

North Dakota BUSINESS INCENTIVES

GOVERNMENT ACCESSIBILITY

Consider the time saved when working in a state where the regulatory environment is driven to optimize efficiency and promote economic development. North Dakota has a solid reputation for being the place to get swift answers and results from government leaders and decision-makers due to the state's business structure that promotes and implements accessibility.

FINANCE OPTIONS

Bank of North Dakota (BND) is the only entity of its kind in the nation: a state-owned bank dedicated to promoting commerce, industry and agriculture. BND offers numerous low-interest loan programs in collaboration with a lead lender to meet the financing needs of new or expanding businesses. TAX North Dakota offers one of the lowest individual income tax rates in the nation and ranks within the top ten of state corporate tax rates. In addition to the competitive rates, the state also offers numerous tax incentives including property tax exemptions for new or expanding businesses; industry-specific sales tax exemptions for manufacturing equipment, recycling equipment, and construction materials; income tax exemptions for primary sector or tourism businesses; and a corporate income tax exemption for up to five years.

WORKFORCE

The New Jobs Training program offers incentives to primary sector businesses that are creating new full-time employment opportunities through business expansion, creation and/or relocation to the state. Funding is provided to help offset the cost of training new employees. Businesses may receive funds in the form of a loan, a reimbursement grant, or under a self-financing option. State income tax withholdings from the new positions created are matched for up to ten years, until the maximum reimbursement is reached, or until the loan is repaid, whichever comes first.



[NDgov.link/Finance](https://ndgov.link/Finance)

OTHER OPPORTUNITIES

North Dakota offers numerous incentives, programs and resources for business creation and expansion for a variety of industries in all stages of development.

Advance ND

Awards "deal-closing" low interest loans to companies considering a new industrial project in North Dakota. Advance ND will serve as a financial incentive for those companies who are considering competing sites outside of North Dakota and whose projects would contribute significant capital investment, add value to North Dakota resources, and provide new employment opportunities to the state's economy.

The Agriculture Diversification and Development Fund (ADD)

ADD was established to support new or expanding value-added-agriculture businesses that demonstrate financial feasibility, enhance profitability for farmers and ranchers, create jobs, and grow North Dakota's economy. The funding opportunities include grants and interest buydowns.

Agricultural Products Utilization Commission (APUC)

APUC Provides grants to create new wealth and employment opportunities through the development of new and expanded uses of North Dakota's agricultural products.

Bioscience Innovation Grant

The Bioscience Innovation Grant program fosters growth of the bioscience industry in North Dakota by supporting innovation in areas such as biofuels, biomaterials, medical diagnostics/therapeutics, and more. The program is available to startup and early-stage companies, as well as well-established companies operating in North Dakota.

Childcare Loan Program

The Childcare Loan Program provides low interest loans for new and expanding licensed profit, nonprofit and public childcare facilities. Faith-based organizations are eligible but must follow all appropriate federal guidelines if receiving federal subsidies.

Clean and Sustainable Energy Authority (CSEA) Grant Program

The Clean and Sustainable Energy Authority (CSEA) Grant Program offers financial support in the form of grants or loans to support projects proposing research, development, and technological advancements for large-scale development and commercialization of projects, processes, activities and technologies that reduce environmental impacts and/or increase sustainability of energy production and delivery.

Flex PACE

Administered through Bank of North Dakota, this program provides assistance to businesses that do not meet the primary sector definition of PACE. In addition to this program, specific Flex PACE options have been developed for child care facilities and affordable housing projects. No job creation is required for any Flex PACE program options.

Innovate ND

Innovate North Dakota is a voucher reimbursement program to help North Dakota entrepreneurs further their business by supporting customer and market research. Through expert guidance from business coaches at Entrepreneurial Centers, Innovate ND provides the entrepreneurial community of North Dakota the resources needed to help turn an innovative idea into a profitable business.

Legacy Investment for Technology (LIFT) Loan Fund

LIFT is an innovation loan fund that supports technology advancement by providing financing for the commercialization of intellectual property within the state of North Dakota. The use of the loan funds is available to enhance capacity and to the extent possible, leverage state, federal and private sources of funding. Loan funds may be used for working capital such as to conduct applied research, experimentation, or operational testing within the state.

For more information from our
Economic Development and Finance
division, scan the QR code or go to
[NDgov.link/EDFassets](https://ndgov.link/EDFassets)



The North Dakota Development Fund, Inc. (NDDF)

The NDDF provides "flexible gap financing" through loans and equity investments not available from most conventional lenders for the purpose of economic development. Funds are available to new and expanding North Dakota primary sector businesses. The NDDF makes investments of up to \$3M through innovative financing mechanisms including direct loans, participation loans, and subordinated debt and equity investments.

Operation Intern

Operation Intern's focus is on the creation of new internships and apprenticeships within state targeted industries. Priority will be given to new startups, companies who have never participated in the program, and new internship or apprenticeship positions in order to expand the number of internships, work experience, and apprenticeship positions with North Dakota employers.

PACE

Administered through the Bank of North Dakota, this program helps communities expand their economic base by assisting primary sector businesses that make an investment or create jobs in their community. Proceeds from the fund may be used to purchase real property, equipment and certain working capital requirements.

Renewable Energy Program (REP)

The Renewable Energy Program (REP) provides financial assistance for the development of renewable energy and related industrial use technologies including, but not limited to, wind, biofuels, advanced biofuels, biomass, biomaterials, solar, hydroelectric, geothermal, and renewable hydrogen through research, development, demonstration and commercialization. The program also promotes research and utilization of renewable energy co-product utilization for livestock feed, human food products and industrial use technologies.

Workforce Recruitment Credit

An individual, estate, trust, partnership, corporation, or limited liability company is allowed an income tax credit for employing extraordinary recruitment methods to recruit and hire employees for hard-to-fill positions in North Dakota.

For more information, visit
[NDgov.link/IncentivesDatabase](https://ndgov.link/IncentivesDatabase)