

Teva to Receive \$15 Million Tax Credit for Building Research Facility in New Jersey

By Frank L. Brunetti on April 13th, 2012

The Israeli pharmaceutical company Teva is currently weighing the decision to build a large research facility in New Jersey or Pennsylvania, and the former is willing to sweeten the deal by offering a significant tax credit to the drug maker.

New Jersey has agreed to provide Teva with a \$15 million tax credit if signs a contract to build the projected \$73 million facility in Florham Park, New Jersey and create 215 jobs in the state, according to the New Jersey Star-Ledger. The job openings would supplement the 300 employees who are currently working in New Jersey at Teva, which is the country's largest manufacturer of generic medications.

The initiative of providing tax incentives for businesses is part of the Grow New Jersey program, whose tax law provisions allow companies that make capital investments of at least \$20 million to receive a credit, the newspaper reports. In addition, companies must create at least 100 new jobs or retain 100 employees to be eligible for the benefit.

The contract would provide significant economic advantages to New Jersey given the size and reach of the company. Teva produces one out of every six of the 2.6 billion generic prescriptions filled in the United States each year, according to the company website. The company is headquartered in Pennsylvania, but retains nearly 8,000 employees in 30 facilities across the United States.

If Teva agrees to build the facility in New Jersey, it would consolidate parts of its operations currently based in California, New York and New Jersey, the news source reports. The drug maker has six months to decide if it will agree to the contract.