



State of Missouri REBUILDING COMMUNITIES TAX CREDIT Program Summary

COMMON NAME: Rebuilding Communities Tax Credit Program

LEGAL NAME: Rebuilding Communities Tax Credit Program

STATUTORY CITATION: §§ 135.535 RSMO

PROGRAM TYPE: Redevelopment

FUNDING LIMITS: Program Limit: All credits: \$8,000,000 per year; 25% Equipment Tax Credits: \$750,000 per year. Per Business Limit: 40% Income Tax Credit: \$125,000 per year; 25% and 40% Equipment Tax Credits: \$75,000 per year. Eligibility Period: 40% Equipment Tax Credit: Year of commencement of operations plus three calendar years thereafter; 40% Income Tax Credit: Three tax years after the year of commencement of operations; 1.5% Employee Tax Credit: Three tax years after commencement of operations.

TYPE OF BENEFITS: Tax Credits.

DESCRIPTION OF BENEFITS: There are several tax credits available under the program. They include the 40% Income Tax Credit, 40% Equipment Tax Credit, 1.5% Employee Tax Credit, and 25% Equipment Tax Credit. Details regarding the credits are available in the detail write up or the statute.

ALLOWED USES OF BENEFITS: The 40% Income Tax Credits and the 25% and 40% Equipment Tax Credits may be used against any of the following taxes otherwise due: a) state income tax under Chapter 143, RSMo; b) the corporation franchise tax under Chapter 147, RSMo; c) certain taxes on banks and other financial institutions under Chapter 148, RSMo; and d) the annual tax on gross premium receipts of insurance companies under Chapter 148, RSMo. Tax credits may be carried forward for up to five years, carried back for 3 years, transferred or sold.

ELIGIBLE GEOGRAPHIC AREA: Statewide



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ELIGIBLE BUSINESS TYPES: New or Relocating Business: Eligible new or relocating business may choose one of the 40% Tax Credits and the employees may receive the 1.5% Employee Tax Credit. Existing Business: Eligible business already located in a distressed community may be eligible for the 25% Equipment Tax Credit. Existing businesses that double the number of full time employees in the distressed community from the previous year may choose one of the 40% Tax Credits.

BENEFITS ELIGIBILITY REQUIREMENTS: Businesses that locate, relocate or expand their business within a distressed area or distressed Missouri community.

SPECIAL REQUIREMENTS: 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.

A business can only earn the 40% tax credits under this program for one eligibility period. No business can earn credits under this program if earning Missouri Quality Jobs, Enterprise Zone, Enhanced Enterprise Zone, Business Facility or Brownfield Jobs and Investment Tax Credits for the same project for the same tax period. If a project is eligible for more than one such program, the business must choose only one program.

INTERNET LINKS:

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

Missouri Department of Economic Development: www.MissouriDevelopment.org

SOURCES: “BUILD Program” Missouri Department of Economic Development