

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend SS/SCS/Senate Bill No. 10, Page 18, Section 67.5060, Line 360,

2 by inserting after all of said line the following:

3 "620.2010. 1. In exchange for the consideration
4 provided by the new tax revenues and other economic stimuli
5 that will be generated by the new jobs created, a qualified
6 company may, for a period of five years from the date the
7 new jobs are created, or for a period of six years from the
8 date the new jobs are created if the qualified company is an
9 existing Missouri business, retain an amount equal to the
10 withholding tax as calculated under subdivision (38) of
11 section 620.2005 from the new jobs that would otherwise be
12 withheld and remitted by the qualified company under the
13 provisions of sections 143.191 to 143.265 if:

14 (1) The qualified company creates ten or more new
15 jobs, and the average wage of the new payroll equals or
16 exceeds ninety percent of the county average wage;

17 (2) The qualified company creates two or more new jobs
18 at a project facility located in a rural area, the average
19 wage of the new payroll equals or exceeds ninety percent of
20 the county average wage, and the qualified company commits
21 to making at least one hundred thousand dollars of new
22 capital investment at the project facility within two years;
23 or

24 (3) The qualified company creates two or more new jobs
25 at a project facility located within a zone designated under
26 sections 135.950 to 135.963, the average wage of the new

27 payroll equals or exceeds eighty percent of the county
28 average wage, and the qualified company commits to making at
29 least one hundred thousand dollars in new capital investment
30 at the project facility within two years of approval.

31 2. In addition to any benefits available under
32 subsection 1 of this section, the department may award a
33 qualified company that satisfies subdivision (1) of
34 subsection 1 of this section additional tax credits, issued
35 each year for a period of five years from the date the new
36 jobs are created, or for a period of six years from the date
37 the new jobs are created if the qualified company is an
38 existing Missouri business, in an amount equal to or less
39 than six percent of new payroll; provided that in no event
40 may the total amount of benefits awarded to a qualified
41 company under this section exceed nine percent of new
42 payroll in any calendar year. The amount of tax credits
43 awarded to a qualified company under this subsection shall
44 not exceed the projected net fiscal benefit to the state, as
45 determined by the department, and shall not exceed the least
46 amount necessary to obtain the qualified company's
47 commitment to initiate the project. In determining the
48 amount of tax credits to award to a qualified company under
49 this subsection or a qualified manufacturing company under
50 subsection 3 of this section, the department shall consider
51 the following factors:

52 (1) The significance of the qualified company's need
53 for program benefits;

54 (2) The amount of projected net fiscal benefit to the
55 state of the project and the period in which the state would
56 realize such net fiscal benefit;

57 (3) The overall size and quality of the proposed
58 project, including the number of new jobs, new capital
59 investment, manufacturing capital investment, proposed

60 wages, growth potential of the qualified company, the
61 potential multiplier effect of the project, and similar
62 factors;

63 (4) The financial stability and creditworthiness of
64 the qualified company;

65 (5) The level of economic distress in the area;

66 (6) An evaluation of the competitiveness of
67 alternative locations for the project facility, as
68 applicable; and

69 (7) The percent of local incentives committed.

70 3. (1) The department may award tax credits to a
71 qualified manufacturing company that makes a manufacturing
72 capital investment of at least five hundred million dollars
73 not more than three years following the department's
74 approval of a notice of intent and the execution of an
75 agreement that meets the requirements of subsection 4 of
76 this section. Such tax credits shall be issued no earlier
77 than January 1, 2023, and may be issued each year for a
78 period of five years. A qualified manufacturing company may
79 qualify for an additional five-year period under this
80 subsection if it makes an additional manufacturing capital
81 investment of at least two hundred fifty million dollars
82 within five years of the department's approval of the
83 original notice of intent.

84 (2) The maximum amount of tax credits that any one
85 qualified manufacturing company may receive under this
86 subsection shall not exceed five million dollars per
87 calendar year. The aggregate amount of tax credits awarded
88 to all qualified manufacturing companies under this
89 subsection shall not exceed ten million dollars per calendar
90 year.

91 (3) If, at the project facility at any time during the
92 project period, the qualified manufacturing company

93 discontinues the manufacturing of the new product, or
94 discontinues the modification or expansion of an existing
95 product, and does not replace it with a subsequent or
96 additional new product or with a modification or expansion
97 of an existing product, the company shall immediately cease
98 receiving any benefit awarded under this subsection for the
99 remainder of the project period and shall forfeit all rights
100 to retain or receive any benefit awarded under this
101 subsection for the remainder of such period.

102 (4) Notwithstanding any other provision of law to the
103 contrary, any qualified manufacturing company that is
104 awarded benefits under this section shall not simultaneously
105 receive tax credits or exemptions under sections 100.700 to
106 100.850 for the jobs created or retained or capital
107 improvement that qualified for benefits under this section.
108 The provisions of subsection 5 of section 285.530 shall not
109 apply to a qualified manufacturing company that is awarded
110 benefits under this section.

111 4. Upon approval of a notice of intent to receive tax
112 credits under subsection 2, 3, 6, or 7 of this section, the
113 department and the qualified company shall enter into a
114 written agreement covering the applicable project period.
115 The agreement shall specify, at a minimum:

116 (1) The committed number of new jobs, new payroll, and
117 new capital investment, or the manufacturing capital
118 investment and committed percentage of retained jobs for
119 each year during the project period;

120 (2) The date or time period during which the tax
121 credits shall be issued, which may be immediately or over a
122 period not to exceed two years from the date of approval of
123 the notice of intent;

124 (3) Clawback provisions, as may be required by the
125 department;

126 (4) Financial guarantee provisions as may be required
127 by the department, provided that financial guarantee
128 provisions shall be required by the department for tax
129 credits awarded under subsection 7 of this section; and

130 (5) Any other provisions the department may require.

131 5. In lieu of the benefits available under subsections
132 1 and 2 of this section, and in exchange for the
133 consideration provided by the new tax revenues and other
134 economic stimuli that will be generated by the new jobs
135 created by the program, a qualified company may, for a
136 period of five years from the date the new jobs are created,
137 or for a period of six years from the date the new jobs are
138 created if the qualified company is an existing Missouri
139 business, retain an amount equal to the withholding tax as
140 calculated under subdivision (38) of section 620.2005 from
141 the new jobs that would otherwise be withheld and remitted
142 by the qualified company under the provisions of sections
143 143.191 to 143.265 equal to:

144 (1) Six percent of new payroll for a period of five
145 years from the date the required number of new jobs were
146 created if the qualified company creates one hundred or more
147 new jobs and the average wage of the new payroll equals or
148 exceeds one hundred twenty percent of the county average
149 wage of the county in which the project facility is located;
150 or

151 (2) Seven percent of new payroll for a period of five
152 years from the date the required number of jobs were created
153 if the qualified company creates one hundred or more new
154 jobs and the average wage of the new payroll equals or
155 exceeds one hundred forty percent of the county average wage
156 of the county in which the project facility is located.

157 The department shall issue a refundable tax credit for any
158 difference between the amount of benefit allowed under this

159 subsection and the amount of withholding tax retained by the
160 company, in the event the withholding tax is not sufficient
161 to provide the entire amount of benefit due to the qualified
162 company under this subsection.

163 6. In addition to the benefits available under
164 subsection 5 of this section, the department may award a
165 qualified company that satisfies the provisions of
166 subsection 5 of this section additional tax credits, issued
167 each year for a period of five years from the date the new
168 jobs are created, or for a period of six years from the date
169 the new jobs are created if the qualified company is an
170 existing Missouri business, in an amount equal to or less
171 than three percent of new payroll; provided that in no event
172 may the total amount of benefits awarded to a qualified
173 company under this section exceed nine percent of new
174 payroll in any calendar year. The amount of tax credits
175 awarded to a qualified company under this subsection shall
176 not exceed the projected net fiscal benefit to the state, as
177 determined by the department, and shall not exceed the least
178 amount necessary to obtain the qualified company's
179 commitment to initiate the project. In determining the
180 amount of tax credits to award to a qualified company under
181 this subsection, the department shall consider the factors
182 provided under subsection 2 of this section.

183 7. In lieu of the benefits available under subsections
184 1, 2, 5, and 6 of this section, and in exchange for the
185 consideration provided by the new tax revenues and other
186 economic stimuli that will be generated by the new jobs and
187 new capital investment created by the program, the
188 department may award a qualified company that satisfies the
189 provisions of subdivision (1) of subsection 1 of this
190 section tax credits, issued within one year following the
191 qualified company's acceptance of the department's proposal

192 for benefits, in an amount equal to or less than nine
193 percent of new payroll. The amount of tax credits awarded
194 to a qualified company under this subsection shall not
195 exceed the projected net fiscal benefit to the state, as
196 determined by the department, and shall not exceed the least
197 amount necessary to obtain the qualified company's
198 commitment to initiate the project. In determining the
199 amount of tax credits to award to a qualified company under
200 this subsection, the department shall consider the factors
201 provided under subsection 2 of this section and the
202 qualified company's commitment to new capital investment and
203 new job creation within the state for a period of not less
204 than ten years. For the purposes of this subsection, each
205 qualified company shall have an average wage of the new
206 payroll that equals or exceeds one hundred percent of the
207 county average wage. Notwithstanding the provisions of
208 section 620.2020 to the contrary, this subsection shall
209 expire on June 30, ~~2025~~ 2031.

210 8. No benefits shall be available under this section
211 for any qualified company that has performed significant,
212 project-specific site work at the project facility,
213 purchased machinery or equipment related to the project, or
214 has publicly announced its intention to make new capital
215 investment or manufacturing capital investment at the
216 project facility prior to receipt of a proposal for benefits
217 under this section or approval of its notice of intent,
218 whichever occurs first.

219 9. In lieu of any other benefits under this chapter,
220 the department of economic development may award a tax
221 credit to an industrial development authority for a
222 qualified military project in an amount equal to the
223 estimated withholding taxes associated with the part-time
224 and full-time civilian and military new jobs located at the

225 facility and directly impacted by the project. The amount
226 of the tax credit shall be calculated by multiplying:

227 (1) The average percentage of tax withheld, as
228 provided by the department of revenue to the department of
229 economic development;

230 (2) The average salaries of the jobs directly created
231 by the qualified military project; and

232 (3) The number of jobs directly created by the
233 qualified military project.

234 If the amount of the tax credit represents the least amount
235 necessary to accomplish the qualified military project, the
236 tax credits may be issued, but no tax credits shall be
237 issued for a term longer than fifteen years. No qualified
238 military project shall be eligible for tax credits under
239 this subsection unless the department of economic
240 development determines the qualified military project shall
241 achieve a net positive fiscal impact to the state."; and

242 Further amend the title and enacting clause accordingly.