

syncTM Weekly highlights from the North Carolina Department of Commerce



Governor Pat McCrory shakes N.C. Commerce Secretary Sharon Decker's hand at the tax reform bill signing

Governor McCrory Signs Tax Reform into Law

Governor Pat McCrory signed comprehensive tax reform into law on July 23.

"I came to the governor's office a few short months ago with a sense of urgency and resolve to put North Carolinians back to work," said McCrory. "I firmly believe that this reform package will prove to be critically important to growing North Carolina's economy and getting people back to work. This tax reform package puts more money in families' budgets and will restore confidence for North Carolina businesses. Because of this package, job creators will think about relocating to our great state.

"I would like to once again commend and thank Senate Pro Tempore Phil Berger, Speaker Thom Tillis, Commerce Secretary Sharon Decker, Secretary of Revenue Lyons Gray and my budget Director Art Pope for their hard work in getting this tax deal done. This historic tax reform package is a win-win for our state and the working families who live here."

This plan provides fiscally responsible tax relief to all North Carolina taxpayers. Income tax rates for all taxpayers will be lowered to a uniform rate of 5.8% in 2014. The corporate tax will be reduced to 6% in 2014, making North Carolina more attractive to job creators.

This tax reform package is fiscally responsible and provides reasonable revenue growth every year to meet the state's budget needs. Since tax reform is expected to grow the state's economy and bolster the tax base, further rate reductions



Governor Pat McCrory announced today (July 30) that Syngenta will expand operations in Durham County

Agribusiness Company Syngenta to Expand in Durham County with 150 New Jobs

Governor Pat McCrory and North Carolina Commerce Secretary Sharon Decker announced today that Syngenta, one of the largest agribusiness companies in the world, will expand its crop protection and seed development operations in Durham County. The company plans to create 150 new jobs in North Carolina by the end of 2018 and invest \$94 million in its Durham location.

"North Carolina has its roots in agriculture and we've become one of the top states for hi-tech agribusiness research and production," said Governor McCrory. "The growth of Syngenta is an example to others of the strong talent pool and attractive quality of life that characterizes the Research Triangle."

With headquarters in Basel, Switzerland, Syngenta is one of the world's leading companies with more than 27,000 employees in over 90 countries dedicated to the purpose of bringing plant potential to life. Through world-class science, global reach and customer commitment, the company helps increase crop productivity, protect the environment and improve health and quality of life. Syngenta and its legacy companies have had a presence in North Carolina since 1973. The company opened the first agricultural biotechnology research facility in RTP in 1984. Governor McCrory toured Syngenta in May.

could only be triggered by revenue growth in 2016 and 2017 so as to ensure that the state has adequate resources to provide needed services.

North Carolina Tax Reform At a Glance:

- The plan is uniform for all North Carolinians across the board.
- It broadens the tax base, lowers income tax rates and reduces taxes for North Carolina working families.
- It is also fiscally responsible and ensures appropriate revenue for state government services.

Personal Income Tax:

- Reduces and simplifies the 3-tiered state personal income tax from the current maximum rate of 7.75% and minimum rate of 6% to 5.8% in 2014 and 5.75% in 2015.
- Increases the standard deduction for all taxpayers, applied to the:
 - First \$15,000 of income for those married filing jointly;
 - First \$12,000 of income for heads of household;
 - First \$7,500 of income for single filers.
- Retains the state child tax credit and increases it for families making less than \$40,000.
- Offers a \$20,000 combined maximum deduction for mortgage interest and property taxes.
- Makes charitable contributions fully deductible.
- Protects all Social Security income from state taxes.

Corporate Income Tax:

- Reduces the corporate income tax from 6.9% to 6% in 2014 and then to 5% in 2015, a 29% rate reduction.
- If the state meets revenue targets (i.e. if there is additional tax revenue growth due to a growing economy), the corporate income tax will drop to 4% in 2016 and 3% in 2017.

Other Highlights:

- Caps the state gas tax;
- Eliminates North Carolina's death tax;
- Preserves the sales tax refund for nonprofits.

Partnership Planning Moves Forward

N.C. Secretary of Commerce Sharon Decker released a statement today (July 30) indicating work continues to move forward to develop the new public-private partnership for economic development that has been under discussion for the past several months in the state.

Although Senate Bill 127 was not approved by the Senate before the General Assembly adjourned last week, language included in the state budget bill gives Commerce the flexibility it needs to create the new organization.

"Governor McCrory and I have worked very hard to garner support for a new, improved approach to how we conduct economic development in North Carolina," said Secretary Decker. "We feel like we have overwhelming bipartisan support from lawmakers and stakeholders across the state, and the marching orders we need to continue down the path that we started at the very beginning of the governor's administration."

"This is an extraordinary time of growth for agriculture in North Carolina," said Michiel van Lookeren Campagne, president of Syngenta Biotechnology, Inc. "We thank all of the economic development partners from the state of North Carolina who worked so hard to help us attract this investment here. Governor McCrory and his staff and the Department of Commerce share our vision of creating an even stronger agricultural industry in North Carolina. We are proud to be a part of the region's growing agricultural technology cluster."

LEAD Releases July N.C. Today

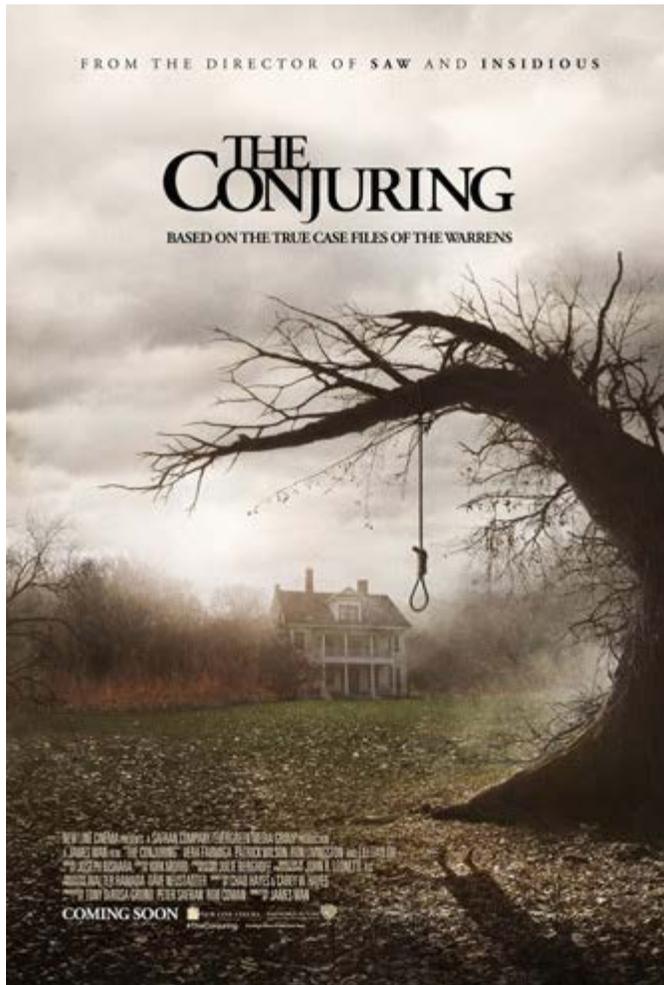
The N.C. Department of Commerce's Labor and Economic Analysis Division has released its [July issue of N.C. Today](#):

An indicator of growing labor demand, weekly production hours in North Carolina manufacturing reached its highest level since June 2011. Average weekly hours rose by 24 minutes to a 41.7 hour average workweek in June. Total nonfarm employment rose by 5,700 jobs over the month and by 60,800, or 1.5 percent, over the year. The unemployment rate was unchanged at 8.8 percent in June, but fell from 9.6 percent a year ago.

Online job openings in North Carolina increased by 400 in June, according to the Conference Board. The South gained 11,400 openings in June with the majority (8,000) of the increase in Florida. Texas gained 6,000, while Georgia added 3,700, South Carolina increased by 1,000, and Virginia lost 1,600.

Nationwide, consumer confidence increased for the third consecutive month and is at its highest level since January 2008. Businesses in the Carolinas also felt more confident in June, according to the [Carolinas Survey of Business Activity](#). Its measures of general business conditions and revenues grew for the third straight month and reached their highest levels in more than a year as expectations for business activity six months out remained high. This echoed CEOs nationwide who expected conditions over the next six months to generally become more favorable, according to [The Conference Board Measure of CEO Confidence](#). June's edition of the NCSU Index of Leading Indicators was essentially unchanged from May's edition, so while "the North Carolina economic recovery is expected to continue... rapid acceleration in growth is not yet on the horizon," according to Dr. Michael Walden, developer of the index.

The N.C. Economic Development Board has also begun to collect the data and information needed to develop a new ten-year strategic plan for economic development in North Carolina. This plan will direct the work of the public-private partnership, expected to be up and running by January 2014.



N.C.-Filmed *The Conjuring* Tops Box Office With \$83.8M, Sets Record

The North Carolina-filmed horror feature, *The Conjuring*, took the top spot for this past weekend's box office. Taking in nearly \$84 million in its second weekend, the film set a record for the biggest opening for an original R-rated horror movie. *The Conjuring*, directed by James Wan and starring Vera Farmiga and Patrick Wilson, is the story of a couple who investigate paranormal activity outside a small Rhode Island farmhouse. The production filmed in New Hanover and Pender counties in Spring 2012 and had a direct in-state spend of \$17 million while creating 419 job opportunities, including 250 well-paying positions for the state's highly-skilled film professionals. It is produced by Warner Bros' New Line Cinema, which filmed *Journey 2: The Mysterious Island* in North Carolina in 2011. The studio continues to look at bringing future projects to North Carolina thanks in part to the relationship built by the N.C. Film Office as well as the state's



ACADEMY OF TELEVISION
ARTS & SCIENCES

Productions Filmed in N.C. Nab 13 Emmy Nominations

When the 65th Primetime Emmy Nominations were announced earlier this month, North Carolina productions garnered 13. The critically acclaimed *Homeland* led the pack with 11 nominations, including Outstanding Drama Series. N.C. crew members Craig and Lisa Mae Fincannon of Wilmington were part of the show's 11 nominations as they were once again nominated for Outstanding Casting For a Drama Series, the category for which they won last year. In addition to the *Homeland* nominations, fellow Charlotte region hot series *Banshee* received a nomination for Outstanding Special Visual Effects In a Support Role for its pilot episode. Finally, the Wilmington-filmed series *Revolution* received two nominations, with its work in the episode "Nobody's Fault But Mine" receiving a nomination for Outstanding Stunt Coordination For A Drama Series.

The 2014 Primetime Emmys airs Sept. 22 live on CBS at 8 p.m. with the Primetime Creative Arts Emmy Awards (where the categories in which *Banshee* and *Revolution* are nominated) taking place earlier, on Sept. 15. [View a complete list of the 2014 Primetime Emmy Nominees.](#)

['Homeland,' 'Banshee' execs to talk about film, TV production in Charlotte region](#) (*Charlotte Business Journal*, July 23)

Year-to-date Metrics

Below are year-to-date metrics tracked by the N.C. Department of Commerce's Division of Business and Industry Development that illustrate some of the recent activities of the Division. The metrics include the number of new economic development projects assigned

25 percent refundable tax credit for filming, its large and talented crew base, and the vast array of locations. [Read more](#).

N.C. Reemployment Grant Renewed

North Carolina was awarded nearly \$2.8 million in Reemployment Eligibility and Assessment funds to help unemployed citizens find jobs. The federal funds, awarded by the U.S. Department of Labor, will be used to help fund North Carolina's ongoing program of creating re-employment plans for recipients of unemployment insurance. The plans will be based on the citizen's career interests and will incorporate information about the local labor market. North Carolina was one of 41 recipients of the U.S. DOL funds, which were awarded to 37 other states, Puerto Rico, the Virgin Islands, and the District of Columbia. This is the third year that North Carolina has had its REA grant renewed.

to B&I development staff; the number of economic development project announcements; the number of announced jobs created and capital invested; the number of interactions existing industry staff had with businesses throughout the state; and the number of contacts received by the Business Link North Carolina/Business ServiCenter.

Jan. 1 - July 29, 2013

New projects assigned:	227
Projects announced:	74
Jobs announced:	10,553
Capital investment announced:	\$981M
Industry visits by existing industry staff:	761
Calls to Business Link N.C.:	11,843

N.C. in the News

This Week's Highlights

- [Internet marketing firm Red Ventures adding jobs in Wilmington](#) (*Charlotte Business Journal*, July 26)
- [JSNN, Triad companies form nanomanufacturing consortium](#) (*The Business Journal of the Greater Triad*, July 24)
- [Harrah's Casino one of the few big games in town for job seekers](#) (*Smoky Mountain News*, July 24)
- [Forbes: Five N.C. universities among top 25 for best value](#) (*Triangle Business Journal*, July 24)
- [Cashclick picks Statesville for 20-job operations center](#) (*Charlotte Business Journal*, July 24)
- [Reidsville company lands multimillion dollar Army contract](#) (*News & Record - Greensboro*, July 23)
- [Plate envisions 'micro-economies' within county](#) (*The Enquirer-Journal - Monroe*, July 23)
- [Ralph Lauren expansion in High Point to wrap up soon](#) (*The Business Journal of the Greater Triad*, July 22)
- [Made in N.C.: Soft, comfy sofas? They're still manufactured here](#) (*News & Observer - Raleigh*, July 21)
- [Video looks at economic development, quality of life in Alexander County](#) (*Hickory Daily Record*, July 20)
- [Secretary of Commerce to speak at prayer breakfast](#) (*The Dispatch - Lexington*, July 19)
- [Bralley Named State's Top Economic Developer](#) (*Davie County Enterprise Record*, July 19)

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