



# DC TECH INCENTIVES

Are you a company that delivers technology products and services? **Qualified High Technology Companies (QHTC)** can claim one of the most attractive incentive packages for high technology businesses in the country.

## GROW IN DC

- 0% corporate franchise tax for first 5 years of business in DC
- Capital gains tax only 3% for qualifying investments in QHTCs (effective January 2019)
- New hire wage tax credit: up to \$15,000 annually (for 24 months) for each qualifying employee
- New hire retraining tax credit: up to \$20,000 per qualifying employee
- 10-year tax exemption from the date of acquisition on personal property used for operating your business

## MOVE TO DC

- Relocation tax credit: up to \$7,500 for each employee
- 5-year freeze on real property taxes for office improvements

## THRIVE IN DC

- Lifetime reduction of corporate franchise tax from 8.25% to 6%
- Sales tax exemption on purchase of hardware, software and equipment, and on qualifying sales
- Increased business expense deduction: up to \$40,000 for depreciable assets

**REDUCED  
CORPORATE  
FRANCHISE TAX**

**ONLY 3%  
CAPITAL GAINS  
TAX RATE**

**EMPLOYEE  
RELOCATION  
TAX CREDIT**

**LOWERED COSTS  
TO HIRE AND  
TRAIN WORKERS**

## ELIGIBILITY

A QHTC is a company that leases or owns an office in DC, has two or more qualified employees, and derives at least 51% of its gross revenues earned in the District from qualifying high technology activities. Examples include website design, software development, and data processing. Contact the Office of Tax and Revenue (OTR) to confirm eligibility.

## HOW TO CLAIM QHTC

To see full eligibility criteria, incentive details, and how to self-certify online, visit [dmped.dc.gov/qhtc](http://dmped.dc.gov/qhtc).

### Questions?

- Email [DMPED.eom@dc.gov](mailto:DMPED.eom@dc.gov)
- Call OTR Customer Service Center at (202) 727-4829