



## **PORT CREDIT**

Sections 40-18-400 through 40-18-403 of the Code of Alabama 1975 provide for an incentive to stimulate economic growth through new job creation, capital investment and increased cargo shipping.

For additional information regarding this program, please contact Angela Smith, Incentives Manager, at [angelag.smith@commerce.alabama.gov](mailto:angelag.smith@commerce.alabama.gov) or 334.353.8113.

### **BENEFIT**

The Port Credit is a one-time Alabama state income tax credit of up to:

- \$50 per TEU (twenty-foot equivalent unit);
- \$3 per net ton of bulk cargo;
- \$0.04 per net kilogram of air cargo; or
- \$2.91 per VEU (vehicle equivalent unit).

The Port Credit is calculated on new cargo above 105% of the prior year's cargo. The credit can be carried forward for five years. [Applications](#) must be submitted to the Alabama Department of Commerce and approved by the Renewal of Alabama Commission.

New warehouse or distribution facilities with associated investment of at least \$20,000,000 and creation of at least 75 net new jobs are eligible to receive up to \$100 per TEU over a 3-year period. A shipper meeting these requirements must enter into a project agreement with the state.

### **ELIGIBILITY**

Eligible shippers must be engaged in manufacturing, warehousing or distribution and must use a publicly owned port in the state. Credit allocation must be approved by the Renewal of Alabama Commission.