



California

Forms & Instructions

3554

2014

New Employment Credit Booklet

This booklet contains:

Form FTB 3554, New Employment Credit

Members of the Franchise Tax Board

John Chiang, Chair

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State of California
Franchise Tax Board

2014 Instructions for Form FTB 3554

New Employment Credit

Introduction

The Governor's 2013 Economic Development Initiative

On July 11, 2013, the governor signed legislation that affected business incentives in California. The legislation had four impacts:

- **New Employment Credit (NEC)**
The NEC establishes a credit for businesses located in a designated area in the state. For more information, go to ftb.ca.gov and search for **neec**.
- **California Competes Tax Credit (CCC)**
The CCC is an income tax credit available to businesses that want to come to California or stay and grow in California. The Governor's Office of Business and Economic Development (GO-Biz) administers the CCC. For more information, go to business.ca.gov.
- **Repeal of the Enterprise Zone (EZ) and Local Agency Military Base Recovery Area (LAMBRA) program effective January 1, 2014.**
For more information go to ftb.ca.gov and search for **repeal tax incentives**.
- **Sales Tax Exemption**
The Board of Equalization administers a partial exemption to businesses that purchase qualified property on or after July 1, 2014. Go to boe.ca.gov and search for **manufacturing exemptions**.

New Employment Credit

The NEC is available for each taxable year beginning on or after January 1, 2014, and before January 1, 2021. This credit is for a qualified taxpayer that hires a qualified full-time employee on or after January 1, 2014, and pays or incurs qualified wages attributable to work performed by that employee in a designated census tract, pilot area, or former economic development area, known as the Designated Geographic Area (DGA), and receives a Tentative Credit Reservation (TCR) for that employee. In addition, an annual certification of employment is required with respect to each qualified full-time employee hired in a previous taxable year. In order to be allowed a credit, the qualified taxpayer must have a net increase in the total number of full-time employees working in California, when compared to its base year, both determined on an annual full-time equivalent basis. See Line Instructions, Part I - Net Increase in Full-Time Employees, for more information.

Purpose

Use form FTB 3554, New Employment Credit, to figure a credit for a qualified taxpayer that hires a qualified full-time employee and pays or incurs qualified wages attributable to work performed by that employee in a DGA and receives a TCR for that employee.

The NEC must be claimed on a timely filed original return of the qualified taxpayer.

An employer cannot claim the NEC for an employee hired before January 1, 2014.

General Information

A Designated Geographic Area

In order to qualify for the NEC, the qualified taxpayer must have a qualified full-time employee performing services for the employer in the DGA. The DGA is defined as:

- Designated census tracts that have the highest unemployment and highest poverty in the state.
- Former Enterprise Zones (in existence on December 31, 2011, designated in 2012) and any revision to an EZ prior to June 30, 2013, except census tracts within those EZs with the lowest unemployment and poverty levels.
- Former LAMBRA (in existence on July 11, 2013).

Pilot Areas

Pilot areas are select areas within the DGA. There may be up to five pilot areas designated at one time. Qualified wages for qualified full-time employees in pilot areas are those wages greater than \$10 per hour, up to 350% of the state minimum wage at that time.

In 2014, GO-Biz designated the following pilot areas:

1. **Fresno Pilot Area**
The former Fresno City Enterprise Zone, except within census tracts with the lowest unemployment and poverty levels.
2. **Merced Pilot Area**
The former Merced Enterprise Zone, except within census tracts with the lowest unemployment and poverty levels.
3. **Riverside Pilot Area**
The Riverside Pilot Area includes census tracts 303, 401.01, 402.03, 429.04, and 467 in Riverside County.

These pilot areas are in effect until December 31, 2017. The pilot area designation may be extended by GO-Biz for an additional period of up to three calendar years.

B Qualified Taxpayer

A qualified taxpayer is an employer engaged in a trade or business within a DGA who, during the taxable year, pays qualified wages to a qualified full-time employee, and is not in an excluded business. See Line Instructions, Question F, Excluded PBA/NAICS Codes.

A qualified taxpayer must hire a qualified full-time employee on or after January 1, 2014, and receive a TCR from FTB within 30 days of complying with the Employment Development Department (EDD) new hire reporting requirements for that employee. In addition, a qualified taxpayer must annually certify each qualified full-time employee.

C Tentative Credit Reservation

An employer is required to obtain a TCR from FTB for a qualified full-time employee. The employer must get the reservation within 30 days of completing the EDD new hire reporting requirements. A qualified taxpayer must obtain the TCR through an online system that is available on FTB's website. For more information on the TCR, go to ftb.ca.gov and search for **neec**.

D Annual Certification of Employment

The qualified taxpayer must annually certify that it is still a qualified employer and that each qualified full-time employee hired in a previous taxable year is still qualified in the current taxable year. The annual certification of employment is due on or before the 15th day of the third month of the qualified taxpayer's current taxable year. For more information on annual certification, go to ftb.ca.gov and search for **neec**.

E Relocating Businesses

A qualified taxpayer who relocates to a DGA will be allowed a NEC for wages paid to each qualified full-time employee employed in the new location only if the taxpayer provides each employee at the previous locations a written offer of employment at the new location, with comparable compensation. **Note:** This requirement does not apply if the qualified taxpayer is a small business.

This requirement for relocated employees applies if the taxpayer has an increase in the number of qualified full-time employees in a DGA within a 12-month period in which there is a decrease in the number of full-time employees employed in California but outside of the DGA.

F Qualified wages

Qualified wages are wages paid by the qualified taxpayer during the taxable year to the qualified full-time employee that exceeds 150% (or \$10 for a Pilot Area) but does not exceed 350% of minimum wage. The tentative credit is determined by multiplying the qualified wages for all qualified employees by 35%.

Wages for salaried employees must be converted to an hourly amount. A reasonable way to do this would be to divide the annualized salary by 2000 hours.

Qualified wages are wages paid during the 60 month period beginning with the first day the qualified full-time employee commences employment with the qualified taxpayer in the DGA. For this purpose, commencement of employment or the hire date is the first day for which the individual receives wages/compensation.

For an employer that operates a business that has regularly occurring seasonal or intermittent employment decreases and increases, re-employment of an individual is not a new hire. It is a continuation of the prior employment and does not constitute commencement of employment for the qualified wages test.

Dates	Qualified wage must exceed	Maximum qualified hourly wage
January 1, 2014 – June 30, 2014	\$12	\$28
July 1, 2014 – December 31, 2015	\$13.50	\$31.50
Pilot Areas January 1, 2014 – June 30, 2014	\$10	\$28
Pilot Areas July 1, 2014 – December 31, 2015	\$10	\$31.50

The California minimum wage was \$8 per hour through June 30, 2014. Beginning on and after July 1, 2014, the minimum wage is \$9 per hour.

G Limitations

S corporations may claim only 1/3 of the credit against the 1.5% entity level tax (3.5% for financial S corporations). The remaining 2/3 must be disregarded and may not be used as a carryover. S corporations can pass through 100% of the credit to their shareholders.

If a taxpayer owns an interest in a disregarded business entity [a single member limited liability company (SMLLC) not recognized by California, and for tax purposes is treated as a sole proprietorship owned by an individual or a branch owned by a corporation], the usable credit amount received from the disregarded entity is limited to the difference between the taxpayer's regular tax figured with the income of the disregarded entity, and the taxpayer's regular tax figured without the income of the disregarded entity.

An SMLLC may be disregarded as an entity separate from its owner, and subject to certain statutory provisions that recognize otherwise disregarded entities for certain purposes, for example:

- The tax and fee of an LLC
- The tax return filing requirements of an LLC
- The credit limitations previously mentioned

Get Form 568, Limited Liability Company Tax Booklet, for more information.

This credit cannot reduce the regular tax below the minimum franchise tax (corporations and S corporations), the annual tax (limited partnerships, limited liability partnerships, and LLCs classified as a partnership), the alternative minimum tax (corporations, exempt organizations, individuals, and fiduciaries), the built-in gains tax (S corporations), or the excess net passive income tax (S corporations).

This credit cannot reduce regular tax below the tentative minimum tax. Get Schedule P (100, 100W, 540, 540NR, or 541), Alternative Minimum Tax and Credit Limitations, for more information.

This credit is not refundable.

Generally, the credit or credit carryover cannot be transferred to another employer unless there was a qualifying merger under the Internal Revenue Code or the credit qualifies under the California Revenue and Taxation Code (R&TC) section 23663 for an assignment to an affiliated corporation.

H Assignment of Credits

Credits earned by members of a combined reporting group may be assigned to an affiliated corporation that is a member of the same combined reporting group. A credit assigned may only be claimed by the affiliated corporation against its tax in taxable years beginning on or after January 1, 2014. For more information, get form FTB 3544, Election to Assign Credit Within Combined Reporting Group, or form FTB 3544A, List of Assigned Credit Received and/or Claimed by Assignee or go to ftb.ca.gov and search for **credit assignment**.

I Carryover

If the available credit exceeds the current year tax liability or is limited by tentative minimum tax, the unused credit may be carried over for five years or until the credit is exhausted, whichever occurs first. Apply the carryover to the earliest taxable year possible. In no event can the credit be carried back and applied against a prior year's tax. Retain all records that document this credit and carryovers. The FTB may require access to these records.

J Recapture

You may be required to recapture a previously taken credit if a qualified full-time employee is terminated within the first 36 months after beginning employment. The amount of credit that must be recaptured is the amount for that taxable year and all prior taxable years attributed to qualified wages paid to that employee.

You are not required to recapture the credit if you meet any of the following **exceptions**:

- The employee voluntarily leaves employment.
- The employee becomes disabled and unable to perform the services of that employment, unless the disability is removed before the close of the period and the employer fails to offer re-employment.
- The employee is terminated due to misconduct.
- The employer has a substantial reduction in operations, including reductions due to seasonal employment.
- The employee is replaced by other qualified full-time employees so as to create a net increase in both the number of employees and the number of hours of employment.
- The employment is considered seasonal, and the qualified employee is rehired on a seasonal basis.

Follow the instructions in the tax booklets if you are required to recapture the NEC.

Examples of the NEC Calculations

Example 1

ABC Company is a qualified taxpayer and has a net increase in full-time employees. ABC Company receives the full amount of the tentative credit. ABC Company is on a calendar year basis and operates entirely within the DGA. For its taxable year 2013, ABC Company has 100 full-time employees based on annual full-time equivalents. During taxable year 2014, ABC Company hired a number of new full-time employees, 2 of which were qualified full-time employees. ABC Company received a TCR for these employees as required.

Assume the following facts:

James Smith was hired on January 1, 2014, at an hourly wage of \$17.00 and on July 1, 2014, his hourly wage was increased to \$20.00 per hour. James worked 2,000 hours during taxable year 2014. Jane Jones was hired on July 1, 2014, at an hourly wage of \$20.00 and worked 1,000 hours during taxable year 2014. The qualified wages and tentative credit are computed as follows:

	Actual Wages	150% of Minimum Wage	Qualified Wages	Hours Worked	Multiply by Applicable Credit Percentage	Tentative Credit
James Smith Jan 1 – June 30	\$17.00	\$12.00	\$5.00	1,000	35%	\$1,750
James Smith July 1 – Dec 31	\$20.00	\$13.50	\$6.50	1,000	35%	\$2,275
Jane Jones July 1 – Dec 31	\$20.00	\$13.50	\$6.50	1,000	35%	\$2,275
Total Tentative Credit						\$6,300

The Base Year is taxable year 2013. In its base year, annual full-time equivalents were 100. The annual full-time equivalents for 2014 was 108. The net increase in full-time employees over the base year is 8. The credit generated is computed as follows:

Description	Calculation
Numerator	108-100 = 8 (Net Increase in full-time employees)
Denominator	2 qualified full-time employees
Computation	8/2 = 100% (the applicable percentage cannot exceed 100%)
Tentative Credit Amount	\$6,300
Credit Generated	\$6,300 (\$6,300 x 100%)

Example 2

ABC Company has a net increase in full-time employees and receives a partial amount of the tentative credit.

Assume the same facts as Example 1, except due to attrition the annual full-time equivalents for taxable year 2014 was 101. The net increase in full-time employees over the base year is 1 (101-100). The credit generated is computed as follows:

Description	Calculation
Numerator	101-100 = 1 (Net Increase in full-time employees)
Denominator	2 qualified full-time employees
Computation	1/2 = 50%
Tentative Credit Amount	\$6,300
Credit Generated	\$3,150 (\$6,300 x 50%)

Example 3

ABC Company does not have a net increase in full-time employees and receives no amount of the tentative credit.

The annual full-time equivalents for taxable year 2014 was 98. The net increase in full-time employees over the base year is zero (98-100 but it cannot be less than 0). ABC Company cannot claim a credit in taxable year 2014.

Example 4

XYZ Company is a qualified taxpayer and first commences doing business in California on January 1, 2014, and receives the full amount of the tentative credit.

XYZ Company is on a calendar year basis and first commences business in California on January 1, 2014, and operates in the DGA. During its taxable year 2014, XYZ Company hired a number of full-time employees, 2 of which were qualified full-time employees. Assume the following facts:

Jeff Smith was hired on January 1, 2014, at an hourly wage of \$17.00 and on July 1, 2014, his hourly wage was increased to \$18.00. Jeff worked 2,000 hours during taxable year 2014. Mary Jones was hired on July 1, 2014, at an hourly wage of \$18.50 and worked 1,000 hours during taxable year 2014.

The qualified wages and tentative credit are computed as follows:

	Actual Wages	150% of Minimum Wage	Qualified Wages	Hours Worked	Multiply by Applicable Credit Percentage	Tentative Credit
Jeff Smith Jan 1 – June 30	\$17.00	\$12.00	\$5.00	1,000	35%	\$1,750
Jeff Smith July 1 – Dec 31	\$18.00	\$13.50	\$4.50	1,000	35%	\$1,575
Mary Jones July 1 – Dec 31	\$18.50	\$13.50	\$5.00	1,000	35%	\$1,750
Total Tentative Credit						\$5,075

Since XYZ Company first commenced business in California on January 1, 2014, its base year annual full-time equivalents are zero. Assume its annual full-time equivalents were 5 in taxable year 2014. The net increase in full-time employees over the base year is 5 (5-0). The credit generated is computed as follows:

Description	Calculation
Numerator	5-0 = 5 (Net Increase in full-time employees)
Denominator	2 qualified full-time employees
Computation	5/2 = 100% (the applicable percentage cannot exceed 100%)
Tentative Credit Amount	\$5,075
Credit Generated	\$5,075 (\$5,075 x 100%)

2014 New Employment Credit

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Attach to your California tax return.

Name(s) as shown on your California tax return

SSN or ITIN CA Corporation no. FEIN

California Secretary of State (SOS) file number

A. Check the appropriate box for your entity type

- Individual Estate Trust C Corporation
S Corporation Partnership Exempt organization Limited liability company Limited liability partnership

B. Enter the name of the entity "operating" in a Designated Geographical Area (DGA)

C. Enter one address (actual location) of the business operating in the DGA

D. Does the business have at least one location in a pilot area?

- Yes No

E. Did the business receive a tentative reservation for all claimed employees?

- Yes No If no, see instructions.

F. Principal Business Activity Code of the business

G. Previous taxable year's gross receipts

Part I Net Increase in Full-Time Employees

Section A - Enter your base year 2013.

Complete Section A to calculate the total number of annual full-time equivalents in California during the base year.

Table with 2 columns: Line number and Description. Lines 1-8 for Section A calculations.

Section B - Taxable year 2014.

Complete Section B to calculate the total number of annual full-time equivalents in California during the current taxable year.

Table with 2 columns: Line number and Description. Lines 9-16 for Section B calculations.

Part II Credit Computation

Table with 2 columns: Line number and Description. Lines 17-26 for credit computation.

Line Instructions

Answer Questions A through G

Corporations, estates, trusts, partnerships, exempt organizations, and sole proprietors, complete items A through G.

Investors of pass-through entities, complete items A through C.

Question B – Qualified taxpayers must have a qualified full-time employee working within the DGA. To find whether a specific location is within the DGA go to the DGA mapping tool. For more information on the mapping tool go to ftb.ca.gov and search for **nec**.

Question D – To find whether a specific location is within a pilot area, go to the DGA mapping tool at ftb.ca.gov and search for **nec**.

Question E – An employer is required to obtain a TCR from the FTB for each qualified employee. For more information, see General Information C, Tentative Credit Reservation.

Question F – Enter the Principal Business Activity (PBA) code of your principal activities. The codes are listed on page 8 through page 10. The PBAs are based on the North American Industry Classification System (NAICS).

The entity's primary line of business is determined on a separate company basis (not a combined group basis) when determining if the corporation is in an excluded industry.

Excluded PBA/NAICS Codes

In order to be a qualified taxpayer, your primary PBA code or NAICS code must not be an excluded one. Excluded businesses are those in temporary help services or retail trades, and those primarily in food services, theater companies and dinner theaters, drinking places (alcoholic beverages,) or casinos and casino hotels. These otherwise disqualified businesses may be qualified if they are considered a small business.

The NAICS codes for each of these disqualified industries are:

- Temporary Help-NAICS 561320
- Retail Trade Services-NAICS Sector 44-45
- Primarily Theater Companies and Dinner Theater-NAICS 711110
- Primarily Food Services-NAICS 722511, 722513, 722514, and 722515
- Primarily Casino and Casino Hotels-NAICS 713210 and 721120
- Primarily Drinking Places (Alcoholic Beverages)-NAICS 722410

All sexually-oriented businesses are excluded from being a qualified taxpayer regardless of their status as a small business explained below. A sexually oriented business includes a nightclub, bar, or similar commercial enterprise that provides for an audience of two or more individuals live nude entertainment or live nude performances where the nudity is a function of everyday business operations, and where nudity is a planned and intentional part of the entertainment or performance.

Question G – For this purpose, “gross receipts” means the sum of the gross receipts from the production of business income, as defined in R&TC Section 25120(a), and the gross receipts from the production of nonbusiness income, as defined in R&TC Section 25120(d).

Gross receipts

If your gross receipts qualify you as a “small business”, the only applicable exclusion is for sexually oriented businesses.

A small business is a business that has aggregate gross receipts, less returns and allowances reportable to this state, of less than two million dollars (\$2,000,000) during the previous taxable year.

Determination of whether a taxpayer is a “small business” is made on an annual basis, and is determined by each individual entity.

Part I – Net Increase in Full-Time Employees

The net increase in full-time employees is the total number of annual full-time equivalents in the current taxable year, less the annual full-time equivalents in the base year.

Base year

The base year is taxable year 2013 for an employer who hired its first qualified full-time employee during taxable year 2014. If a qualified taxpayer first hires a qualified full-time employee in a taxable year beginning on or after January 1, 2015, the base year is the taxable year immediately preceding the taxable year in which the qualified full-time employee was hired.

Once the base year is established, it does not change from year to year.

For taxpayers who first commence doing business in California during the current taxable year, the number of full-time employees for the base year would be zero. For more information in determining whether the taxpayer has first commenced doing business in this state during the current taxable year, see Legal Rulings 96-5 and 99-2, and R&TC Sections 17276(f) and 24416(g).

Annual full-time equivalents in California

An employer must determine their annual full-time equivalents for their base year, and for each taxable year for which they will claim a credit. The number of full-time equivalents is the number of full-time employees who work the entire year and a pro-rata fraction for full-time employees who did not work the entire year. For full-time employees who worked part of the year, the fraction is determined as follows:

- For a full-time employee paid hourly qualified wages, the total number of hours worked for the taxpayer by the employee (not to exceed 2,000 hours per employee) divided by 2000.
- For a salaried full-time employee, the total number of weeks worked for the qualified taxpayer by the employee divided by 52.

Part time employees are not included in the calculation of annual full-time equivalents.

Section A and Section B Decimal Places

For line 4, line 7, and line 8 of Section A, and for line 12, line 15, and line 16 of Section B, enter the result as a decimal (rounded to four decimal places).

Line 8 – For taxpayers who first commence doing business in this state during the taxable year, the number of full-time equivalents for the base year is zero. Enter zero on line 8.

Part II – Credit Computation

Line 17 – Enter net increase in full-time employees as a decimal (rounded to four decimal places).

Line 18 – Enter qualified full-time employees. The following are the requirements for a qualified full-time employee:

- Taxpayer received a TCR from FTB.
- Performs at least 50% of their services for the employer in the DGA. The employee may work in more than one location in the DGA to meet the requirement.
- Receives starting wages that exceed 150% up to 350% of the state minimum wage, or if the employee is hired to work in a pilot area, receives starting wages exceeding \$10 per hour.
- Is hired on or after January 1, 2014.
- Is hired after the DGA is designated.
- Is paid hourly wages for an average of at least 35 hours per week, or is salaried, and paid for full-time employment (within the meaning of Section 515 of the Labor Code).

- And, meets one of five conditions:
 1. Unemployed for the six months immediately preceding hire. If the individual completed a college or similar program and received a baccalaureate, postgraduate, or professional degree, the completion date must be at least 12 months prior to hire. For purposes of this definition, an individual is unemployed for a period if all of the following circumstances apply:
 - Not receiving wages subject to withholding.
 - Not self-employed
 - Not a full-time student at a high school, college, university, or postsecondary education institution.
 2. Veteran separated from the U.S. Armed Forces in the preceding 12 months.
 3. Recipient of the Earned Income Tax Credit (EITC) in the previous taxable year. For this purpose, an employee is deemed to be an EITC recipient if the EITC was claimed on the last personal income tax return filed before the employee's commencement of employment.
 4. Ex-offender convicted of a felony.
 5. Current recipient of CalWORKS or general assistance in accordance with the applicable sections of the Welfare and Institutions Code.

Line 19 – The applicable percentage is the net increase in full-time employees in California (determined on an annual full-time equivalent basis) divided by the number of qualified full-time employees, for which you received a TCR. The applicable percentage **cannot** exceed 100% or 1.0000. Enter the result as a decimal (rounded to four decimal places).

Line 20 – The tentative credit amount is the total qualified wages multiplied by hours worked multiplied by 35% (the applicable credit percentage). See examples on the page 4 and use Worksheet 1 below to calculate your tentative credit amount. Round your answer to the nearest whole dollar amount.

Line 21 – Enter the total NEC generated amount on this line and on your current tax return, Form 100, line 24; Form 100S, line 22; Form 100W, line 24; Form 109, line 11a; Form 565, question EE; or Form 568, question EE. Form 540 and 540NR filers refer to the credit instructions in your tax booklet for more information.

Line 22 – Enter the total amount of credits received from S corporations, estates, trusts, partnerships, or LLCs classified as partnerships.

Line 25a – The amount of this credit you can claim on your tax return may be limited further. See General Information G, Limitations. Enter the total NEC claimed amount on this line and on your current tax return, Form 100, line 25; Form 100S, line 23; Form 100W, line 25; Form 109; line 11b. Form 540 and Form 540NR filers refer to the credit instructions in your tax booklet for more information.

Worksheet 1

Do not attach to form FTB 3554. Keep for your records.

	(a) Qualified Full-Time Employee	(b) Actual hourly wages	(c) Minimum qualified wage threshold	(d) Qualified Wages per hour col (b) – col (c)	(e) Hours Worked	(f) Applicable Credit Percentage	(g) Tentative Credit col (d) · col (e) · col (f)
1						35%	
						35%	
						35%	
						35%	
						35%	
						35%	
						35%	
						35%	
						35%	
						35%	
						35%	
						35%	
						35%	
						35%	
						35%	
	2	Total Tentative Credit. Add the amounts in column (g). Enter total here and on Form 3554, Part II, line 20.					

FTB 3554

Principal Business Activity Codes

This list of principal business activities and their associated codes is designed to classify a business by the type of activity in which it is engaged to facilitate the administration of the California Revenue and Taxation Code (R&TC). For taxable years beginning on or after January 1, 1998, these principal business activity codes are based on the North American Industry Classification System published by the United States Office of Management and Budget.

Agriculture, Forestry, Fishing, and Hunting

- Code**
- Crop Production**
- 111100 Oilseed & Grain Farming
 - 111210 Vegetable & Melon Farming (including potatoes & yams)
 - 111300 Fruit & Tree Nut Farming
 - 111400 Greenhouse, Nursery, & Floriculture Production
 - 111900 Other Crop Farming (including tobacco, cotton, sugarcane, hay, peanut, sugar beet, & all other crop farming)

- Animal Production**
- 112111 Beef Cattle Ranching & Farming
 - 112112 Cattle Feedlots
 - 112120 Dairy Cattle & Milk Production
 - 112210 Hog & Pig Farming
 - 112300 Poultry & Egg Production
 - 112400 Sheep & Goat Farming
 - 112510 Aquaculture (including shellfish & finfish farms & hatcheries)
 - 112900 Other Animal Production

- Forestry and Logging**
- 113110 Timber Tract Operations
 - 113210 Forest Nurseries & Gathering of Forest Products
 - 113310 Logging

- Fishing, Hunting and Trapping**
- 114110 Fishing
 - 114210 Hunting & Trapping

- Support Activities for Agriculture and Forestry**
- 115110 Support Activities for Crop Production (including cotton ginning, soil preparation, planting, & cultivating)
 - 115210 Support Activities for Animal Production
 - 115310 Support Activities for Forestry

- Mining**
- 211110 Oil & Gas Extraction
 - 212110 Coal Mining
 - 212200 Metal Ore Mining
 - 212310 Stone Mining & Quarrying
 - 212320 Sand, Gravel, Clay, & Ceramic & Refractory
 - 212390 Minerals Mining & Quarrying
 - 212390 Other Nonmetallic Mineral Mining & Quarrying
 - 213110 Support Activities for Mining

- Utilities**
- 221100 Electric Power Generation, Transmission & Distribution
 - 221210 Natural Gas Distribution
 - 221300 Water, Sewage, & Other Systems
 - 221500 Combination Gas & Electric

Construction

- Code**
- Construction of Buildings**
- 236110 Residential Building Construction
 - 236200 Nonresidential Building Construction
- Heavy and Civil Engineering Construction**
- 237100 Utility System Construction
 - 237210 Land Subdivision
 - 237310 Highway, Street, & Bridge Construction
 - 237990 Other Heavy & Civil Engineering Construction

- Specialty Trade Contractors**
- 238100 Foundation, Structure, & Building Exterior Contractors (including framing carpentry, masonry, glass, roofing, & siding)
 - 238210 Electrical Contractors
 - 238220 Plumbing, Heating, & Air-Conditioning Contractors
 - 238290 Other Building Equipment Contractors
 - 238300 Building Finishing Contractors (including drywall, insulation, painting, wallcovering, flooring, tile, & finish carpentry)
 - 238900 Other Specialty Trade Contractors (including site preparation)

Manufacturing

- Food Manufacturing**
- 311110 Animal Food Mfg
 - 311200 Grain & Oilseed Milling
 - 311300 Sugar & Confectionery Product Mfg
 - 311400 Fruit & Vegetable Preserving & Specialty Food Mfg
 - 311500 Dairy Product Mfg
 - 311610 Animal Slaughtering and Processing
 - 311710 Seafood Product Preparation & Packaging
 - 311800 Bakeries, Tortilla & Dry Pasta Mfg
 - 311900 Other Food Mfg (including coffee, tea, flavorings, & seasonings)

- Beverage and Tobacco Product Manufacturing**
- 312110 Soft Drink & Ice Mfg
 - 312120 Breweries
 - 312130 Wineries
 - 312140 Distilleries
 - 312200 Tobacco Manufacturing

- Textile Mills and Textile Product Mills**
- 313000 Textile Mills
 - 314000 Textile Product Mills

- Apparel Manufacturing**
- 315100 Apparel Knitting Mills

- Code**
- 315210 Cut & Sew Apparel Contractors
 - 315220 Men's & Boys' Cut & Sew Apparel Mfg
 - 315240 Women's, Girls' and Infants' Cut & Sew Apparel Mfg
 - 315280 Other Cut & Sew Apparel Mfg
 - 315990 Apparel Accessories & Other Apparel Mfg

- Leather and Allied Product Manufacturing**
- 316110 Leather & Hide Tanning & Finishing
 - 316210 Footwear Mfg (including rubber & plastics)
 - 316990 Other Leather & Allied Product Mfg

- Wood Product Manufacturing**
- 321110 Sawmills & Wood Preservation
 - 321210 Veneer, Plywood, & Engineered Wood Product Mfg
 - 321900 Other Wood Product Mfg

- Paper Manufacturing**
- 322100 Pulp, Paper, & Paperboard Mills
 - 322200 Converted Paper Product Mfg

- Printing and Related Support Activities**
- 323100 Printing & Related Support Activities

- Petroleum and Coal Products Manufacturing**
- 324110 Petroleum Refineries (including integrated)
 - 324120 Asphalt Paving, Roofing, & Saturated Materials Mfg
 - 324190 Other Petroleum & Coal Products Mfg

- Chemical Manufacturing**
- 325100 Basic Chemical Mfg
 - 325200 Resin, Synthetic Rubber, & Artificial & Synthetic Fibers & Filaments Mfg
 - 325300 Pesticide, Fertilizer, & Other Agricultural Chemical Mfg
 - 325410 Pharmaceutical & Medicine Mfg
 - 325500 Paint, Coating, & Adhesive Mfg
 - 325600 Soap, Cleaning Compound, & Toilet Preparation Mfg
 - 325900 Other Chemical Product & Preparation Mfg

- Plastics and Rubber Products Manufacturing**
- 326100 Plastics Product Mfg
 - 326200 Rubber Product Mfg

- Nonmetallic Mineral Product Manufacturing**
- 327100 Clay Product & Refractory Mfg
 - 327210 Glass & Glass Product Mfg
 - 327300 Cement & Concrete Product Mfg
 - 327400 Lime & Gypsum Product Mfg
 - 327900 Other Nonmetallic Mineral Product Mfg

- Primary Metal Manufacturing**
- 331110 Iron & Steel Mills & Ferroalloy Mfg
 - 331200 Steel Product Mfg from Purchased Steel
 - 331310 Alumina & Aluminum Production & Processing
 - 331400 Nonferrous Metal (except Aluminum) Production & Processing
 - 331500 Foundries

- Fabricated Metal Product Manufacturing**
- 332110 Forging & Stamping
 - 332210 Cutlery & Handtool Mfg
 - 332300 Architectural & Structural Metals Mfg
 - 332400 Boiler, Tank, & Shipping Container Mfg
 - 332510 Hardware Mfg
 - 332610 Spring & Wire Product Mfg
 - 332700 Machine Shops, Turned Product, & Screw, Nut, & Bolt Mfg

- Code**
- 332810 Coating, Engraving, Heat Treating, & Allied Activities
 - 332900 Other Fabricated Metal Product Mfg

- Machinery Manufacturing**
- 333100 Agriculture, Construction, & Mining Machinery Mfg
 - 333200 Industrial Machinery Mfg
 - 333310 Commercial & Service Industry Machinery Mfg
 - 333410 Ventilation, Heating, Air-Conditioning, & Commercial Refrigeration Equipment Mfg
 - 333510 Metalworking Machinery Mfg
 - 333610 Engine, Turbine, & Power Transmission Equipment Mfg
 - 333900 Other General Purpose Machinery Mfg

- Computer and Electronic Product Manufacturing**
- 334110 Computer & Peripheral Equipment Mfg
 - 334200 Communications Equipment Mfg
 - 334310 Audio & Video Equipment Mfg
 - 334410 Semiconductor & Other Electronic Component Mfg
 - 334500 Navigational, Measuring, Electromedical, & Control Instruments Mfg
 - 334610 Manufacturing & Reproducing Magnetic & Optical Media

- Electrical Equipment, Appliance, and Component Manufacturing**
- 335100 Electric Lighting Equipment Mfg
 - 335200 Household Appliance Mfg
 - 335310 Electrical Equipment Mfg
 - 335900 Other Electrical Equipment & Component Mfg

- Transportation Equipment Manufacturing**
- 336100 Motor Vehicle Mfg
 - 336210 Motor Vehicle Body & Trailer Mfg
 - 336300 Motor Vehicle Parts Mfg
 - 336410 Aerospace Product & Parts Mfg
 - 336510 Railroad Rolling Stock Mfg
 - 336610 Ship & Boat Building
 - 336990 Other Transportation Equipment Mfg

- Furniture and Related Product Manufacturing**
- 337000 Furniture & Related Product Manufacturing

- Miscellaneous Manufacturing**
- 339110 Medical Equipment & Supplies Mfg
 - 339900 Other Miscellaneous Manufacturing

Wholesale Trade

- Merchant Wholesalers, Durable Goods**
- 423100 Motor Vehicle & Motor Vehicle Parts & Supplies
 - 423200 Furniture & Home Furnishings
 - 423300 Lumber & Other Construction Materials
 - 423400 Professional & Commercial Equipment & Supplies
 - 423500 Metal & Mineral (except Petroleum)
 - 423600 Household Appliances and Electrical & Electronic Goods
 - 423700 Hardware, & Plumbing & Heating Equipment & Supplies
 - 423800 Machinery, Equipment, & Supplies
 - 423910 Sporting & Recreational Goods & Supplies
 - 423920 Toy & Hobby Goods & Supplies
 - 423930 Recyclable Materials
 - 423940 Jewelry, Watch, Precious Stone, & Precious Metals
 - 423990 Other Miscellaneous Durable Goods

Code

Merchant Wholesalers, Nondurable Goods

424100 Paper & Paper Products

424210 Drugs & Druggists' Sundries

424300 Apparel, Piece Goods, & Notions

424400 Grocery & Related Products

424500 Farm Product Raw Materials

424600 Chemical & Allied Products

424700 Petroleum & Petroleum Products

424800 Beer, Wine, & Distilled Alcoholic Beverages

424910 Farm Supplies

424920 Book, Periodical, & Newspapers

424930 Flower, Nursery Stock, & Florists' Supplies

424940 Tobacco & Tobacco Products

424950 Paint, Varnish, & Supplies

424990 Other Miscellaneous Nondurable Goods

Wholesale Electronic Markets and Agents and Brokers

425110 Business to Business Electronic Markets

425120 Wholesale Trade Agents & Brokers

Retail Trade

Motor Vehicle and Parts Dealers

441110 New Car Dealers

441120 Used Car Dealers

441210 Recreational Vehicle Dealers

441222 Boat Dealers

441228 Motorcycle, ATV, and All Other Motor Vehicle Dealers

441300 Automotive Parts, Accessories, & Tire Stores

Furniture and Home Furnishings Stores

442110 Furniture Stores

442210 Floor Covering Stores

442291 Window Treatment Stores

442299 All Other Home Furnishings Stores

Electronics and Appliance Stores

443141 Household Appliance Stores

443142 Electronic Stores (including Audio, Video, Computer, and Camera Stores)

Building Material and Garden Equipment and Supplies Dealers

444110 Home Centers

444120 Paint & Wallpaper Stores

444130 Hardware Stores

444190 Other Building Material Dealers

444200 Lawn & Garden Equipment & Supplies Stores

Food and Beverage Stores

445110 Supermarkets and Other Grocery (except Convenience) Stores

445120 Convenience Stores

445210 Meat Markets

445220 Fish & Seafood Markets

445230 Fruit & Vegetable Markets

445291 Baked Goods Stores

445292 Confectionery & Nut Stores

445299 All Other Specialty Food Stores

445310 Beer, Wine, & Liquor Stores

Health and Personal Care Stores

446110 Pharmacies & Drug Stores

446120 Cosmetics, Beauty Supplies, & Perfume Stores

446130 Optical Goods Stores

446190 Other Health & Personal Care Stores

Gasoline Stations

447100 Gasoline Stations (including convenience stores with gas)

Code

Clothing and Clothing Accessories Stores

448110 Men's Clothing Stores

448120 Women's Clothing Stores

448130 Children's & Infants' Clothing Stores

448140 Family Clothing Stores

448150 Clothing Accessories Stores

448190 Other Clothing Stores

448210 Shoe Stores

448310 Jewelry Stores

448320 Luggage & Leather Goods Stores

Sporting Goods, Hobby, Book, and Music Stores

451110 Sporting Goods Stores

451120 Hobby, Toy, & Game Stores

451130 Sewing, Needlework, & Piece Goods Stores

451140 Musical Instrument & Supplies Stores

451211 Book Stores

451212 News Dealers & Newsstands

General Merchandise Stores

452110 Department Stores

452900 Other General Merchandise Stores

Miscellaneous Store Retailers

453110 Florists

453210 Office Supplies & Stationery Stores

453220 Gift, Novelty, & Souvenir Stores

453310 Used Merchandise Stores

453910 Pet & Pet Supplies Stores

453920 Art Dealers

453930 Manufactured (Mobile) Home Dealers

453990 All Other Miscellaneous Store Retailers (including tobacco, candle, & trophy shops)

Nonstore Retailers

454110 Electronic Shopping & Mail-Order Houses

454210 Vending Machine Operators

454310 Fuel Dealers (including Heating Oil and Liquefied Petroleum)

454390 Other Direct Selling Establishments (including door-to-door retailing, frozen food plan providers, party plan merchandisers, & coffee-break service providers)

Transportation and Warehousing

Air, Rail, and Water Transportation

481000 Air Transportation

482110 Rail Transportation

483000 Water Transportation

Truck Transportation

484110 General Freight Trucking, Local

484120 General Freight Trucking, Long-distance

484200 Specialized Freight Trucking

Transit and Ground Passenger Transportation

485110 Urban Transit Systems

485210 Interurban & Rural Bus Transportation

485310 Taxi Service

485320 Limousine Service

485410 School & Employee Bus Transportation

485510 Charter Bus Industry

485990 Other Transit & Ground Passenger Transportation

Pipeline Transportation

486000 Pipeline Transportation

Scenic & Sightseeing Transportation

487000 Scenic & Sightseeing Transportation

Code

Support Activities for Transportation

488100 Support Activities for Air Transportation

488210 Support Activities for Rail Transportation

488300 Support Activities for Water Transportation

488410 Motor Vehicle Towing

488490 Other Support Activities for Road Transportation

488510 Freight Transportation Arrangement

488990 Other Support Activities for Transportation

Couriers and Messengers

492110 Couriers

492210 Local Messengers & Local Delivery

Warehousing and Storage

493100 Warehousing & Storage (except lessors of miniwarehouses & self-storage units)

Information

Publishing Industries (except Internet)

511110 Newspaper Publishers

511120 Periodical Publishers

511130 Book Publishers

511140 Directory Mailing List Publishers

511190 Other Publishers

511210 Software Publishers

Motion Picture and Sound Recording Industries

512100 Motion Picture & Video Industries (except video rental)

512200 Sound Recording Industries

Broadcasting (except Internet)

515100 Radio & Television Broadcasting

515210 Cable & Other Subscription Programming

Telecommunications

517000 Telecommunications (including paging, cellular, satellite, cable & other program distribution, resellers, & other telecommunications & internet service providers)

Data Processing Services

518210 Data Processing, Hosting, & Related Services

Other Information Services

519100 Other Information Services (including news syndicates & libraries, internet publishing & broadcasting)

Finance and Insurance

Depository Credit Intermediation

522110 Commercial Banking

522120 Savings Institutions

522130 Credit Unions

522190 Other Depository Credit Intermediation

Nondepository Credit Intermediation

522210 Credit Card Issuing

522220 Sales Financing

522291 Consumer Lending

522292 Real Estate Credit (including mortgage bankers & originators)

522293 International Trade Financing

522294 Secondary Market Financing

522298 All Other Nondepository Credit Intermediation

Activities Related to Credit Intermediation

522300 Activities Related to Credit Intermediation (including loan brokers, check clearing & money transmitting)

Code

Securities, Commodity Contracts, and Other Financial Investments and Related Activities

523110 Investment Banking & Securities Dealing

523120 Securities Brokerage

523130 Commodity Contracts Dealing

523140 Commodity Contracts Brokerage

523210 Securities & Commodity Exchanges

523900 Other Financial Investment Activities (including portfolio management & investment advice)

Insurance Carriers and Related Activities

524130 Reinsurance Carriers

524140 Direct Life, Health, & Medical Insurance & Reinsurance Carriers

524150 Direct Insurance & Reinsurance (except Life, Health, & Medical) Carriers

524210 Insurance Agencies & Brokerages

524290 Other Insurance Related Activities (including third-party administration of insurance and pension funds)

Funds, Trusts, and Other Financial Vehicles

525100 Insurance & Employee Benefit Funds

525910 Open-End Investment Funds (Form 1120-RIC)

525920 Trusts, Estates, & Agency Accounts

525990 Other Financial Vehicles (including mortgage REITS & closed-end investments funds)

"Offices of Bank Holding Companies" and "Offices of Other Holding Companies" are located under **Management of Companies (Holding Companies)** on next page.

Real Estate and Rental and Leasing

Real Estate

531110 Lessors of Residential Buildings & Dwellings (including equity REITs)

531120 Lessors of Nonresidential Buildings (except Miniwarehouses) (including equity REITs)

531130 Lessors of Miniwarehouses & Self-Storage Units (including equity REITs)

531190 Lessors of Other Real Estate Property (including equity REITs)

531210 Offices of Real Estate Agents & Brokers

531310 Real Estate Property Managers

531320 Offices of Real Estate Appraisers

531390 Other Activities Related to Real Estate

Rental and Leasing Services

532100 Automotive Equipment Rental & Leasing

532210 Consumer Electronics & Appliances Rental

532220 Formal Wear & Costume Rental

532230 Video Tape & Disc Rental

532290 Other Consumer Goods Rental

532310 General Rental Centers

532400 Commercial & Industrial Machinery & Equipment Rental & Leasing

Lessors of Nonfinancial Intangible Assets (except copyrighted works)

533110 Lessors of Nonfinancial Intangible Assets (except copyrighted works)

Professional, Scientific, and Technical Services**Code****Legal Services**

- 541110 Offices of Lawyers
- 541190 Other Legal Services

Accounting, Tax Preparation, Bookkeeping, and Payroll Services

- 541211 Offices of Certified Public Accountants
- 541213 Tax Preparation Services
- 541214 Payroll Services
- 541219 Other Accounting Services

Architectural, Engineering, and Related Services

- 541310 Architectural Services
- 541320 Landscape Architecture Services
- 541330 Engineering Services
- 541340 Drafting Services
- 541350 Building Inspection Services
- 541360 Geophysical Surveying & Mapping Services
- 541370 Surveying & Mapping (except Geophysical) Services
- 541380 Testing Laboratories

Specialized Design Services

- 541400 Specialized Design Services (including interior, industrial, graphic, & fashion design)

Computer Systems Design and Related Services

- 541511 Custom Computer Programming Services
- 541512 Computer Systems Design Services
- 541513 Computer Facilities Management Services
- 541519 Other Computer Related Services

Other Professional, Scientific, and Technical Services

- 541600 Management, Scientific, & Technical Consulting Services
- 541700 Scientific Research & Development Services
- 541800 Advertising & Related Services
- 541910 Marketing Research & Public Opinion Polling
- 541920 Photographic Services
- 541930 Translation & Interpretation Services
- 541940 Veterinary Services
- 541990 All Other Professional, Scientific, & Technical Services

Management of Companies (Holding Companies)

- 551111 Offices of Bank Holding Companies
- 551112 Offices of Other Holding Companies

Administrative and Support and Waste Management and Remediation Services**Administrative and Support Services**

- 561110 Office Administrative Services
- 561210 Facilities Support Services
- 561300 Employment Services
- 561410 Document Preparation Services

Code

- 561420 Telephone Call Centers
- 561430 Business Service Centers (including private mail centers & copy shops)

- 561440 Collection Agencies

- 561450 Credit Bureaus
- 561490 Other Business Support Services (including repossession services, court reporting, & stenotype services)

- 561500 Travel Arrangement & Reservation Services

- 561600 Investigation & Security Services

- 561710 Exterminating & Pest Control Services

- 561720 Janitorial Services
- 561730 Landscaping Services
- 561740 Carpet & Upholstery Cleaning Services

- 561790 Other Services to Buildings & Dwellings
- 561900 Other Support Services (including packaging & labeling services, & convention & trade show organizers)

Waste Management and Remediation Services

- 562000 Waste Management & Remediation Services

Educational Services

- 611000 Educational Services (including schools, colleges, & universities)

Health Care and Social Assistance**Offices of Physicians and Dentists**

- 621111 Offices of Physicians (except mental health specialists)
- 621112 Offices of Physicians, Mental Health Specialists
- 621210 Offices of Dentists

Offices of Other Health Practitioners

- 621310 Offices of Chiropractors
- 621320 Offices of Optometrists
- 621330 Offices of Mental Health Practitioners (except Physicians)
- 621340 Offices of Physical, Occupational & Speech Therapists, & Audiologists

- 621391 Offices of Podiatrists

- 621399 Offices of All Other Miscellaneous Health Practitioners

Outpatient Care Centers

- 621410 Family Planning Centers
- 621420 Outpatient Mental Health & Substance Abuse Centers
- 621491 HMO Medical Centers
- 621492 Kidney Dialysis Centers
- 621493 Freestanding Ambulatory Surgical & Emergency Centers
- 621498 All Other Outpatient Care Centers

Medical and Diagnostic Laboratories

- 621510 Medical & Diagnostic Laboratories

Code**Home Health Care Services**

- 621610 Home Health Care Services

Other Ambulatory Health Care Services

- 621900 Other Ambulatory Health Care Services (including ambulance services & blood & organ banks)

Hospitals

- 622000 Hospitals

Nursing and Residential Care Facilities

- 623000 Nursing & Residential Care Facilities

Social Assistance

- 624100 Individual & Family Services
- 624200 Community Food & Housing, & Emergency & Other Relief Services
- 624310 Vocational Rehabilitation Services
- 624410 Child Day Care Services

Arts, Entertainment, and Recreation**Performing Arts, Spectator Sports, and Related Industries**

- 711100 Performing Arts Companies
- 711210 Spectator Sports (including sports clubs & racetracks)
- 711300 Promoters of Performing Arts, Sports, & Similar Events
- 711410 Agents & Managers for Artists, Athletes, Entertainers, & Other Public Figures
- 711510 Independent Artists, Writers, & Performers

Museums, Historical Sites, and Similar Institutions

- 712100 Museums, Historical Sites, & Similar Institutions

Amusement, Gambling, and Recreation Industries

- 713100 Amusement Parks & Arcades
- 713200 Gambling Industries
- 713900 Other Amusement & Recreation Industries (including golf courses, skiing facilities, marinas, fitness centers, & bowling centers)

Accommodation and Food Services**Accommodation**

- 721110 Hotels (except Casino Hotels) & Motels
- 721120 Casino Hotels
- 721191 Bed & Breakfast Inns
- 721199 All Other Traveler Accommodation
- 721210 RV (Recreational Vehicle) Parks & Recreational Camps
- 721310 Rooming & Boarding Houses

Code**Food Services and Drinking Places**

- 722300 Special Food Services (including food service contractors & caterers)
- 722410 Drinking Places (Alcoholic Beverages)
- 722511 Full Service Restaurants
- 722513 Limited Service Restaurants
- 722514 Cafeterias and Buffets
- 722515 Snack and Non-alcoholic Beverage Bars

Other Services**Repair and Maintenance**

- 811110 Automotive Mechanical & Electrical Repair & Maintenance
- 811120 Automotive Body, Paint, Interior, & Glass Repair
- 811190 Other Automotive Repair & Maintenance (including oil change & lubrication shops & car washes)
- 811210 Electronic & Precision Equipment Repair & Maintenance
- 811310 Commercial & Industrial Machinery & Equipment (except Automotive & Electronic) Repair & Maintenance
- 811410 Home & Garden Equipment & Appliance Repair & Maintenance
- 811420 Reupholstery & Furniture Repair
- 811430 Footwear & Leather Goods Repair
- 811490 Other Personal & Household Goods Repair & Maintenance

Personal and Laundry Services

- 812111 Barber Shops
- 812112 Beauty Salons
- 812113 Nail Salons
- 812190 Other Personal Care Services (including diet & weight reducing centers)
- 812210 Funeral Homes & Funeral Services
- 812220 Cemeteries & Crematories
- 812310 Coin-Operated Laundries & Drycleaners
- 812320 Drycleaning & Laundry Services (except Coin-Operated)
- 812330 Linen & Uniform Supply
- 812910 Pet Care (except Veterinary) Services
- 812920 Photofinishing
- 812930 Parking Lots & Garages
- 812990 All Other Personal Services

Religious, Grantmaking, Civic, Professional, and Similar Organizations

- 813000 Religious, Grantmaking, Civic, Professional, & Similar Organizations (including condominium and homeowners associations)