

Location Advisory FAQs

Many growing companies miss out on valuable economic incentives due to lack of awareness, misaligned project timing, or complex application processes that vary by state and local jurisdiction.

Through the partnership between Froehling Anderson and McGuire Sponsel, clients gain access to experienced Location Advisory professionals who specialize in identifying, negotiating, and securing incentives that align with each client's unique growth strategy. Our collaborative approach helps maximize value while supporting compliance throughout the process.



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WHEN DO I NEED TO TALK ABOUT LOCATION DECISIONS OR GROWTH PROJECTS?

It is never too early to begin the location advisory or incentive discussion. Typically, the incentive process takes between 60-90 days in advance of any “final decisions” (permits being pulled, land or building purchases, shovels going in the ground, job hirings, etc.). When clients start to consider growth or expansion plans, trusted advisors should integrate incentives into those early planning stages to maximize value.

WHAT INDUSTRIES ARE MOST COMMONLY SUPPORTED WITH INCENTIVES?

Manufacturing, Logistics, Distribution, Headquarters, and Technology development are all good options for economic credits and incentives. Additionally, major real estate development can benefit from economic incentives. Retail or small business operations are almost never supported.

WHAT KIND OF “VALUE” DO INCENTIVES GENERATE?

Incentive value varies depending on the program and the project. Net new jobs can typically generate between \$3,000-\$10,000 per new job paid out between 3-10 years. Net new investments can see between a 3%-15% tax savings on the qualifying investments.

WHAT SIZE SHOULD MY PROJECT BE FOR INCENTIVE CONSIDERATION?

All programs have their own thresholds for qualification. Typically, growth projects need to add 15 or more jobs and \$1M+ in qualifying investments to receive economic incentive support. New jobs and/or investments should be created within 24-36 months of the incentive agreement signing. However, some programs require much higher thresholds.

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WHAT ARE MY RISKS?

Risks primarily come in the form of “non-performance” of incentive growth goals. Most incentives are performance based, meaning that once performance to a set standard is achieved, the client receives the benefit of incentives. However, if a project does not perform to stated expectations, there may be the risk of “clawback” or repayment of the incentive value.

CAN I GET INCENTIVES FOR A PROJECT THAT HAS ALREADY HAPPENED?

In most cases, no... In many states, there is a “but for...” clause associated with incentives. This typically means that projects must show that, “But for the offer of incentives, the project would not take place.” In other words, “the offer of incentives by the community was the deciding factor for the project to take place within that community.” If a project has started, there may be an option to discuss growth beyond what has taken place to date.

HOW DO OUR TEAMS SUPPORT INCENTIVE COMPLIANCE REPORTING?

Our team supports your growth project by keeping track of filing deadlines, coordinating specific reporting templates, and communications with economic development and state tax departments to receive benefit in a timely manner.

WHY CLIENTS WORK WITH MCGUIRE SPONSEL

McGuire Sponsel serves as a trusted resource to firms and their clients, offering national expertise and a collaborative approach that aligns with each client’s unique goals. Our team manages the entire incentives process—from strategy to compliance—while keeping firms informed every step of the way. We structure our fees based on the needs of each client, with most engagements tied to performance, meaning clients don’t pay until they see results.



Scan the QR code to learn more about McGuire Sponsel’s Location Advisory services.

