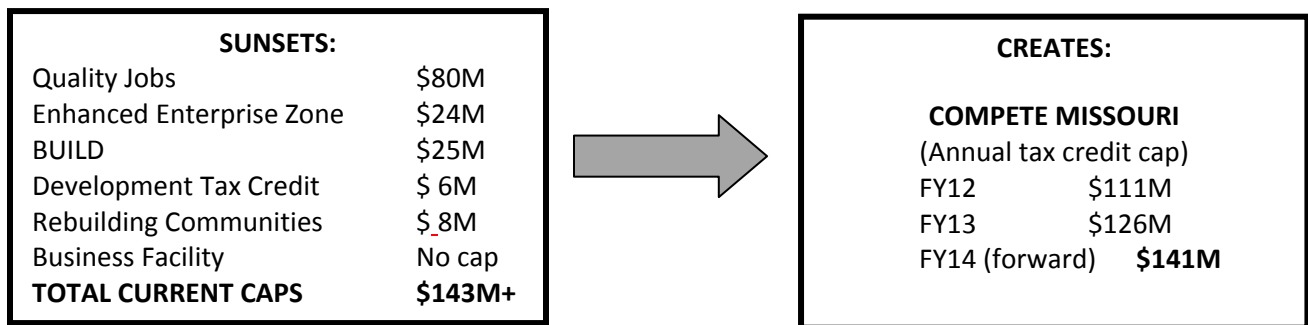


“Compete Missouri”

SB279, as introduced.



Proposed “Compete Missouri” Business Incentives

New Jobs 5-6 Year Benefit	Minimum Eligibility	Performance Based Benefits	Max. Additional Discretionary	Maximum Possible
Enhanced Enterprise Zones, Dormant Mfg. Plant Zones	2 New Jobs 80% county average wage Investment - \$100k	Withholding 5 year benefit (6 yrs for 10-yr MO business)		
Targeted Industry	10 New Jobs 90% of county average wage	Withholding + 3% Tax Credits (Max. 6%) 5 year benefit (6 yrs for 10-yr MO business)	Up to 6% Tax Credits Up to 5 years	Up to 12% 5 year benefit (6 yrs for 10-yr MO business)
Non-Targeted Industry	20 New Jobs 90% of county average wage	Withholding + 2% Tax Credits (Max. 5%) 5 year benefit (6 yrs for 10-yr MO business)	Up to 4% Tax Credits Up to 5 years	Up to 9% 5 year benefit (6 yrs for 10-yr MO business)
New Jobs Up-Front Funding	Minimum Eligibility	Performance Based Benefits	Max. Additional Discretionary	Maximum Possible
Up-Front Funding - Targeted Industry	10 New Jobs 90% county average wage		Up to 9% Tax Credits (projected over 5 yrs)	
Up-Front Funding - Non-Targeted Industry	20 New Jobs 90% county average wage		Up to 7% Tax Credits (projected over 5 yrs)	

“Compete Missouri”

PROPOSED “COMPETE MISSOURI” TRAINING INCENTIVES:

- Streamlines and updates Missouri’s three existing industry training programs – *Missouri Customized Training Program*, *Community College New Jobs Training Program* and the *Community College Job Retention Program*.
- Improves the training programs to achieve:
 - Consistency and alignment with DED business incentive programs (definitions and eligible businesses)
 - Streamlined administrative processes to maximize efficiency and ease of use
 - Insures accountability

PROPOSED “COMPETE MISSOURI” BUSINESS INCENTIVES:

- **Eligible Companies:** “Primary” companies (that mostly sell/compete outside the region), including headquarters, research and development, and administrative offices; certain restrictions.
 - Similar to Quality Jobs.
 - Must offer health insurance paying at least 50% of the premium.
- **Up-Front Funding (New Jobs) – In lieu of other incentives (refundable tax credits)**
 - **Approval:** Discretionary, based on criteria including net fiscal benefit.
 - **Proposed Caps:** \$15M in FY 2012, \$30M in 2013, \$45M in 2014 and \$60M in 2015
- **Tax credits are refundable**

PROPOSED SALES TAX EXEMPTION INCENTIVES: (Discretionary)

- **State Sales Tax Exemption:** Up to 100% exemption of state sales tax for building materials, machinery, and equipment (limited to 3 years).
- **State Sales Tax Exemption, Utilities:** Up to 100% exemption on incremental usage for 5 years for Information Technology industry companies.
- **Local Sales Tax Exemption:** Up to 100% local sales tax (limited to a time period as determined by each taxing entity) for building materials, machinery, equipment, and utilities.
- **Minimum New Jobs 80**
- **Minimum New Capital Investment:** \$15 million
- **Existing Law:** Currently, manufacturing companies receive the exemption of state and local sales tax for manufacturing equipment, and a state tax exemption for utilities. Allows similar tax advantages for non-manufacturing companies.