



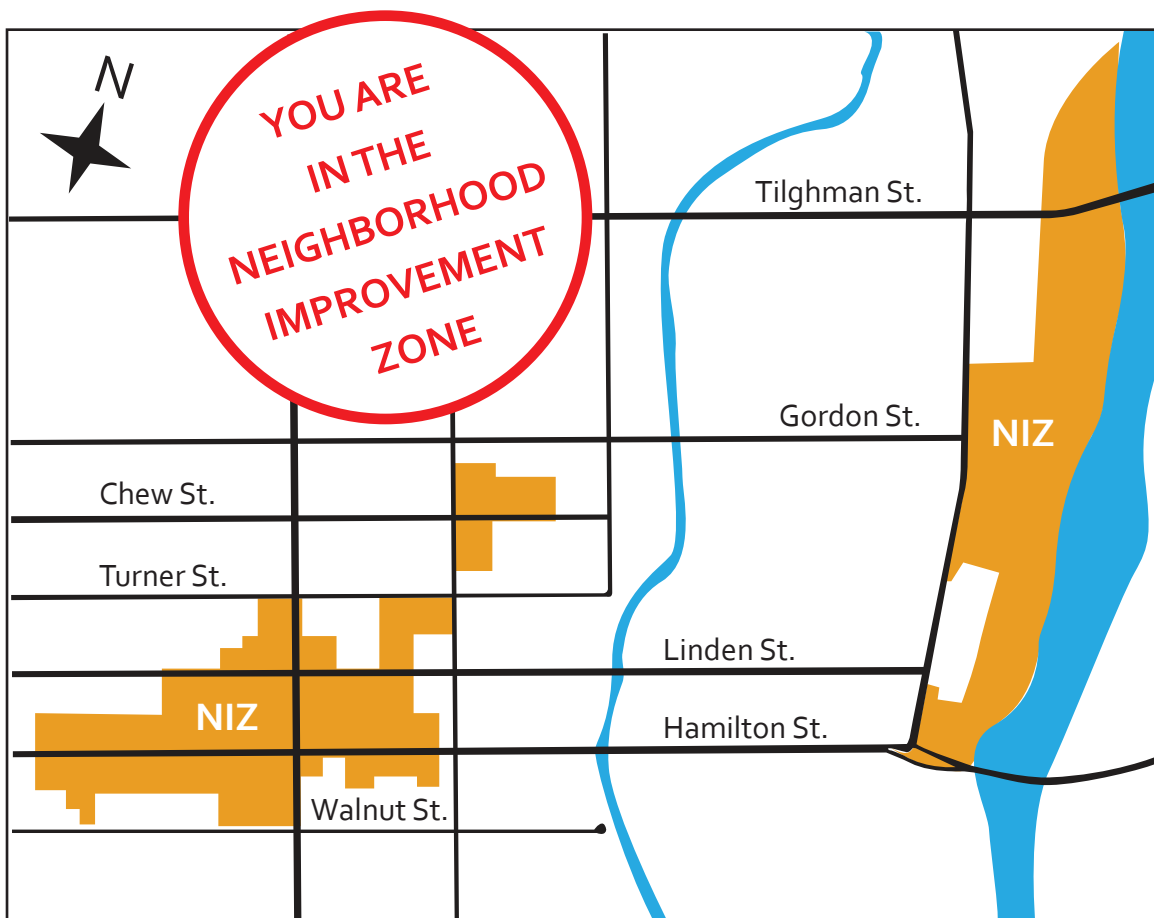
Allentown
Neighborhood Improvement Zone (NIZ)
2024 Business Information Packet
For Calendar Year Reporting January 1 - December 31, 2024
Due on or before January 31, 2025

What is the Neighborhood Improvement Zone (NIZ)?

Created by a state law in 2011 and revised in 2016 and 2018, the Neighborhood Improvement Zone (NIZ) is a special taxing district that encourages development and revitalization in Allentown. The NIZ consists of approximately 128 acres in center city Allentown and along the western side of the Lehigh River.

Under the law, certain state and local tax revenues generated by new and existing businesses within the NIZ can be used to pay debt on bonds and loans that are issued for qualifying capital improvements in the zone. Those improvements include the public-private arena complex at Seventh and Hamilton streets as well as other private commercial, retail, residential, hospitality, conference and exhibition projects of approved applicants.

The NIZ is overseen and managed by the Allentown Neighborhood Improvement Zone Development Authority (ANIZDA): <https://allentownniz.com/>



Why was the NIZ created?

The NIZ was created as an economic development tool to spur the transformation of downtown Allentown, beginning with the construction of an event arena that is home to the Lehigh Valley Phantoms, the professional minor-league hockey team affiliated with the Philadelphia Flyers. Expanding from there, the NIZ is designed to revitalize the arena's whole neighborhood, as well as the city's Lehigh River waterfront, creating a dynamic, healthy and more successful urban core.



NIZ Benefits to Allentown:

- New commerce, increased tourism, new companies
- Thousands of new jobs
- A strengthened, more collaborative community
- A range of housing options
- A distinctive, attractive, vibrant downtown
- Smart growth that encourages multiple land uses **while preserving open space and historic buildings**

NIZ Benefits to Your Business:

- Expected property value increase
- Improved cleanliness, safety & streetscapes
- More parking and better access to your business
- Increased foot traffic with:
 - New housing, hotels, restaurants & retail
 - 2,000-3,000 more people working in the NIZ
 - Arena events 1 of every 3 nights
 - 4 million new visitors to Allentown each year

Allentown is now a destination city for commerce, entertainment, culture and more!

NIZ Reporting - what do I have to do, by when, and why?

Under the NIZ law, businesses and contractors are required to report the taxes your business already pays and reports to state and local agencies. Please begin completing your NIZ reporting forms well in advance of the deadline.

WHAT

Reporting is on a **CASH BASIS**...meaning, you report based on what your business has *actually paid* from January 1, 2024 through December 31, 2024. You must complete and file all forms for 2024 to be received by the Pennsylvania Department of Revenue (DOR) and the City of Allentown (COA) on or before **January 31, 2025**. ***Please begin reporting efforts well before the deadline noted above and keep a copy of the reports you send and evidence of timely filing.***

Below is a list of NIZ tax reporting requirements. Please see the next page for a complete table of applicable state and local tax forms, as well as their associated examples.

Pennsylvania State (Department of Revenue) Forms:

- 1 NIZ Zone Program Annual Tax Report (must be filed electronically)

Please visit the State's website at www.eservices.revenue.pa.gov/NIZCRIZ/ for electronic filing instructions and sign-on instructions. Please be sure to print a copy of confirmation of electronic filing.

City of Allentown Forms:

- 1 NIZ Program Local Tax Report

Please visit the City of Allentown's website at <https://nizfiling.allentownpa.gov/> for electronic filing. Please be sure to print a copy of confirmation of electronic filing.

Please visit the Allentown Neighborhood Improvement Zone Development Authority's (ANIZDA) website to download instructions:

www.allentownniz.com/2024postcard

www.allentownniz.com/2024reportingpacket

NIZ Tax Reporting Table

Applicable state and local taxes are noted below. To view examples for a given tax, please reference the example number below.

1	Form Name	See Example
	Supplemental Apportionment Worksheet, if applicable	APP
	Corporate Net Income Tax	CNI
	Bank Shares Tax	BNK
	Gross Premiums Tax	GROP
	Sales, Use & Hotel Occupancy Tax	SU & HO
	Employer Withholding Tax	EWH
	Employer Withholding Tax - NIZ Project	EWH-NIZ Project
	Gross Receipts Tax - Electric Company	GRT-E
	Gross Receipts Tax - Telecommunications Company	GRT-TEL
	Gross Receipts Tax - Transportation Company	GRT-TRN
	Gross Receipts Tax - Private Bankers	GRT-PB
	Gross Receipts Tax - Managed Care Organization	GRT-MCO
	Gross Receipts Tax - Mutual Thrift Institutions	GRT-MTI
	Unemployment Compensation	UC
	Unemployment Compensation - NIZ Project	UC-NIZ Project
	Realty Transfer Tax	RLTY
	Cigarette Tax	CIG
	Tobacco Products Tax	TP
	Vehicle Rental Tax/Public Transportation Assistance	VRNT
	Vehicle Lease Tax/Public Transportation Assistance	VLES
	Personal Income Tax - Passthrough	PIT
	Personal Income Tax - Passthrough - NIZ Project	PIT-NIZ Project
	Malt Beverage Tax	MALT

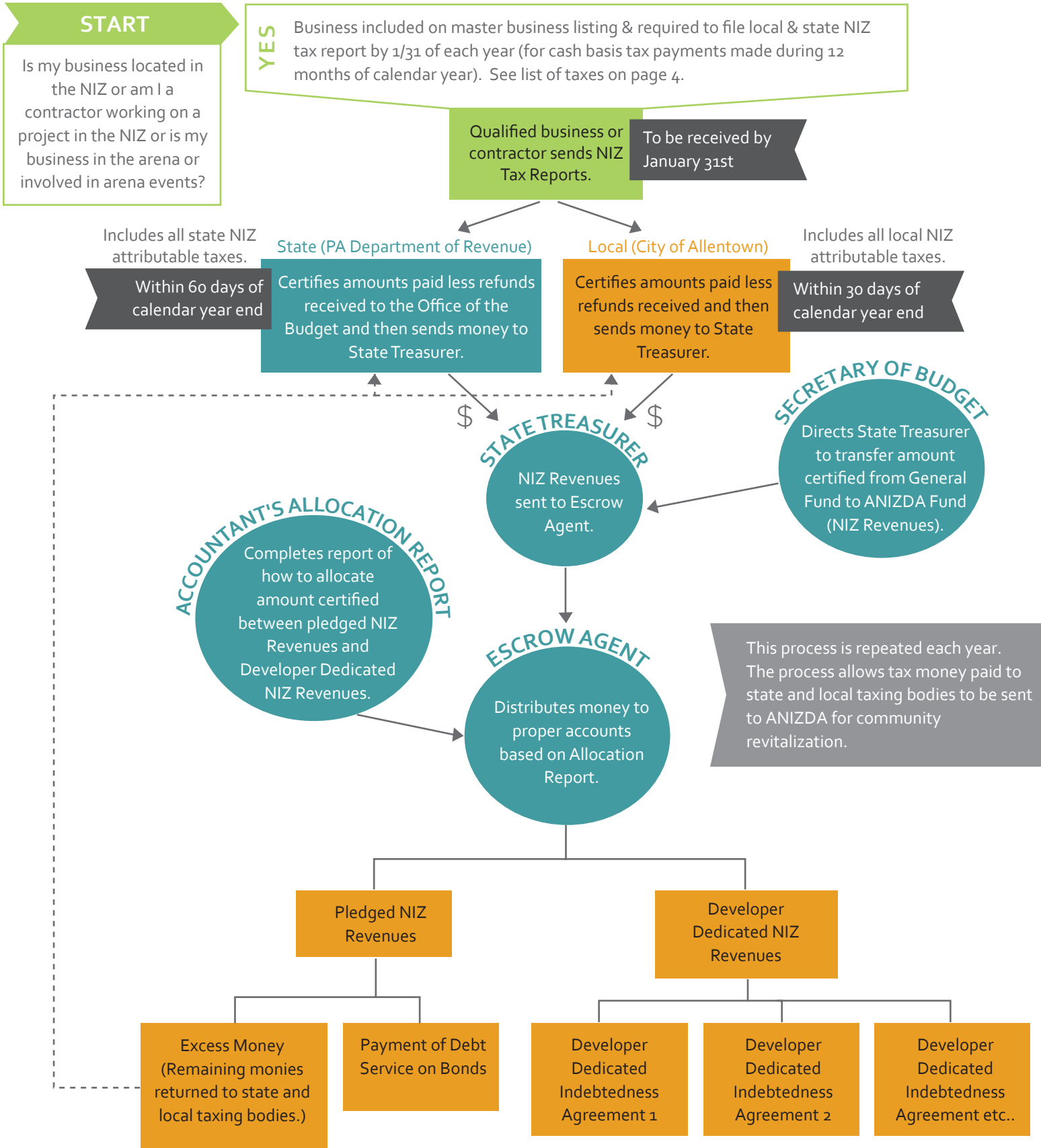
Form Name	See Example
Contractor Sales & Use Tax	C-SU
PA Sales or Use Tax Paid on the Purchase of Tangible Personal Property or Services	TPP
Public Utility Realty Tax	PUR
Title Insurance Company Shares Tax	TICO
Net Income Tax - Mutual Thrift Institutions	NITM
Malt or Brewed Beverage Tax - Excise and Sales Tax	MALT-EX+SLS
Liquor/Wine Excise and Sales Tax	LIQR

Any new tax enacted by the Commonwealth subsequent to creation of NIZ on 6/28/11.		
Any tax imposed by the Commonwealth or local municipality, except real estate taxes, for activity within the neighborhood improvement zone or directly or indirectly on any sale or purchase of goods or services where the point of sale or purchase is within the neighborhood improvement zone.		

1	Form Name	See Example
	Local Employer Wage/Earned Income Tax Schedule	EIT
	Local Service Tax Schedule	LST
	Business Privilege Tax & Licensing Fee Schedule	BPT&BL
	Local Hotel Tax	HO
	Local Realty Transfer Tax	RLTY

- State Taxes (PA Department of Revenue)
- Local Taxes

How does the NIZ reporting process work?



Annual NIZ Reporting and Certification Process

START

Is my business located in the NIZ or am I a contractor working on a project in the NIZ or is my business in the arena or involved in arena events?

YES NIZ business or business working in the NIZ is included on master business listing & required to file local & state NIZ tax report by 1/31 of each year (for cash basis tax payments made during 12 months of calendar year). See list of taxes on page 4.

NIZ business or business working in the NIZ files respective tax reports.

To be received on or before January 31st

BUSINESSES: Please maintain evidence of timely filing.

REPORTING

If NIZ business, a contractor working on a project in the NIZ or involved in arena events, or working in the arena as a performer, supporting business, vendor, trade show or event, etc., you must complete:

STATE

- 1 State NIZ Program Annual Tax Report (filed electronically)

LOCAL

- 1 Local NIZ Annual Tax Report (filed electronically).

CERTIFICATION

Includes all state NIZ attributable taxes.

Within 60 days of calendar year end

State (PA Department of Revenue)

Certifies amounts paid less refunds received to the Office of the Budget and then sends money to State Treasurer.

Local (City of Allentown)

Certifies amounts paid less refunds received and then sends money to State Treasurer.

Includes all local NIZ attributable taxes.

Within 30 days of calendar year end

ACCOUNTANT'S ALLOCATION REPORT
Completes report of how to allocate amount certified between pledged NIZ Revenues and Developer Dedicated NIZ Revenues.

STATE TREASURER
NIZ Revenues sent to Escrow Agent.

SECRETARY OF BUDGET
Directs State Treasurer to transfer amount certified from General Fund to ANIZDA Fund (NIZ Revenues).

ANIZDA ESCROW AGENT
Distributes money to proper accounts based on Allocation Report for NIZ Community Revitalization (arena, other development or redevelopment projects).

This process is repeated each year. The process allows tax money paid to state and local taxing bodies to be sent to ANIZDA for community revitalization.

Annual NIZ Contractor Reporting

Must be completed for each project address.

START

Is my business located in the NIZ or is my business working on a project in the NIZ whether you are physically on-site in the NIZ or not?

YES

NIZ business or business working in the NIZ is included on master business listing & required to file local & state NIZ tax report by 1/31 of each year (for cash basis tax payments made during 12 months of calendar year). See list of taxes on page 4.

NIZ business or business working on a NIZ project files respective tax reports.

To be received on or before January 31st

BUSINESSES: Please maintain evidence of timely filing.

Contractors are included in the NIZ Master Business Listing under each project address they are working on. Contractors include all businesses, including professional service firms, working on a specific project in the NIZ regardless of where they are working on the project. PLEASE USE EXACT PROJECT ADDRESS INCLUDED ON MASTER LISTING WHEN REPORTING.

If NIZ business is also working on other projects in the NIZ besides your business, you must complete:

STATE

- 1 State NIZ Program Annual Tax Report (filed electronically)

LOCAL

- 1 Local NIZ Annual Tax Report (filed electronically).

If not a NIZ business but a business working on a project/projects in the NIZ (whether you are physically on-site in the NIZ or not), you must complete:

STATE

- 1 State NIZ Program Annual Tax Report (for project(s) work for all projects worked on in the NIZ / must provide project(s) addresses) and file electronically at Department of Revenue website. **NOTE: 1 STATE and 1 LOCAL form must be completed for each NIZ project. For example, if working on 3 NIZ projects, 3 STATE and 3 LOCAL reports must be completed.**

LOCAL

- 1 Local NIZ Annual Tax Report (for project(s) work for all projects worked on in the NIZ / must provide project(s) addresses) and send to City of Allentown (filed electronically at City of Allentown's website).

STATE
CONTRACTOR
REPORTING
(continued on
next page)

LOCAL
CONTRACTOR
REPORTING
(continued on
next page)

Annual NIZ Contractor Reporting (continued)

1 STATE CONTRACTOR REPORTING

For each project, the Contractor business must report to the State Department of Revenue the project specific cash basis taxes paid (less cash basis refunds received) for Sales or Use taxes on Purchases and Payroll taxes paid on wages or Personal Income Tax (PIT) paid on passthrough income for partners (PA Employer Withholding). The Summary of all cash basis taxes paid (less cash basis refunds received).

EXAMPLE

ABC Company Inc.

Complete 1 STATE and 1 LOCAL form for each project address.	Sales or use taxes on project	Wage, passthrough, or payroll-related tax on project
701 Hamilton St. 702 Hamilton St. 401 Chew St. 150 N. 7th St.	Follow detailed example C-SU for project address.	Follow detailed examples EWH-NIZ Project, UC-NIZ Project, PIT-NIZ Project for project address.

File electronically at:
www.eservices.revenue.pa.gov/NIZCRIZ/

LOCAL CONTRACTOR REPORTING

For each project, the Contractor business must report to the City of Allentown Office of Finance on the City of Allentown 2024 NIZ Program Local Tax Report the project specific cash basis taxes paid (less cash basis refunds received) for EIT, LST, BPT and Business License (BL) Fees (Examples A1-A5) for all projects.

EXAMPLE

ABC Company Inc.

Complete 1 STATE and 1 LOCAL form for each project address.	EIT EIT on project	LST LST on project	BPT & BL BPT & BL on project
701 Hamilton St. 702 Hamilton St. 401 Chew St. 150 N. 7th St.	Follow detailed example for each project address	Follow detailed example for each project address	Follow detailed example for each project address

File electronically at:
<https://nizfiling.allentownpa.gov/>

TAX KEY

In-City businesses: pay BPT, BL, EIT & LST

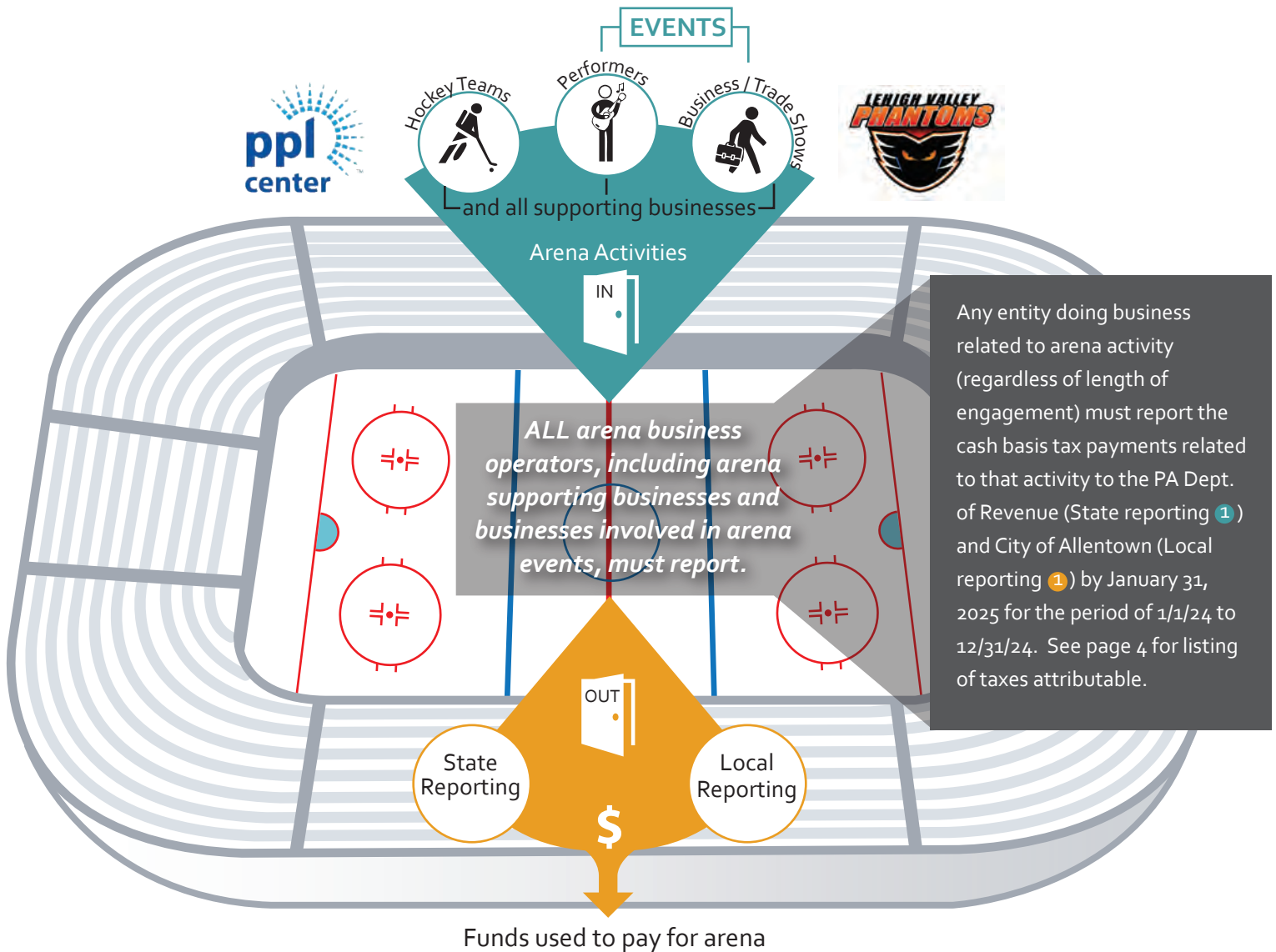
Out-of-City contractors & subcontractors

- Supplier only: **NO** BPT, BL, EIT or LST liability
- Performing services in Allentown: pay BPT & BL; **NO** EIT or LST liability

Out-of-City professional service entities providing services for NIZ projects from their offices outside of the NIZ: **NO** BPT, BL, EIT or LST liability.

Are you doing business in the arena or involved as a business in arena events?

Businesses involved in arena events or doing business in the arena are required to report cash basis tax payments related to those business activities, regardless of length of engagement at the arena.



Any entity doing business related to arena activity (regardless of length of engagement) must report the cash basis tax payments related to that activity to the PA Dept. of Revenue (State reporting 1) and City of Allentown (Local reporting 1) by January 31, 2025 for the period of 1/1/24 to 12/31/24. See page 4 for listing of taxes attributable.

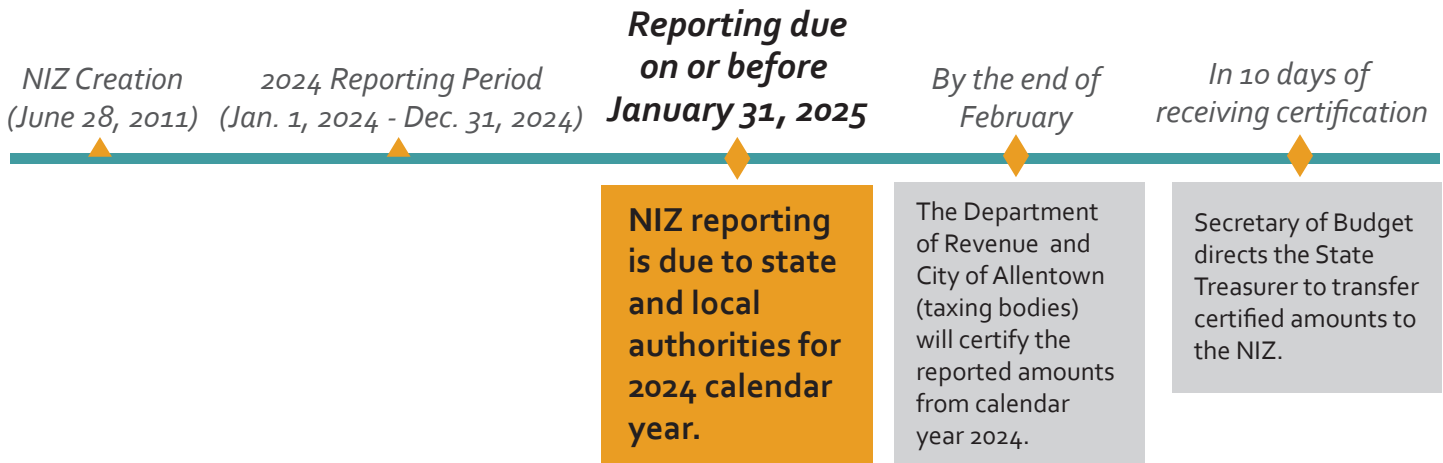
ARENA ACTIVITY TAX KEY

Any businesses operating out of the arena building needs to register their business with the city and pay BPT and BL, as well as EIT and LST for employees working in the arena.

Performers and other businesses in the arena for an event or involved in arena events must pay EIT and LST.

WHEN

Must be received on or before January 31, 2025 for the calendar year ended December 31, 2024 (January 1, 2024 through December 31, 2024). ***The state's electronic filing is open until January 31, 2025, and the state will then be assessing a penalty on all state taxes so please don't delay. Please maintain evidence of timeline filing. (Print electronic filing confirmation before signing out of system.)***



WHY

So that the Department of Revenue and City of Allentown (taxing bodies) can certify the amount of tax revenue that was paid and that the NIZ can use to pay down the debt service used to fund the NIZ area development projects.

What if I have questions and need help?

We are waiting to help you. Here's how you can reach us:

- Contact Deana Zosky, the ANIZDA Board's Compliance Liaison, at 484-951-1289 or email allentownnizcompliance@four-score.com for questions about reporting.
- Make an appointment to visit our team's NIZ Office at:
The Velocity Building
532 Hamilton St.
Allentown, PA
- Contact us at allentownnizcompliance@four-score.com or 484-951-1289 to schedule an appointment if you'd like our team to come to your NIZ business location.

Thanks for being part of Allentown's revitalization! Anything we can do to help you complete the NIZ Reporting please do not hesitate to contact us. We are looking forward to helping your business thrive in the NIZ!

Allentown Neighborhood Improvement Zone

Frequently Asked Questions



1 What is the NIZ?

The NIZ is the Neighborhood Improvement Zone that was created through State Legislation as a tool to provide for whole neighborhood revitalization.

2 What are the purpose and benefits of the NIZ?

The purpose of the NIZ is to create a redevelopment mechanism for a particular area in need of revitalization. NIZ benefits include:

- Helping businesses remain competitive or increases competitiveness
- Increased property values
- Businesses will benefit from the public improvements in the zone, including cleaner, safer areas as well as more parking and access to businesses.
- Businesses will benefit from the indirect impacts of increased visits to the businesses in the zone.
- Businesses will benefit from having there be a revitalized center where residents can live, work, play and shop which will attract a diverse population of new residents that can also be a source for the areas workforce needs and increased business traffic.

3 How is the NIZ funded?

The NIZ is funded by the ANIZDA Authority issuance of bonds for revitalization efforts and bond debt is repaid using State and Local NIZ taxes that are credited to the NIZ fund for repayment.

4 Who controls the NIZ?

The NIZ is managed by the ANIZDA Authority, which is an independent authority of the Commonwealth that was created to manage the revitalization efforts in the NIZ. It's comprised of a Board of Directors who makes all governance decisions.

5 How long will the NIZ last? Is there a time limit on the NIZ or will my business always be in the NIZ?

The NIZ legislation allows for the zone to be in existence for up to 30 years, or when the purpose of its creation is fulfilled or the bonds retired.

6 Why does Allentown need a NIZ?

Allentown needs a NIZ to provide for comprehensive and strategic revitalization of the downtown and waterfront areas with sufficient financial means to execute the revitalization.

7 How do I find out if my business is in the NIZ?

Contact the ANIZDA Compliance Liaison at 484-951-1289 and they can tell you if you are in the NIZ. Or, you can locate your business on the official NIZ map located at the following link:

http://www.allentownpa.gov/Portals/0/files/CommunityDevelopment/NeighborhoodImprovementZone_rotated-web-2.pdf

Allentown Neighborhood Improvement Zone

Frequently Asked Questions



8 Will being in the NIZ affect my businesses profits?

Not in a negative way though there are likely positive benefits to your business from being in the NIZ noted in FAQ number 2 above.

9 How will being in the NIZ affect my employees?

The NIZ will not affect your employees. Any requirements your employees had prior to NIZ creation will not be affected by the NIZ.

10 My organization would like someone to speak with us about the NIZ. Is that possible?

Absolutely. Please contact the NIZ Compliance Liaison, Deana Zosky of FourScore LLC, at 484-951-1289 or email allentownnizcompliance@four-score.com to schedule a meeting.

11 What does it mean to be in the NIZ and what does it mean to me and my business?

Being a business in the NIZ means that your businesses will reap the benefits of the areas revitalization improvements in various forms, such as increased property values, improved public improvements, increased sales traffic as revitalization takes place, and the ability to apply to ANIZDA for funding for additional projects should your business wish to expand.

12 Where can I download the PA Department of Revenue State NIZ Report?

The NIZ Report electronic filing and instructions can be found at:
www.eservices.revenue.pa.gov/NIZCRIZ/

Allentown Neighborhood Improvement Zone

Frequently Asked Questions



13 What do I have to report, by when, and why?

Business owners within the NIZ will not incur any additional taxes as a result of the NIZ. However, under the NIZ law, you are required to report the taxes your business already pays and reports to state and local agencies. **Please begin completing your NIZ reporting forms well in advance of the deadline, January 31, 2025.**

1 Form Name	See Example
Supplemental Apportionment Worksheet, if applicable	APP
Corporate Net Income Tax	CNI
Bank Shares Tax	BNK
Gross Premiums Tax	GROP
Sales, Use & Hotel Occupancy Tax	SU & HO
Employer Withholding Tax	EWH
Employer Withholding Tax - NIZ Project	EWH-NIZ Project
Gross Receipts Tax - Electric Company	GRT-E
Gross Receipts Tax - Telecommunications Company	GRT-TEL
Gross Receipts Tax - Transportation Company	GRT-TRN
Gross Receipts Tax - Private Bankers	GRT-PB
Gross Receipts Tax - Managed Care Organization	GRT-MCO
Gross Receipts Tax - Mutual Thrift Institutions	GRT-MTI
Unemployment Compensation	UC
Unemployment Compensation - NIZ Project	UC-NIZ Project
Realty Transfer Tax	RLTY
Cigarette Tax	CIG
Tobacco Products Tax	TP
Vehicle Rental Tax/Public Transportation Assistance	VRNT
Vehicle Lease Tax/Public Transportation Assistance	VLES
Personal Income Tax - Passthrough	PIT
Personal Income Tax - Passthrough - NIZ Project	PIT-NIZ Project
Malt Beverage Tax	MALT

Form Name	See Example
Contractor Sales & Use Tax	C-SU
PA Sales or Use Tax Paid on the Purchase of Tangible Personal Property or Services	TPP
Public Utility Realty Tax	PUR
Title Insurance Company Shares Tax	TICO
Net Income Tax - Mutual Thrift Institutions	NITM
Malt or Brewed Beverage Tax - Excise and Sales Tax	MALT-EX+SLS
Liquor/Wine Excise and Sales Tax	LIQR

Any new tax enacted by the Commonwealth subsequent to creation of NIZ on 6/28/11.	
Any tax imposed by the Commonwealth or local municipality, except real estate taxes, for activity within the neighborhood improvement zone or directly or indirectly on any sale or purchase of goods or services where the point of sale or purchase is within the neighborhood improvement zone.	

1 Form Name	See Example
Local Employer Wage/Earned Income Tax Schedule	EIT
Local Service Tax Schedule	LST
Business Privilege Tax & Licensing Fee Schedule	BPT&BL
Local Hotel Tax	HO
Local Realty Transfer Tax	RLTY

State Taxes (PA Department of Revenue) Local Taxes

Allentown Neighborhood Improvement Zone

Frequently Asked Questions



14 How does my procedure for paying each of the taxes change?

It doesn't. In addition to your normal process, you must complete the State and Local NIZ tax reporting forms.

15 Is there online information about the procedures to follow?

State website to access online filing and instructions:

www.eservices.revenue.pa.gov/NIZCRIZ/

Local website to access online filing and instructions:

<https://nizfiling.allentownpa.gov/>

Allentown Neighborhood Improvement Zone Development Authority website to access reporting materials:

www.allentownniz.com/2024postcard

www.allentownniz.com/2024reportingpacket

16 Do the rates for any of my taxes changes as a result of the NIZ?

No. There are no additional taxes as a result of NIZ creation. There is simply an additional reporting requirement where businesses must file State and Local NIZ forms to be received on or before January 31, 2025 for the calendar year ending December 31, 2024 (January 1, 2024 through December 31, 2024).

Tax rates won't change, nor are any new taxes implemented as a result of the NIZ. But if the project is successful, businesses most likely will pay more taxes on higher sales, income, etc.

17 Will this mean I need to do more accounting?

No. Your business will just need to use your existing information to report on the State and Local NIZ tax reporting forms.

18 If my organization is a non-profit, do I have to report?

Yes. Non-profit organizations are required to report. Only government instrumentalities are exempt from reporting. All other entities are required to report.

19 If I am a business working on a NIZ project, do I have to report?

Yes. All Contractors (including professional service firms) working on a NIZ project regardless of where they are working on the project, must report all state and local cash basis tax payments (less cash basis refund received) for those projects for taxes listed on the State NIZ Zone Program Annual Tax Report and on the City of Allentown NIZ Program Local Tax Report.

20 If I am a PPL Center arena business or a business involved in arena activity or event, or have participated as a supporting business in the arena, do I have to report?

Yes. Any entity doing business related to the arena (regardless of length of engagement) must report the cash basis tax payments related to that activity. See page 9 for requirements.