



Research and Development Investment Loan Fund

Overview	The Research and Development Investment Loan Fund (R&D Fund) was created to promote economic development, business expansion and job creation by utilizing low-interested loans and a tax credit to encourage private sector R&D investments.
Benefits	Businesses will be eligible for a dollar-for-dollar credit against their Ohio tax liability, equal to the amount of the principal and interest repaid on the loan. The maximum annual credit is \$150,000. The credit is non-refundable, but can be carried forward.
Eligibility	Eligible project costs include the following types of investments, which are being used for research and development activities: <ul style="list-style-type: none">- Purchase of land and/or building; if the project involves the purchase of an existing building, the business must occupy at least 51 percent of the premises.- Purchase of machinery and equipment.- Building construction and/or renovation costs; if the project involves new construction, the business must occupy at least 75 percent of the premises.- Long-term leasehold improvements.- Purchase of an ongoing business' fixed-assets.- Limited soft costs directly related to the fixed-asset purchase.- Refinancing is ineligible.
Rate/Terms	<p>The R&D fund can finance up to 50% of a project's allowable costs, with loans ranging from \$1.0 million to \$5 million.</p> <p>The term is dependent upon the useful life of the asset financed, with maximum limits of up to 15 years for real estate and up to 10 years for machinery and equipment.</p> <p>The interest rate is fixed at/or below market rates and typically do not exceed ½ of the current prime rate.</p> <p>The project must create or retain jobs in the State of Ohio.</p> <p>The applicant must fund at least 50% of the projects allowable R&D Fund costs, either directly or through a third party.</p>
Contact	Youngstown/Warren Regional Chamber at 33.392.6140 or Office of Financial Incentives at 800-848-1300.

This summary is prepared as a reference, and should not be construed as the actual law. For more information, contact the Youngstown/Warren Regional Chamber.