



State of Missouri DEVELOPMENT TAX CREDIT Program Summary

COMMON NAME: Development Tax Credit Program

LEGAL NAME: The Tax Credit Statute

STATUTORY CITATION: §§ 100.286(6) of the RSMO

PROGRAM TYPE: Business Recruitment and Expansion

FUNDING LIMITS: Lesser of \$500,000 or \$10,000 per full-time, permanent job created by the business within two years of execution of the lease.

TYPE OF BENEFITS: Tax Credits.

DESCRIPTION OF BENEFITS: State tax credits equal to 50% of cash contribution or the value of certain types of property.

ALLOWED USES OF BENEFITS: Generally, manufacturing, processing or assembly business projects that propose wages above the average for the area and provide health benefits are prioritized.

ELIGIBLE GEOGRAPHIC AREA: The project must be located in an area that qualifies or could qualify as a “blighted” or “conservation” area as defined in the Real Property Tax Increment Allocation Redevelopment Law (§99.805, RSMo), an enterprise zone (Ch. 135.200 et seq., RSMo), or an urban redevelopment area (Ch. 353, RSMo).

ELIGIBLE BUSINESS TYPES: Applications by nonprofit corporations will be approved based on compliance with all program criteria, the need for tax credits to make a project feasible, a positive economic impact on the State and the availability of tax credits. The company cannot make a public announcement of the project before the Department’s contingent approval of an application.

BENEFITS ELIGIBILITY REQUIREMENTS: Tax Credits are to be taken in the taxpayer’s current tax year, although such credit may be carried forward for up to five years. Credits may be sold for not less than 75% or more than 100% of their par value, provided that all credits must be claimed within ten years of the date the Contribution is made.

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SPECIAL REQUIREMENTS: The nonprofit corporation must retain ownership of all properties acquired by the contribution for a minimum of five years. The eventual disposition of properties acquired by the contribution will be no less than 75% of the fair market value of the facility, excluding the value of leasehold improvements. Only nonprofit corporations authorized to operate in Missouri and headquartered in the geographic area of the proposed project are eligible recipients of contributions.

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: “Development Tax Credit Program” Missouri Department of Economic Development