



Rhode Island Commerce Corporation
in conjunction with the Rhode Island Division of Taxation

Rules and Regulations for the Anchor Institution Tax Credit

**Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit**

Table of Contents

	Page
Rule 1. Purpose.....	2
Rule 2. Authority.....	2
Rule 3. Scope.....	2
Rule 4. Severability.....	2
Rule 5. Definitions.....	3
Rule 6. Eligibility.....	8
Rule 7. Tax Credit Amount.....	8
Rule 8. Preliminary Application.....	8
Rule 9. Final Application.....	9
Rule 10. Fees.....	10
Rule 11. Review Process.....	11
Rule 12. Board Approval.....	12
Rule 13. Incentive Agreement.....	13
Rule 14. Discretion and Judicial Review.....	16
Rule 15. Issuance of Tax Credit Certificates.....	16
Rule 16. Redemption of Tax Credit.....	16
Rule 17. Assignment of Tax Credit.....	17
Rule 18. Revocation of Tax Credit.....	19
Rule 19. Administration and Examination of Records.....	19

**Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit**

Rule 1. Purpose.

These rules and regulations (the “Rules”) are promulgated to set forth the principles, policies and practices of the Rhode Island Commerce Corporation and the Rhode Island Division of Taxation in implementing and administering Chapter 64.30 of Title 42 of the Rhode Island General Laws, the Anchor Institution Tax Credit Act (the “Act”).

Rule 2. Authority.

These Rules are promulgated pursuant to Chapter 64.30 of Title 42 of the General Laws. These Rules have been prepared in accordance with the requirements of the Rhode Island Administrative Procedures Act, Chapter 35 of Title 42 of the General Laws.

Rule 3. Scope.

These Rules shall apply to any application for an incentive under the Act. Notwithstanding anything contained in these Rules to the contrary, the Rhode Island Commerce Corporation and the Rhode Island Division of Taxation shall, respectively, have and may exercise all general powers set forth in the Act that are necessary or convenient to effect its purposes, and these Rules shall be liberally construed so as to permit the Rhode Island Commerce Corporation and the Rhode Island Division of Taxation to effectuate the purposes of the Act, the public interest, and other applicable state laws and regulations. The Rhode Island Commerce Corporation, upon an affirmative vote of its board of directors, may provide exemption from the application of such portion of these Rules as may be warranted by extenuating circumstances arising from such application, based upon the written

**Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit**

recommendation of the staff of the Rhode Island Commerce Corporation delineating the reasons for such exemption.

Rule 4. Severability.

If any provision of these Rules, or the application thereof to any person or circumstance, is held invalid by a court of competent jurisdiction, the validity of the remainder of the Rules shall not be affected thereby.

Rule 5. Definitions.

The following words and terms, when used in these Rules, shall have the following meanings, unless the context clearly indicates otherwise:

(1) **“Act”** means Chapter 64.30 of Title 42 of the General Laws known as the Anchor Institution Tax Credit Act.

(2) **“Affiliate”** means an entity that directly or indirectly controls, is under common control with, or is controlled by a Business. Control exists in all cases in which the entity is a member of a controlled group of corporations as defined pursuant to section 1563 of the Internal Revenue Code of 1986 (26 U.S.C. § 1563) or the entity is an organization in a group of organizations under common control as defined pursuant to subsection (b) or (c) of section 414 of the Internal Revenue Code of 1986 (26 U.S.C. § 414). A Business may establish by clear and convincing evidence, as determined by the Corporation, that control exists in situations involving lesser percentages of ownership than required by those statutes.

(3) **“Anchor Institution Tax Credit Fund”** means the fund established pursuant to Section 42-64.30-8 of the General Laws.

Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit

(4) **“Applicant”** means a Business located in this State applying for a Tax Credit under the Act and these Rules.

(5) **“Assignee”** means an entity to whom a Tax Credit Certificate is assigned pursuant to these Rules.

(6) **“Assignor”** means a holder of a Tax Credit Certificate who assigns such Tax Credit Certificate to an Assignee.

(7) **“Board”** means the board of directors of the Corporation.

(8) **“Business”** means a corporation, state bank, federal savings bank, trust company, national banking association, bank holding company, loan and investment company, mutual savings bank, credit union, building and loan association, insurance company, investment company, broker-dealer company or surety company, limited liability company, partnership or other entity.

(9) **“Certification”** means the document issued to an Applicant by the Corporation certifying to the Tax Division the amount of the Tax Credit and taxable year in which such Tax Credit may be claimed, and such other information deemed appropriate by the Corporation.

(10) **“Corporation”** means the Rhode Island Commerce Corporation established pursuant to Chapter 64 of Title 42 of the General Laws.

(11) **“Eligibility Period”** means the period in which an Applicant may claim a Tax Credit under the Act, beginning with the tax period in which the Corporation accepts certification by the Applicant that it has played a substantial role in the decision of a Qualified Business to relocate to the State and extending thereafter for a term of five (5) years.

Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit

(12) **“Final Application”** means the application, promulgated by the Corporation, which must be completed and submitted by an Applicant, pursuant to the requirements of the Act and these Rules, in order for the Applicant to qualify for a Tax Credit under the Act.

(13) **“Full-time Employee”** means a natural person who is employed by a Business for consideration for at least thirty-five (35) hours a week, or who is employed by a professional employer organization pursuant to an employee leasing agreement between the Business and the professional employer organization for at least thirty-five (35) hours a week, and whose wages are subject to Rhode Island income tax withholding.

(14) **“Hope Community”** means a municipality for which the five (5) year average percentage of families with income below the federal poverty level exceeds the State five (5) year average percentage, both most recently reported by the U.S. Department of Commerce, Bureau of the Census.

(15) **“Incentive Agreement”** means the incentive agreement entered into between an Applicant and the Corporation pursuant to the Act.

(16) **“Letter of Good Standing”** means a letter from the Division of Taxation certifying that the taxpayer is in good standing for purposes of these Rules; a taxpayer shall be entitled to a letter of good standing so long as (1) the taxpayer is current on all outstanding filings and declared tax liabilities subject to audit; (2) the taxpayer and the Division of Taxation have a workout payment agreement or other settlement with respect to any known delinquent tax liability and the taxpayer is current on that workout payment agreement or settlement; or (3) the taxpayer has timely commenced or is engaged in an administrative or judicial proceeding concerning a tax liability the status of which would otherwise preclude the issuance of a letter of good standing.

**Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit**

(17) **“New Facility”** means the facility in the State where the Qualified Business adds the New Full-time Jobs required under sections 42-64.30-5(a)(1) and (2) of the General Laws.

(18) **“New Full-time Job”** means a position created by the Qualified Business that did not previously exist in the State. The term “New Full-time Job” does not include a position that is the result of an acquisition of an existing company located in the State by purchase, merger, or otherwise; or a position that is or was already located in the State regardless of the taxpayer for whom the individual performed services. For the purposes of determining the number of New Full-Time Jobs, the positions of an Affiliate of the Qualified Business shall be considered positions of the Qualified Business.

(19) **“Notification of Assignment”** means the notification filed with the Division of Taxation of the assignment of all or a portion of the Tax Credit.

(20) **“Preliminary Application”** means the application, promulgated by the Corporation, which must be completed and submitted by an Applicant.

(21) **“Qualified Business”** means a Business that supplies goods or services to an Applicant or is a material service provider or a material customer of an Applicant, or is an Affiliate of such supplier, service provider, or customer.

(22) **“Qualifying Relocation”** means a Qualified Business with the minimum number of employees as set forth in Section 42-64.30-5(a)(1) and (2) of the General Laws, which moves an existing facility to the State, moves into an existing facility in the State, or constructs a new facility in the State to supply goods or services to a Rhode Island Business. A Qualifying Relocation shall not include a Qualified Business’s expansion in this State of a line of business that the Qualified Business or its Affiliate already operated in this State in the 12 months prior to the date of the Application.

Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit

(23) **“Redevelopment Area”** means an area designated as a redevelopment area in accordance with Section 45-32-4 of the General Laws.

(24) **“Relocation Search”** means the engagement by a business or its agent of a broker to identify a site or sites where the business could locate operations in the State, or the business or its agent initiating negotiations with persons who control a site or sites in this State about acquiring, leasing, or otherwise relocating to said site or sites, or an equivalent formal act taken by the business to identify such a site or sites.

(25) **“Rhode Island Business”** means a Business physically located in, and authorized to do business in the State.

(26) **“State”** means the State of Rhode Island and Providence Plantations.

(27) **“Targeted Industry”** means any advanced, promising or otherwise prioritized industry identified in the economic development vision and policy promulgated pursuant section 42-64.17-1 of the General Laws or, until such time as any such economic development vision and policy is promulgated, as identified by the Corporation from time-to-time and published on the Corporation’s website.

(28) **“Tax Credit”** means a tax credit granted under the Act.

(29) **“Tax Credit Certificate”** or **“Certificate”** means a certificate issued by the Tax Division to an Applicant who has received a Certification from the Corporation substantiating compliance with an Incentive Agreement and entitlement to the issuance of Tax Credits under the Act.

(30) **“Tax Division”** means the Rhode Island Division of Taxation.

**Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit**

Rule 6. Eligibility.

- (a) To be eligible for a Tax Credit, an existing Rhode Island Business shall file:
- (1) a Preliminary Application with the Corporation identifying a Qualified Business that may relocate to the State; and
 - (2) a Final Application demonstrating to the Corporation that the Rhode Island Business played a substantial role in the decision of the Qualified Business to complete a Qualifying Relocation.
- (b) The Qualified Business identified in the Preliminary Application must complete the Qualifying Relocation on or before December 31, 2020, and must create either:
- (1) A minimum of ten (10) New Full-Time Jobs on or before December 31, 2018; or
 - (2) A minimum of twenty-five (25) New Full-Time Jobs on or before December 31, 2020.

Rule 7. Tax Credit Amount.

- (a) The Tax Credits issued under the Act shall not exceed the funds appropriated by the State for this program.
- (b) An Applicant shall not be eligible to receive a Tax Credit in excess of seventy-five percent (75%) of the amount appropriated in the fiscal year in which the Tax Credits are issued.

Rule 8. Preliminary Application.

The Preliminary Application promulgated by the Corporation shall require submission of the following information from each Applicant:

**Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit**

- (a) the name, address, and principal contact for the Applicant;
- (b) state and federal tax identification numbers;
- (c) the identification of the Qualified Business;
- (d) a detailed description of the relationship between the Applicant and the Qualified Business that establishes that the Qualified Business, or its Affiliate, supplies goods or services to the Applicant or is a material service provider or material customer of the Applicant, including appropriate documentation to support the description; and
- (e) any other necessary and relevant information as determined by the Corporation.

Rule 9. Final Application.

After the Qualified Business identified in the Preliminary Application decides to engage in a Qualified Relocation, the Applicant shall submit a Final Application which shall require submission of the following information:

- (a) a detailed description of the number and types of New Full-Time Jobs to be located in the State;
- (b) the annual compensation and benefits for each New Full-Time Job to be located in the State;
- (c) a detailed description of the products and/or services that will be supplied by the Qualified Business from its location within the State;
- (d) a statement detailing the facts and circumstances that provide evidence of the substantial role of the Applicant in the decision of a Qualified Business to complete a Qualifying Relocation, along with such documentation acceptable to the Corporation substantiating the facts and circumstances set forth in the statement;

Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit

(e) a submission from the Applicant and the Qualified Business stating that the Qualified Business had not commenced or engaged in a Relocation Search in this State within the 12 months prior to the date of the Applicant's Preliminary Application;

(f) whether the Qualified Business will be purchasing or leasing a facility in the State;

(g) details relative to development activities associated with the Qualifying Relocation including, but not limited to, costs associated with any real estate development;

(h) a delineation of any other federal, State or local incentives, grants, tax credits, or other aid that will or may be received by the Qualified Business in completing a Qualifying Relocation; and

(i) any other necessary and relevant information as determined by the Corporation.

Rule 10. Fees.

(a) An Applicant may be charged a one-time, non-refundable application fee by the Corporation, as well as fees for ongoing administration in relation to an award of Tax Credits to the Applicant approved by the Board. The Corporation shall annually publish a fee schedule on its website commencing on or before December 31, 2015.

(b) An Applicant may be required to pay to the Corporation the full amount of direct fees and costs paid to third-parties by the Corporation in relation to the consideration and/or approval of Tax Credits for the Applicant.

**Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit**

Rule 11. Review Process.

(a) Each Preliminary and Final Application shall be reviewed to confirm compliance with the Act and these Rules, and the Corporation may reject any incomplete or deficient Application.

(b) The Corporation may require the submission of additional information in connection with any Preliminary or Final Application or the revision of any Preliminary or Final Application, and may permit the resubmission of a Preliminary or Final Application rejected as being incomplete or deficient.

(c) After submission of complete Preliminary and Final Applications and review by the Corporation in accordance with the requirements of the Act and these Rules, the Corporation will determine whether to recommend to the Board that it approve a Tax Credit for the Applicant and the amount of the Tax Credit. Factors considered in formulation of the recommendation may include, but not be limited to:

- (1) the number of New Full-Time Jobs created;
- (2) the compensation for the New Full-Time Jobs created including benefits;
- (3) the length of time the New Full-Time Jobs are committed to remain in the State;
- (4) whether the jobs created are in a Targeted Industry;
- (5) whether the Qualifying Relocation benefits a Hope Community;
- (6) whether the Qualifying Relocation occurs in a Redevelopment Area;
- (7) the strategic importance of the Qualified Business and/or the Applicant;
- (8) the economic return to the State; and
- (9) area brokers' fees.

**Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit**

(d) If the Corporation determines that it will not recommend a Final Application to the Board for approval of an incentive, it shall notify the Applicant in writing of such decision.

(e) The Corporation may set periodic Application deadlines that will be published on the Corporation's web site from time to time.

Rule 12. Board Approval.

(a) Prior to Board consideration for approval of any award of Tax Credits under the Act the following conditions shall be satisfied:

(1) The Chief Executive Officer of the Corporation has provided written confirmation to the Board (i) that the Corporation has reviewed the Application and any determination regarding the potential impact on the Qualified Business's ability to promote the retention and expansion of existing jobs; stimulate the creation of new jobs, including good-paying jobs; attract new business and industry to the State; and stimulate growth in real estate developments and/or businesses that are prepared to make meaningful investment and foster job creation in the State; and (ii) of the recommendation of the Corporation as to the total Tax Credit to be awarded the Applicant; and

(2) The Secretary of Commerce has provided written confirmation to the Board that the recommendation provided by the Chief Executive Officer of the Corporation is consistent with the purposes of the Act.

(b) Within thirty (30) days after satisfaction of the requirements of Rule 12(a) of these Rules, or such later date as the next meeting of the Board is convened, the Board shall undertake review and consideration of the approval of the award of Tax Credits to the Applicant.

**Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit**

(c) In addition to those findings required under section 42-64-10 of the General Laws, the Board shall make the following findings in connection with approval of any award under the Act and these Rules:

(1) the Applicant played a substantial role in the decision of a Qualified Business to complete a Qualifying Relocation;

(2) the Qualifying Relocation has or will result in creation of the following minimum number of New Full-Time Jobs in the State: a minimum of ten (10) New Full-Time Jobs on or before December 31, 2018; or a minimum of twenty-five (25) New Full-Time Jobs on or before December 31, 2020;

(3) that the Chief Executive Officer of the Corporation has provided the written confirmation required by the Act; and

(4) that the Secretary of Commerce has provided the written confirmation required by the Act.

Rule 13. Incentive Agreement.

Upon approval of a Tax Credit for an Applicant by the Board, the Corporation and the Applicant will enter into an Incentive Agreement prior to the issuance of any Tax Credit to the Applicant. In order to safeguard the expenditure of public funds and ensure that the disbursement of funds further the objectives of the Act, the Incentive Agreement shall include, among others, the following terms:

(a) the maximum amount of Tax Credits awarded and a schedule on which the Tax Credits may be awarded;

Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit

(b) a provision that the Tax Credits shall not be issued prior to both (1) the issuance of a certificate of occupancy for the project or as of a lease commencement date or other such related commitment; and (2) validation by the Corporation that the Qualified Business has created the number of New Full-Time Jobs required by Section 42-64.30-5(a)(1) and (2) of the General Laws;

(c) a provision detailing the minimum number of New Full-Time Jobs to be created and such additional qualifying criteria that formed the basis for the approval of Tax Credits for the Applicant;

(d) a provision specifying for the withholding of any portion of a Tax Credit or requiring repayment of a Tax Credit if the Qualified Business leaves the State within a period of time set forth in the Incentive Agreement;

(e) evidence that the Applicant is in good standing with the Secretary of State and Division of Taxation at the time of execution of the Incentive Agreement; a Letter of Good Standing from the Division of Taxation shall be evidence of good standing;

(f) at the Corporation's discretion, a provision requiring the Applicant to pay the Corporation's reasonable attorneys' fees incurred in connection with the negotiation, execution and enforcement of the Incentive Agreement;

(g) indemnification and insurance requirements;

(h) default and remedies including events that would trigger forfeiture or revocation of the awarded Tax Credits including, but not limited to, a provision that if information comes to the attention of the Corporation that is materially inconsistent with representations made in an Preliminary or Final Application and/or any request for Certification, the Corporation may deny

Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit

a request for Certification, or revoke a Certification previously given, with any processing fees paid to be forfeited;

(i) reporting requirements including, but not limited to, any requirements under the Act;

(j) an acknowledgment from the Qualified Business that it will provide information reasonably necessary to validate the Applicant's qualification for Tax Credits under the Act and these Rules;

(k) a certification procedure, which shall include, but not be limited to, the following:

(1) Representations that the Qualifying Relocation meets the eligibility criteria under the Act and these Rules;

(2) Representations that the Qualifying Relocation meets all of the criteria set forth in the Incentive Agreement;

(3) Evidence that the Applicant is in good standing with the Secretary of State and Division of Taxation at the time Applicant files its certification for issuance of incentives; a Letter of Good Standing from the Division of Taxation shall be evidence of good standing; and

(4) A requirement that the Applicant submit with its request for certification for issuance of the Tax Credits, satisfactory evidence of the New Full-Time Jobs created and the compensation and benefits provided for such jobs, which evidence shall be certified by a certified public accountant; and

(l) any other provisions that the Corporation determines are necessary to comply with the Act, these Rules, and other applicable State laws and administrative rules.

**Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit**

Rule 14. Discretion and Judicial Review.

(a) The Corporation shall not have any obligation to make any award or grant any benefits under the Act or these Rules.

(b) A review of a Preliminary or Final Application shall not constitute a “contested case” under the Administrative Procedures Act, section 42-35-9 of the General Laws, and no opportunity to object to a Preliminary or Final Application shall be afforded, nor shall judicial review be available from a decision rendered by the Corporation or the Board in connection with any Preliminary or Final Application.

Rule 15. Issuance of Tax Credit Certificates.

(a) Upon the presentation to the Tax Division of a Certification from the Commerce Corporation substantiating compliance with the terms of an Incentive Agreement, the Tax Division shall issue Tax Credit Certificates to the Applicant in the amounts and for the years as agreed to by the Corporation and reflected in the Certification from the Corporation.

(b) The Tax Credit reflected in the Tax Credit Certificate may be used as a credit against taxes imposed under Chapters 11, 12, 13, 14, or 17 of Title 44 of the General Laws.

(c) If the Applicant is a corporation, the Tax Credit is only allowed against the tax of a corporation included in a consolidated return that qualifies for the Tax Credit and not against the tax of other corporations that may join in the filing of a consolidated return.

Rule 16. Redemption of Tax Credit.

(a) Prior to assignment of a Tax Credit to a third party, the Applicant shall file a request with the Tax Division to redeem the Tax Credit, in whole or in part.

**Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit**

(b) Upon request of an Applicant holding a valid Tax Credit Certificate, the Tax Division shall be entitled to redeem such credit in whole or in part for one hundred percent (100%) of the value of the Tax Credit to the extent of available funds in the Anchor Institution Tax Credit Fund; provided that the Applicant must qualify for a Letter of Good Standing in order to be eligible to redeem any portion of a credit..

(c) An Applicant seeking redemption of a Tax Credit shall file an application on the form prescribed by the Tax Division together with the original Tax Credit Certificate. The Tax Division shall be entitled to pay the redemption amount within ninety (90) days of submission of a complete redemption application by the Applicant to the extent of available funds in the Anchor Institution Tax Credit Fund. To the extent of any insufficiency of funds in the Anchor Institution Tax Credit Fund, the Tax Division shall either return the original Tax Credit Certificate to the Applicant or issue a new Tax Credit Certificate for such partial amounts that are not redeemed by the Tax Division.

(d) An Assignee of the Tax Credit is not entitled to redeem a Tax Credit.

Rule 17. Assignment of Tax Credit.

(a) A Tax Credit Certificate may be assigned, provided that no Credit has been claimed based on the Tax Credit Certificate being assigned. The Tax Credit Certificate may be assigned by endorsing the assignment clause set forth on the Certificate and delivery of the original Certificate to the Assignee.

(b) The Assignee may use the Tax Credit only to offset the actual tax imposed for and for those taxes permitted to be offset under the Act as delineated in the Incentive Agreement, the taxable year in which the Credit is issued during the Eligibility Period.

**Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit**

(c) The original executed Tax Credit Certificate shall be attached to the tax return of the Applicant or Assignee who desires to claim the Credit.

(d) An Assignor of all or any portion of the Tax Credit, shall notify the Tax Division in writing within thirty (30) calendar days following the effective date of such assignment.

Attached to such written notification (the Notification of Assignment) shall be:

(1) a copy of the Tax Credit Certificate, endorsed to the Assignee. The original Certificate shall not be included with the Notification of Assignment, which must be retained by the Assignee and attached to the Assignee's tax return for the year with respect to which the Tax Credit is claimed;

(2) The name, address and telephone number of the Assignor and of the Assignee;

(3) The taxpayer identification number or social security number of the Assignor and the Assignee; and

(4) For non-resident entities, the name and address of such entity's registered agent in the State of Rhode Island and evidence of qualification to do business in Rhode Island.

(e) If the holder of a Tax Credit Certificate desires to assign its interest in the Credit to more than one Assignee, prior to utilizing any portion of the Tax Credit, the holder must request the Tax Division to reissue the original Certificate in such number of Certificates as the holder requires. The request must be made in writing, must specify the number of new Certificates required and the amount to be specified on each Certificate, and must attach the Original Certificate for cancellation by the Tax Division.

(f) The Tax Division may charge an administrative fee for issuing multiple Tax Credit Certificates or for reissuing Certificates.

**Rhode Island Commerce Corporation
Rhode Island Division of Taxation
Rules and Regulations for the Anchor Institution Tax Credit**

Rule 18. Revocation of Tax Credit.

(a) Upon breach of an Incentive Agreement, the Corporation may deny the issuance of a Certification or revoke a Certification or the Tax Credit Certificate. If any Tax Credits have been claimed by any taxpayer based upon a Tax Credit Certificate that has been revoked, the Applicant shall pay to the Corporation an amount equal to the Tax Credit claimed. There shall be no adjustment to the Tax Credit claimed by the taxpayer if a taxpayer acquired the Tax Credit Certificate, directly or indirectly, in an arms-length transaction, for value, and without notice of violation, fraud or misrepresentation.

(b) The Corporation shall notify the Tax Division of any revocation of a Certification or Tax Credit Certificate.

Rule 19. Administration and Examination of Records.

The Corporation may examine any books, paper, records or memoranda bearing upon the approval of incentives awarded under the Act, and may require the attendance of any person executing any Application, report or other statement, or of any officer or employee of any taxpayer, or the attendance of any other person, and may examine such person under oath respecting any matter which the Corporation deems pertinent or material in determining eligibility for incentives claimed under the Act.