



State of Missouri BROWNFIELD REDEVELOPMENT Program Detail

COMMON NAME: Brownfield Redevelopment Program

LEGAL NAME: Brownfield Redevelopment Program

STATUTORY CITATION: §§ 447.700 – 447.718 RSMO

PROGRAM TYPE: Redevelopment

FUNDING LIMITS: The total state costs of the project tax credits must be less than the projected state economic impact of the project, as determined by DED. The amount of remediation and demolition tax credits issued must be the least amount necessary to cause the project to occur.

TYPE OF BENEFITS: Tax Credits.

DESCRIPTION OF BENEFITS: The program authorizes several types of financial assistance for eligible projects:

- Remediation Tax Credits – DED may issue tax credits for up to 100% of the cost of remediating the project property. DED will issue 75% of the credits upon adequate proof of payment of the costs; the remaining 25% will not be issued until a clean letter has been issued by DNR.
- Demolition Tax Credits – DED may issue tax credits for up to 100% of the cost of non-remediation demolition costs. The demolition must be part of a city (or county) and state approved redevelopment plan.
- Jobs and Investment Tax Benefits – Businesses locating at the project site that create new jobs to the state may receive (for up to ten years) tax credits in the amount of \$500 to \$1,300 per year for each new job created; 2% of new capital investment per year; and a 50% income exemption. To be eligible to receive these benefits, the city or county must provide at least 50% real property tax abatement for ten to 25 years.

ALLOWED USES OF BENEFITS:

The tax credits may be applied to the following:

- Ch. 143 – Income Tax, excluding Withholding Tax
- Ch. 147 – Corporate Franchise Tax
- Ch. 148 – Bank Tax, Insurance Premium Tax, other Financial Institution Tax

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- The Remediation Tax Credit’s special attributes:
 - Carry forward 20 years
 - Sellable and transferable
- The Demolition Tax Credit’s special attributes:
 - Carry forward 20 years
- The Jobs and Investment Tax Credit has no special attributes. It must be applied to tax liability for the year it was earned.

ELIGIBLE GEOGRAPHIC AREA: Statewide

ELIGIBLE BUSINESS TYPES: Any Missouri taxpayer is eligible to participate in the program.

BENEFITS ELIGIBILITY REQUIREMENTS:

- The applicant cannot be a party who intentionally or negligently caused the release or potential release of hazardous substances at the project.
- If the property is not owned by a public entity, the city or county must endorse the project.
- The project must be accepted in the “Voluntary Cleanup Program” of the Missouri Department of Natural Resources (DNR).
- The project must be projected by the Missouri Department of Economic Development (DED) to result in creation of at least ten new jobs or the retention of 25 jobs by a private commercial operation.

SPECIAL REQUIREMENTS: Credits are subject to 2.5% issuance fee. The “Tax Credit Accountability Act” reporting form must be submitted to DED by June 30 each year for three years following the year of the first issuance of tax credits.

INTERNET LINKS:

Statutes: <http://www.moga.mo.gov/STATUTES/STATUTES.HTM>

Missouri Department of Economic Development: www.MissouriDevelopment.org

Missouri Development Finance Board: www.mdfb.org

SOURCES: “Brownfield Redevelopment Program” Missouri Department of Economic Development

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