



CALIFORNIA ENTERPRISE ZONE UPDATE

Five California Enterprise Zones Announced

August 25, 2009

The state of California announced the conditional designation for five California Enterprise Zones. The zones are **Hesperia, Tulare, Pittsburg, Sacramento and Taft**. These new designations will take the place of zones which expired or will expire in 2009.

First Advantage will monitor the CAEZ final designations and map these new zone boundaries against your California locations to determine tax credit eligibility. As a result of these changes, you may be eligible for additional tax credits while some of your previously eligible locations may no longer be in zone. The five-year benefit will continue into future years for qualifying employees hired at locations that were previously in zone but not part of the new zone boundaries.

Your First Advantage account manager may be requesting an updated listing of all current and future California locations to ensure you are maximizing your credit potential. For more information about the California Enterprise Zone program, e-mail tax@fadv.com.

The California Assembly Committee on Jobs, Economic Development, and the Economy (JEDE) held the first of a series of three meetings last week to discuss the California Enterprise Zone program and other geographically targeted programs (G-TEDA). Additional meetings are planned for October and November.

During these meetings, committee members will review California's state programs and evaluate its impact on economically disadvantaged communities. First Advantage will continue to monitor these meetings and will continue to notify you of information impacting your tax credit program.

About First Advantage Tax Consulting Services

First Advantage Tax Consulting Services develops and implements strategies to reduce your tax liabilities, including the Work Opportunity Tax Credit and other employment-related incentives, location-based credits and grants, training grants, and economic incentive services.

This information is intended to provide a brief synopsis of recent developments in federal and state tax credits and incentives and is intended to be informational only. Because the matters described above are complicated in nature, the reader should seek appropriate legal or other professional outside counsel for a more complete explanation prior to acting on the information contained in this document. Any advice contained in this document is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that may be imposed under applicable federal, state or local tax law.