will grant you access to the final application when it goes live. The application window will stay open until the \$20M allocation is exhausted.

47. *Are companies registered in other states but having manufacturing facility in NJ eligible for this program?*

Companies doing business in New Jersey should be registered and would be required to obtain a Tax Clearance Certificate from New Jersey Taxation.

48. *If my headquarters is located in New Jersey but my manufacturing facility is in another state, am I eligible for this program?*

All approved manufacturing equipment must be located and installed at a New Jersey location.

49. *How do I determine equipment purchase is from a New Jersey assembler versus just a distributor?*

Applicants will need to provide proof of purchasing equipment from a New Jersey manufacturer/assembler by providing a NAICS code as an assembly plant or manufacturer or any other documentation that would prove this.

50. *Does the equipment have to have a certain useful life? What if it just lasts for one year?*

There are no restrictions on the useful life of the equipment. Guidelines for NJMVP reimburse manufacturers a percentage of the cost and installation of the equipment require the equipment to remain in a New Jersey location for at least three years.

51. *If we have specific questions about either our company eligibility or the advanced manufacturing requirements eligibility is there a way to clarify with someone before starting the process?*

We can't make eligibility determination without the full scope of the project. The application process will consist of a two-step process. First a pre-application and secondly a full application. The pre-qualification does not carry an application fee and will ask the relevant information we need to determine eligibility. Detailed information on eligibility along with a pre-recorded webinar can be found on [New Jersey Manufacturing Voucher Program - NJEDA](#).

52. *Can you purchase used equipment vs. new?*

Yes, NJMVP allows for both used and new equipment.

53. *We are a food company that has a retail store, but we are also going into wholesale. Is the wholesale side of our business eligible?*

NJMVP allows for industries that includes the regional or global headquarters for food-based businesses, breweries, wineries, and **major wholesale food distribution facilities**. Research and development activities that advance food innovation technologies, commercialization, production, food distribution models and manufacturing operations are also included in the non-retail food and beverage industry.

Excluded from this industry include distribution businesses serving retail food customers, including grocery stores, farmers markets, community supported agriculture organizations, bodegas, or convenience stores, and establishments that serve food and beverages, including restaurants, cafeterias, cafés, fast-food, pubs, delis, and catering businesses.

54. *We provide a service utilizing our patented technologies. We do not manufacture a product are we still eligible for this program?*

No, the equipment **must** be used in the manufacturing process. In addition, your company must be in a targeted industry or the solicited piece of equipment must meet the definition of advanced manufacturing.

55. *Would miscellaneous equipment tied to the manufacturing process for example, exhaust fan used for ventilation during the manufacturing process, would the equipment and installation of the exhaust fans qualify through this program?*

No, eligible equipment must be directly used in the manufacturing process.

56. *Is the state planning on doing this program on an annual basis?*

Currently, there are no designations for an annual program. NJMVP is a Pilot program approved under NJ Fiscal Year 2023 Appropriations Act.

57. *What if you are eligible but the grant has run out by the time you submit your application due to high volume? It seems like you just lose the \$1,000. Or are you pre-approving the amount of companies that will be approved via application?*

The application process will consist of a two-step process – first, a pre-qualification and secondly a full application. The pre-qualification stage does not carry an application fee. All applicants who are deemed eligible will receive a link that will grant them access to the application once it goes live. At this stage, the application will remain open until are funds are committed.

58. *If the application gets denied, would NJEDA tell us why? If it's correctable, could the application be resubmitted?*

The process will include two-steps (Pre-Qualification Application and Application):

1. First, the interested applicant company must submit pre-qualification application. The pre-qualification application will open on December 15, 2022 and will remain open on a rolling basis until December 22, 2022. **Equipment should not be ordered at this point.**
 - All pre-qualification applications will be reviewed by NJEDA for completeness and eligibility. Applicants that submit incomplete pre-applications will be provided seven (7) business days after their application is reviewed to provide missing or incomplete documents.
2. Second, a pre-qualified applicant company will then be offered an invitation by NJEDA to apply. Applications will be accepted on a rolling basis. The application will remain open until all funds

are committed. Applicants that submit incomplete applications will be provided seven (7) business days after their application is reviewed to provide missing or incomplete documents.

- Applicant companies may purchase equipment once an application is submitted at their own risk but are encouraged to wait for an NJEDA approval.

59. Are foreign employees considered for FTE, also are foreign subsidiary employees considered for FTE?

Yes, all employees count towards the FTE counts.

60. Technically speaking, we must order the equipment by June 30, 2023, however, if the lead times are long, we have until June 30, 2025 to have the equipment installed or is it 2 years from the date of the purchase? or is it calendar year?

The 12-month time frame starts at the date the final approval letter is dated. The applicant can then apply and receive, if eligible, for up to two 6-month extensions for the delivery of machinery to take place. The 12-month window with two 6-month extensions to provide evidence of delivery and installation of the equipment starts after the applicant has been issued an approval.

61. Will a transportation business qualify?

No, the program is intended for **manufacturers** within targeted industries that will purchase equipment for their manufacturing process or equipment that meets the definition of advanced manufacturing.

62. Will applications for small businesses/minority businesses be reviewed before larger businesses?

No, applications will be received on a rolling basis.

63. On the Targeted Industry list, Film & Digital media companies are listed - is this indeed a targeted industry for NJ MVP?

While Film & Digital media companies are listed as a Targeted Industry, manufacturing is not an approved use.

64. I see from the pre-qualification document checklist, that we need to submit the equipment quote in the pre-qualification process. This would mean that we would need to have received this quote prior to your estimated mid-December opening. But there are prohibitions on pre-existing business arrangements, so when can the quote be dated? Before or after the date of the pre-qualification document submission?

An equipment quote is not prohibited under NJMVP guidelines. Restrictions are projects where a contract has been signed, a Purchase Order placed, a deposit made in advance or previously purchased equipment prior to a NJMVP application, will not be eligible for this program).

65. Can we start getting equipment quotes already?

Yes, equipment quotes are required and not prohibited under NJMVP guidelines.

66. Just to confirm the funds will be available after delivery and install?

One single award disbursement will be issued when proof of equipment delivery and installation in a New Jersey facility, is provided.

67. Can used equipment be bought from other manufacturers? Or does it have to be bought from used equipment dealer/broker?

There are no restrictions where used equipment is purchased from.

68. *We are a woman owned business in the process of being certified. What is the deadline for certification uploads? Can they be uploaded later for a bonus?*

All NJ certifications evidence will be required to be uploaded with the pre-qualification. Applicants that submit incomplete pre-applications will be provided seven (7) business days after their application is reviewed to provide missing or incomplete documents.

69. *For pre-qualification, do we need to give all equipment quotes at that time? It may take us more time to get all the quotes together beyond 12/15/22.*

All supporting evidence will be required to be uploaded with the pre-qualification. Applicants that submit incomplete pre-applications will be provided seven (7) business days after their application is reviewed to provide missing or incomplete documents.

70. *Is it possible to get a copy of this webinar?*

The webinar is available [here](#).

71. *Is this eligible for service companies like daycare centers or cleaning services?*

No, the program is intended for **manufacturers** within targeted industries that will purchase equipment for their manufacturing process or for manufacturers that purchase equipment that meets Advanced Manufacturing definition.

72. *I am a repair shop of various manufacturing equipment, am I eligible for this program?*

No, the program is intended for **manufacturers** within targeted industries that will purchase equipment for their manufacturing process or for manufacturers that purchase equipment that meets Advanced Manufacturing definition.

73. *Our project includes multiple pieces of equipment, will it be one application for the entire project? Part of our project requires a build out to house the equipment, is that build out eligible as well?*

Manufacturers may submit multiple projects (equipment + installation) in one application, so long as the aggregate amount awarded to any one company doesn't exceed \$250,000 over the life of the program and have a total minimum aggregated project cost is at least \$25,000. Build out to house equipment is not an eligible funding use.

74. *Do we need to keep checking the website or is there a way to add our email to a list such that once the portal opens for pre-qualification we are notified?*

There is no automatic email list system alerting to updates on the program. It is encouraged that interested applicants stay up to date through [New Jersey Manufacturing Voucher Program - NJEDA](#).

The process will include two-steps (Pre-Qualification Application and Application):

1. First, the interested applicant company must submit pre-qualification application. The pre-qualification application will open on December 15, 2022 and will remain open on a rolling basis until December 22, 2022. ***Equipment should not be ordered at this point.***

- All pre-qualification applications will be reviewed by NJEDA for completeness and eligibility. Applicants that submit incomplete pre-applications will be provided seven (7) business days after their application is reviewed to provide missing or incomplete documents.
2. Second, a pre-qualified applicant company will then be offered an invitation by NJEDA to apply. Applications will be accepted on a rolling basis. The application will remain open until all funds are committed. Applicants that submit incomplete applications will be provided seven (7) business days after their application is reviewed to provide missing or incomplete documents.
- Applicant companies may purchase equipment once an application is submitted at their own risk but are encouraged to wait for an NJEDA approval.

75. Can you define what a collective bargaining agreement is?

A collective bargaining agreement (CBA) is a written legal contract between an employer and a union representing the employees.

76. How do you define a “Small Business”?

“Small business” means a business engaged primarily in an industry with 100 or fewer employees, as determined six months before application and at the time of application. Employees of a small business shall include a person who is employed by a business for consideration for at least 35 hours a week; who is employed pursuant to an employee leasing agreement for at least 35 hours a week; or who is a partner of a business who works for the partnership for at least 35 hours a week. Employee of a small business shall also include any person who works as an independent contractor for the business or a contract worker who works at the business for at least 35 hours a week. For those persons who are employed by the business or who work for the business as independent contractors or contract workers for less than 35 hours, 35 hours of employment a week shall constitute one employee, regardless of whether or not the hours of work were performed by one or more persons. The Authority may determine a different number of hours a week or other standard of service generally accepted by custom or practice as full-time employment. For purposes of the number of employees, a small business shall include all of its affiliates, regardless of whether the affiliate may contribute full-time jobs or capital investment to the project.

77. Is the cost of building a new cleanroom used in the manufacturing of products in a targeted industry eligible?

No, NJMVP is designed to reimburse a percentage of a particular piece of equipment used in the manufacturing process rather than build out of a facility.

78. Are some manufacturing interests preferred over others, e.g., medical devices vs. recycled products?

NJMVP focuses on manufacturers in Targeted Industries. Should a manufacturer not belong to one of the listed Targeted Industries, they may still be eligible as long as the solicited equipment be deemed to be Advanced Manufacturing.

79. Does the manufacturing equipment have to be robotics or does a better piece of manufacturing qualify?

No, NJMVP focuses on manufacturers in Targeted Industries. Should a manufacturer not belong to one of the listed Targeted Industries, they may still be eligible as long as the solicited equipment be deemed to be Advanced Manufacturing.

80. Will a percentage of the \$20 million be allocated to small diverse businesses only?

No, there is no set percentage set aside for small and diverse businesses. Rather, the program rewards small businesses by offering a larger reimbursement percentage of the project cost (equipment + installation), as well as 5-10% bonuses for those applicants meeting the diverse criteria.

81. *I have a cleaning service and I provide services to a manufacturing company. I would use equipment to clean logistic and other manufacturing equipment, am I eligible for this program?*

No, the program is intended for **manufacturers** within targeted industries that will purchase equipment for their manufacturing process or for manufacturers that purchase equipment that meets Advanced Manufacturing definition.

82. *Would the purchase and construction of a new greenhouse, including advanced automated watering and heating systems that grows plants for NJ farmers qualify for this grant?*

A greenhouse is considered real property and not a piece of equipment. However, any manufacturing equipment within that greenhouse may be eligible, so long the manufacturer is in a [Targeted Industry](#) or the respective piece of equipment is deemed to be [Advanced Manufacturing](#).

83. *Are meal delivery companies (sends directly to customers but no store front) classified as non-retail food and beverage?*

No, **Non-retail Food and Beverages industry** includes, but is not limited to, the growing, processing, packaging, preservation and distribution of raw agricultural goods into consumer food products, including fresh prepared foods, packaged foods, and alcoholic and nonalcoholic beverages, aquaculture and fisheries.

Excluded from this industry include distribution businesses serving retail food customers, including grocery stores, farmers markets, community supported agriculture organizations, bodegas, or convenience stores, and establishments that serve food and beverages, including restaurants, cafeterias, cafés, fast-food, pubs, delis, and catering businesses.

84. *Does the 12-month clock with two 6-month extension start at date of purchase or 6/30/2023?*

The 12-month time frame starts at the date the final approval letter is dated. The applicant can then apply and receive, if eligible, for up to two 6-month extensions for the delivery of machinery to take place. The 12-month window with two 6-month extensions to provide evidence of delivery and installation of the equipment starts after the applicant has been issued an approval.

85. *We are a coffee roaster in NJ, are we a “targeted business”? I want to purchase a new coffee roaster, is that considered as “advanced manufacturing equipment”?*

A coffee roaster is not considered to be deemed as [Advanced Manufacturing](#).

Non-retail Food and Beverages industry includes, but is not limited to, the growing, processing, packaging, preservation and distribution of raw agricultural goods into consumer food products, including fresh prepared foods, packaged foods, and alcoholic and nonalcoholic beverages, aquaculture and fisheries.

The industry includes the regional or global headquarters for food-based businesses, breweries, wineries and major wholesale food distribution facilities. Research and development activities that advance food innovation technologies, commercialization, production, food distribution models and manufacturing operations are also included in the non-retail food and beverage industry.

Excluded from this industry include distribution businesses serving retail food customers, including grocery stores, farmers markets, community supported agriculture organizations, bodegas, or convenience stores, and establishments that serve food and beverages, including restaurants, cafeterias, cafés, fast-food, pubs, delis, and catering businesses.

86. *Is the creation of custom books and albums, considered to be a manufacturing business?*

No, NJMVP focuses on manufacturers in Targeted Industries. Should a manufacturer not belong to one of the listed Targeted Industries, they may still be eligible as long as the solicited equipment be deemed to be Advanced Manufacturing.

87. *Is this award eligible for a new company that will open because of this incentive (given there will be no WR-30 yet)? For example, my company currently resides in New York, but we are moving to New Jersey to open our manufacturing facility, will we be eligible to apply for this program?*

Yes, you Must be a registered New Jersey manufacturing company in good standing with the state by the time of Approval (Tax Clearance, DOL, and DEP checks). A new manufacturer to NJ could be eligible, as long as, they register to do business in NJ and provide a tax clearance certificate at the time of approval.

A NJ WR-30 is only required for manufacturers who have 100 FTE or less and want to take advantage of the higher max award of 50% of the project cost (equipment + installation).

88. *Must the equipment being purchased be manufactured in NJ or could I order from a company located overseas?*

Eligible manufacturers may purchase the respective equipment from anywhere they choose. However, there is a potential 10% bonus available for those manufacturers who purchase their equipment from a NJ manufacturer.

89. *Would a forklift (used in the manufacturing process) be considered eligible?*

No, a forklift is not directly used in the manufacturing process. It is rather a means of moving and transporting.

90. *My company repairs hybrid/electric/gas trucks and vehicles can I use the funds to invest or buy updated air conditioning machines and alignment machines?*

No, your company is classified as a service-based business rather than a manufacturer.

NJMVP focuses on manufacturers in Targeted Industries. Should a manufacturer not belong to one of the listed Targeted Industries, they may still be eligible as long as the solicited equipment be deemed to be Advanced Manufacturing.

91. *I have a food packaging company and I would like to purchase a new packaging machine. Will I qualify?*

No, NJMVP focuses on manufacturers in Targeted Industries. Should a manufacturer not belong to one of the listed Targeted Industries, they may still be eligible as long as the solicited equipment be deemed to be Advanced Manufacturing.

92. *If I am going to have purchases across multiple NJ manufacturing sites, would I need to submit separate applications per manufacturing sites?*

No, companies and organizations may submit multiple equipment requests on a single application, so long as the aggregate amount awarded to any one company doesn't exceed \$250,000 over the life of the program and total minimum aggregated project cost is at least \$25,000.

You may apply for multiple NJ manufacturing sites on the same application, so long as the aggregate amount awarded to any one company doesn't exceed \$250,000 over the life of the program and total minimum aggregated project cost is at least \$25,000.

93. *If build out is part of your total project cost, can you start building out before you purchase equipment and still include those costs?*

No, build out is not an eligible use of the program. The NJ MVP voucher program provides New Jersey manufacturers a grant to access equipment they need to become more efficient, productive, and profitable.

94. *I am a Cannabis manufacturer, is my business eligible for this program?*

Due to recent law changes certain Cannabis is restricted from this funding. New Jersey State law prohibits certain cannabis licensees and certified personal use cannabis handlers' employers from receiving or continuing to receive most financial incentive awards.

N.J.S.A. 24:6I-49(b)(2)(a) states:

(i) A person or entity issued a license to operate as a cannabis cultivator, cannabis manufacturer, cannabis wholesaler, cannabis distributor, cannabis retailer, or cannabis delivery service, or that employs a certified personal use cannabis handler to perform work for or on behalf of a cannabis establishment, distributor, or delivery service shall not be eligible for a State or local economic incentive.

(ii) The issuance of a license to operate as a cannabis cultivator, cannabis manufacturer, cannabis wholesaler, cannabis distributor, cannabis retailer, or cannabis delivery service, or the issuance of a certification to perform work for or on behalf of a cannabis establishment, distributor, or delivery service to a person or entity that has been awarded a State or local economic incentive shall invalidate the right of the person or entity to benefit from the economic incentive as of the date of issuance of the license or certification.

N.J.S.A. 24:6I-49(b)(2)(b) states:

(i) A property owner, developer, or operator of a project to be used, in whole or in part, by or to benefit a cannabis cultivator, cannabis manufacturer, cannabis wholesaler, cannabis distributor, cannabis retailer, or cannabis delivery service, or to employ a certified personal use cannabis handler to perform work for or on behalf of a cannabis establishment, distributor, or delivery service, shall not be eligible for a State or local economic incentive during the period of time that the economic incentive is in effect.

95. *We are a Media production company that provides editing to the film and digital media industry, we would like to purchase a new high-end film editing equipment. Are we eligible for this program?*

Although Film & Digital Media is a targeted industry, however, it is not considered a manufacturer under the NJMVP therefore, this would not qualify for NJMVP.

Fees

96. Will there be fees associated with this program?

There is no application fee for the pre-qualification application. Once a pre-qualification applicant is deemed eligible by NJEDA, a link will be provided to the applicant to fill out the NJMVP application. A non-refundable fee of \$1,000 is due at time of application submission.

97. What will happen if my company moves out of state?

This program has a 3-year recapture provision. If your company moves out of state within:

Moves out of State within	Recapture Percentage of the Face Value
1 year of executed grant agreement	100%
2 years of executed grant agreement	60%
3 years of executed grant agreement	30%

If, in any tax period within the first 3 years of executed grant agreement, the company decides to leave the state, the company recapture schedule will apply.

98. Does the recapture end after 3 years, or does the percentage continue to get smaller as the years go on?

This program has a 3-year recapture provision, and it ends after the 3rd year.