

New Jersey Appendix

Key Subsidy Programs

Program	Annual Cost	Monitoring, Enforcement & Penalty Score*
Business Employment Incentive Program (BEIP) - large cash grants to new or expanding businesses based on the value of new employees' personal income tax withholding	\$106,000,000 (2010)	69/100
Business Retention and Relocation Assistance Grant (BRRAG) - tax credits of \$1,500 per job for companies that are considering relocating out-of-state as well as sales tax exemptions	\$2,700,000 (2012)	58/100
Economic Redevelopment Growth (ERG) Grant Program - controversial TIF program that allows up to 75% of 19 different state and local taxes to be used to subsidize private development	\$328,700,000 (2011)	42/100
Research and Development Tax Credits - transferable corporate income tax credits issued for increased R&D expenditures	\$65,600,000 (2012)	50/100
Urban Enterprise Zone Program - sales and use tax exemptions, property tax abatements, and corporation business tax credits linked to hiring and capital investment for companies in designated zones	\$132,600,000 (2012)	44/100
Average Monitoring, Enforcement & Penalty Score for All Programs*		53/100

*Adjusted to reflect the program's performance standards score in *Money for Something*. See next page for unweighted scoring details.

Money-Back Guarantees for Taxpayers Scoring Details for New Jersey Programs		<i>Maximum possible score for category</i>	<i>Business Employment Incentive Program (BEIP)</i>	<i>Business Retention and Relocation Assistance Grant (BRRAG)</i>	<i>Economic Redevelopment and Growth (ERG) Grant Program</i>	<i>Research and Development Tax Credits</i>	<i>Urban Enterprise Zone Program</i>
Reporting	Has a requirement that recipients report to agency on performance outcomes (20 pts)	20	20	20	20	20	20
Verification	Agency awarding subsidy verifies performance outcomes reported by recipient (20 pts)	20	20	20	0	20	20
Type of Penalties	Penalty takes the form of recapture (10 pts)	10	10	10	0	10	0
	Penalty takes the form of rescission or program is performance based (5 pts)	5	5	5	5	5	5
	Penalty takes the form of recalibration (5 pts)	5	5	5	0	0	0
Scope of Penalties	Mandatory penalties for failure to meet performance requirements with no exceptions* (20 pts)	20	15	20	20	15	15
	Mandatory penalties for failure to meet performance requirements with some exceptions (15 pts)						
	Discretionary penalties for failure to meet performance requirements (10 pts)						
Online Disclosure of Enforcement Practices	Online publication of statistics on use of penalties (10 pts)	10	0	0	0	0	0
	Online publication of names of companies found to be non-compliant (5 pts)	5	0	0	0	0	0
	Online publication of names of companies penalized and dollar amounts (5 pts)	5	0	0	0	0	0
Total unweighted score		100	75	80	45	70	60
TOTAL SCORE adjusted to reflect the program's performance standards score in <i>Money for Something</i>		100	69	58	42	50	44

*Programs deemed performance based automatically receive points in this category.
For details on the programs see Appendix 4 in www.goodjobsfirst.org/moneyback.