



# Tennessee Department of Revenue

## Job Tax Credit: Recommended Documentation

The following information and records should be maintained and available (preferably in an electronic format) to verify that all the requirements of the standard job tax credit have been met.

### Capital Investment

List of items acquired during the investment period as part of the required capital investment (may include real property, tangible personal property, or computer software owned or leased in Tennessee) that details the purchase date, cost, description, location, and general ledger account charged.

### New Job Position Documentation

Records for the 90\* day period immediately before the first day of the investment period as reported on the business plan detailing the following for positions in Tennessee:

1. Unique position number
2. Position title
3. Employee name
4. Last four digits of employee's SSN
5. Hourly wage rate for each employee
6. Gross annual wages for each position
7. Position designation: permanent, full-time, or other
8. Location of position, including county
9. Documents showing minimum health insurance offered (e.g., employee handbook insurance invoice, opt in/out form, payroll documents, etc.)

*\*36-month period for permanent, part-time, and seasonal adventure tourism jobs located in an adventure tourism district*

Records of the items listed below during the investment period and the 12\*\* months following the end of the investment period:

1. Items 1-8 listed above
2. Date position created / filled
3. Hire date
4. Termination date
5. Indicate if health insurance has been offered
6. Indicate if claimed job tax credit

*\*\*26 consecutive weeks for seasonal adventure tourism jobs in an adventure tourism district*

**Five template schedules are available on our website to assist you with maintaining and providing job and capital investment information.**

Payroll and depreciation records should be retained to provide support that all of the requirements for the jobs tax credit have been met. Payroll reports and purchase invoices generally are good sources of documentation.

**Schedule X is used for claiming the credit.**

Once the minimum requirements for the standard job tax credit have been met, the credit may be claimed by filing Schedule X with the franchise and excise tax return.

**Employees should be claimed by the business that controls and utilizes them.**

The job tax credit should be claimed by the entity that controls and utilizes the workers regardless of who files the related payroll reports. If another entity files the payroll reports, the same documentation must be provided to support the credit as well as documentation supporting the relationship between the entity and the payroll company.