

STATE OF DELAWARE

2012

Department of Finance

Division of Revenue

820 N. French Street

ATTN: Business Audit Bureau, 8th Fl.

Wilmington, Delaware 19899-2340

APPLICATION FOR REDUCTION OF PUBLIC UTILITIES TAX

FORM 5502TR-9811

THIS APPLICATION APPLIES TO MANUFACTURERS, FOOD PROCESSORS AND AGRI-BUSINESS PROCESSORS. IT MUST BE COMPLETED AND FILED WITH THE DELAWARE DIVISION OF REVENUE TO QUALIFY FOR THE 2% REDUCTION IN THE ELECTRICITY AND GAS COMMODITIES TAX (IMPOSED BY CHAPTER 55, TITLE 30 OF THE DELAWARE CODE).

1. Enter Federal Employer Identification Number OR Social Security Number. Includes input boxes for both ID types.

2. Name

3. Address

4. Location of Facility (if different from above)

5. Division of Revenue Business License Number. 6. Check One or More: [ ] Manufacturer [ ] Agri-business [ ] Food Processor [ ] Chicken Hatching

7. Utility Name/Utility Account Number(s)

A SEPARATE APPLICATION FORM MUST BE COMPLETED FOR EACH DELAWARE BUSINESS FACILITY

8. Enter the number of employees located at this facility who are engaged exclusively in the management or administrative support of or employed exclusively in manufacturing, food or agri-business processing or the hatching of chickens in conjunction with operating a food or agri-business processing business within Delaware. 9. Enter the number of employees located at this facility who perform services related to or in support of any business activity conducted outside Delaware. 10. Enter the total number of employees at this facility. Add Lines 8 and 9. 11. Divide Line 8 by Line 10 and enter the percentage here.

For the facility to qualify for the Public Utility Tax Reduction, Line 11 must be greater than 70%.

Signature Telephone Number Date

I declare under penalties as provided by law that the information on this application is true, correct and complete.

FOR DIVISION OF REVENUE USE

APPROVED [ ]

DISAPPROVED [ ]

Signature Title Date



## GENERAL INSTRUCTIONS

Section 5502 Title 30 of the Delaware Code was amended on three separate occasions to provide for a reduction of the public utility tax on the consumption of electricity and gas commodities or services from 4.25% to 2.00% for qualified licensed manufacturing, food or agri-business processing facilities within Delaware.

The reduction of the public utility tax is effective for all electricity commodities or services distributed after September 30, 1994, to business locations used primarily for manufacturing goods within this State. The definition of "Manufacturers" does not include scientific, agricultural or industrial research, development or testing. The definition of manufacturing is the same as defined in 30 Del. C. §2701.

The reduction of the public utility tax for food and agri-business processing or the hatching of chickens in conjunction with either food processing or agri-business processing is effective for all electricity commodities or services distributed on or after January 1, 1995. The definition of "Food Processing" is the same as defined in 30 Del. C. §2901. "Agri-business Processing" is defined as any processing, working, development, change, conditioning or reconditioning of raw materials or products into products of a different character, or effecting any combination or composition of materials, the inherent nature of which is changed such that the resulting product is food for consumption by livestock or is fertilizer for agricultural use. The term "business location" shall mean all adjoining real property in which the manufacturer, food or agri-business processor or any of its affiliates has an interest, including a possessory interest.

The reduction of the public utility tax is effective for all gas commodities or services distributed after December 31, 1997, to business locations used primarily for manufacturing goods, food processing, agri-business processing or hatching of chickens in conjunction with either food processing or agri-business processing within this State.

The business location must employ over 70% of its personnel exclusively in the manufacturing, food or agri-business process, including the hatching of chickens in conjunction with operating a food or agri-business processing business within this State. Personnel employed in the management or administrative support of the business location or another Delaware business location which is a manufacturing, food or agri-business processing or chicken hatching in conjunction with operating a food or agri-business processing facility are considered employed in a qualified process. Personnel employed at this business location which perform any services related to, or in support of, any business activities conducted outside Delaware are not considered employed in a qualified process within this State.

To qualify, each Delaware business location must submit a completed Form 5502TR-9811, Application For Reduction Of Public Utility Tax, to the State of Delaware Division of Revenue, 820 N. French St., ATTN: Business Audit Bureau, 8th Fl. Wilmington, DE 19899-2340. All inquiries regarding qualification should be addressed to Delaware Division of Revenue, Thomas Eoppolo, Business Audit Bureau Manager, 302-577-8261. All inquiries regarding billing should be addressed to the public utility supplying electricity and gas commodities and services to the qualified business location.

## SPECIFIC INSTRUCTIONS

- Line 1:** Enter in the blocked area the Federal Identification Number or Social Security Number of the business entity.
- Line 2:** Enter the name of the business entity.
- Line 3:** Enter the address of the business entity.
- Line 4:** Enter the address, if different from Line 3, of the qualifying business location.
- Line 5:** Enter the current year's business license number issued by the State of Delaware Division of Revenue to the qualifying business location.
- Line 6:** Check the box or boxes which describe the business activity conducted at this facility. In order to qualify for the utility tax reduction, chicken hatching must be conducted in conjunction with either food processing or agri-business processing within this state.
- Line 7:** Enter the name of the utility which is supplying electricity and gas commodities and services to the qualifying business location and the customer account number(s) assigned to the business location.
- Line 8:** Enter the number of employees located at this facility who are engaged exclusively in the management or administrative support of or employed exclusively in manufacturing, food or agri-business processing or chicken hatching in conjunction with operating a food or agri-business processing business for any business location within Delaware.
- Line 9:** Enter the number of employees located at this facility who perform services related to or in support of any business activity conducted outside Delaware.
- Line 10:** Total number of employees at this facility. The total number of employees must equal the sum of Lines 8 & 9.
- Line 11:** Divide Line 8 by Line 10 and enter the percentage here. **The percentage on Line 11 must be greater than 70% for the business location to be eligible for the public utility tax reduction.**