



California Enterprise Zones Updates

June 3, 2008

The California Department of Housing and Community Development (HCD) recently announced new provisions designed to streamline the California Enterprise Zone (CAEZ) hiring tax credit qualification process and updated the status of six zones.

- W-4 Acceptable for Proof of Residency
- Electronic Signatures
- Zone Status

To learn more about the new CAEZ provisions and the updated zones, please see additional information below. If you have questions or would like further information, please contact your First Advantage hiring credit manager or send an e-mail to tax@fadv.com.

W-4 Acceptable for Proof of Residency

HCD announced that Form W-4, the employee's withholding allowance certificate, may be used to provide proof of residency. Other acceptable documents for proof of residency include:

- Form I-9 (US Department of Justice, Immigration and Naturalization Service)
- Driver's license or state ID card
- A landlord's statement
- A lease or rental agreement
- A utility bill

Electronic Signatures

HCD will accept electronic signatures on both Forms I-9 and W-4 to support residency in a Target Employment Area (TEA). This is a significant benefit to employers moving to electronic signatures.

Zone Status

Six California Enterprise Zones were recently awarded final CAEZ designations. These zones are: Compton, Fresno County, Long Beach, Oroville, Pasadena, and Santa Clarita. There are 25 zones with conditional zone designations. The conditional zones must meet outlined conditions to be granted final designation.

First Advantage will continue to monitor the CAEZ final designations and map new zone boundaries against your California locations to determine tax credit eligibility.

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