

Income Tax - Enterprise Zones ITC

Can equipment being moved from one enterprise zone to another enterprise zone across non-zone territory, still qualify for the enterprise zone investment tax credit?

If the equipment is only being moved from one zone to another and is not being used for business purposes outside the zone, the enterprise zone investment tax credit can still be claimed.

Likewise, taking the equipment outside an enterprise zone for repairs does not constitute "use" outside the zone. However, any use of equipment outside an enterprise zone for its business purpose within the first 12 months after a taxpayer puts it in service will disallow the credit.