

VERMONT EMPLOYMENT GROWTH INCENTIVE DETERMINING YOUR “ACTIVITY COMMENCEMENT DATE”

The “Activity Commencement Date,” is a very important piece of application data. It is determined by the applicant based on the start or commencement of the economic activity for which incentives are sought.

For a VEGI application, the Activity Commencement Date is the date *after which* the economic activity for which the incentives are sought, will begin. By setting this date, you are stating that the economic activity - new jobs, new payroll, and capital investments - which will occur *because of the VEGI incentive* will occur only *after* this date.

If you are filing a Pre-Application to get an incentive estimate or a formal Initial Application, the Activity Commencement Date must be *after*:

- The date that the Pre-Application or Initial Application is filed;
- The date of the meeting at which your Initial Application is expected to be considered by the Vermont Economic Progress Council (VEPC); and
- Because the applicant must meet the But For approval criteria, a decision by the applicant to proceed with the activity at all or in Vermont must be made *after* approval of an Initial Application.

So, the order of events must be:

- File a VEGI Pre-Application to get an incentive estimate (No due date- file anytime)
- Receive the Pre-Application Estimate (Within 5-7 days of filing complete Pre-Application)
- File a formal Initial VEGI Application (By first Friday of the month)
- Initial VEGI Application considered by VEPC (Last Thursday of the month)
- Applicant performs due diligence and makes project decisions
- Activity Commencement Date occurs
- Final VEGI Application filed and considered (By end of calendar year)

The Activity Commencement Date stays the same for an Initial and Final Application, unless the applicant requests and is granted an extension of the Activity Commencement Date by VEPC. If you are filing a Final Application without filing an Initial Application, the Activity Commencement Date must be after the date that the Final Application is expected to be considered by VEPC.

Activity that occurs prior to the Activity Commencement Date cannot be considered for incentives. Any activity that will occur because of the incentives must occur after the Activity Commencement Date.

On your application, data entry for Year 1 is divided into two columns: The first for activity (employment payroll, and capex) from January 1 to the day before your Activity Commencement Date during Year 1; and the second for activity from your Activity Commencement Date through December 31 of Year 1. If your Activity Commencement Date is January 1, enter zeros in the first column and enter all data in the second column, which is January 1 through December 31 of Year 1.

Examples:

Example 1: Your application will be filed and considered in October 2016 and the project for which incentives are sought will begin January 1, 2017. “Year 0” is 2016. The “Activity Commencement Date” is January 1, 2016

and all data on the form for “Year 1- Prior to Activity Commencement Date” would be “0” (Zeroes). All data for January 1, 2016 through December 31, 2016 would be included in Year 1.

Example 2: Your application will be filed and considered in April 2017 and the project for which incentives are sought will begin July 1, 2017. “Year 0” is 2016. The “Activity Commencement Date” is July 1, 2016 and the data in “Data Part 1 – Prior to Activity Commencement Date” would consist of your activity from January 1, 2017 through June 30, 2017. The data for Year 1 that will be considered for the incentive would consist only of activity from July 1, 2017 through December 31, 2017.