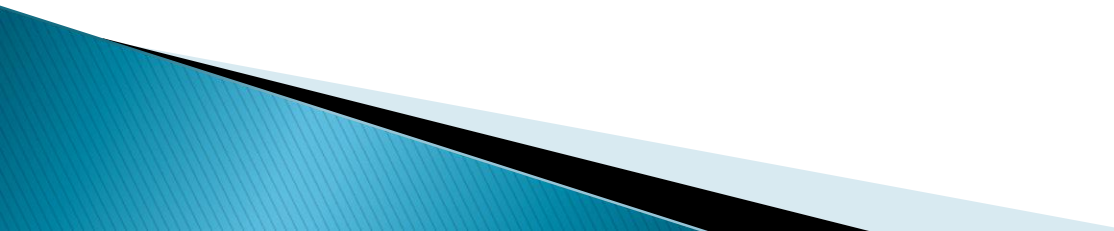


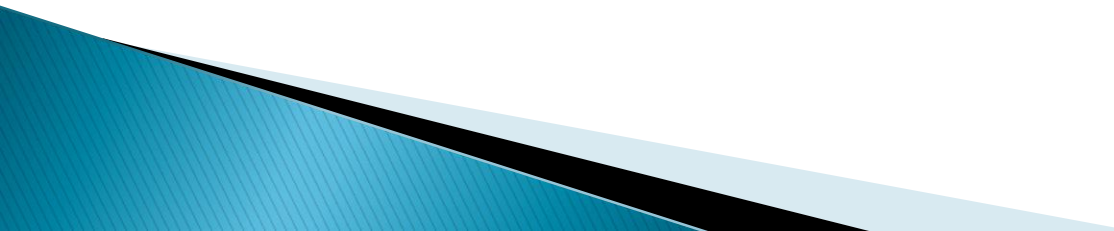
Missouri Quality Jobs

- ▶ Eligibility–If not in retail, gambling or food and drink, have paid taxes, pay a wage that is equal to or greater than the county average wage, provide medical insurance and pay 50% or more of the premium, you are probably eligible for Missouri Quality Jobs benefits.

Missouri Quality Jobs Benefits

- ▶ Entitlement–performance entitles benefit
 - ▶ May be utilized with most other State of Missouri programs. Exception: Enhanced Enterprise Zone, Rebuilding Communities
 - ▶ Three targeted Missouri Quality Jobs programs
 - Small and Expanded
 - Technology
 - High Impact
- 

Small and Expanded

- ▶ Capture of new FTE withholdings for a period of 3 years
 - ▶ Possible extension of term to 5 years based on wage bonus
 - ▶ Average wage is 120% of county average
 - ▶ Project may be phased to increase benefit by running concurrent programs
- 

Technology

- ▶ Allows for fewer new FTE's to meet program requirements–10
- ▶ Provides benefit of 5% of gross wages of new FTE's for a term of 5 years/program
- ▶ Average wage bonus:
 - 119–140% adds ½%
 - 140% and above adds 1%
- ▶ Benefit may be enhanced by phasing to run programs concurrently
- ▶ Program benefit is comprised of state withholds and refundable tax credits
- ▶ Refundable credits allow for a full state income tax refund when no liability exists
- ▶ Tax credits are sellable

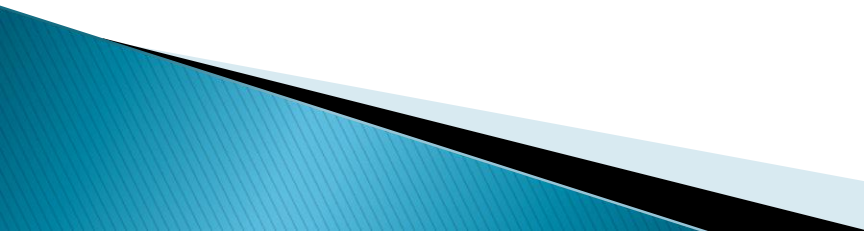
High Impact

- ▶ Requires a project with greater than 100 new FTE's for a term of 5 years/program
- ▶ Provides benefit of 3% of new FTE's gross wages
- ▶ Provides bonus benefit of:
 - 119–140% adds ½ %
 - 140% and above adds 1%

High Impact cont.

- ▶ Local assistance bonus:
 - 1% when assistance to revenue ratio is 10–24%
 - 2% when assistance to revenue ratio is 25–49%
 - 3% when assistance to revenue is 50% or greater
- ▶ Benefit may be enhanced by phasing allowing programs to run concurrently
- ▶ Program benefit is comprised of state withholds and refundable tax credits
- ▶ Refundable credits allow for a full state income tax refund when no liability exists
- ▶ Tax credits are sellable

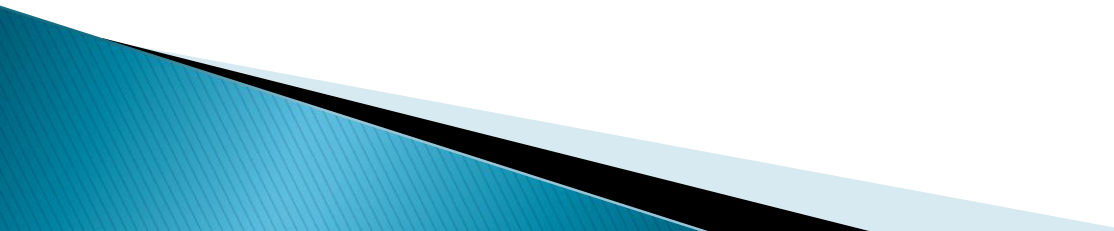
Enhanced Enterprise Zone

- ▶ Assistance partnership between state and local to assist business
 - ▶ Local government must allow for a minimum of 50% abatement of real property taxes for improvements to real property in the Enterprise Zone
 - ▶ State of Missouri will provide refundable tax credits based on the quality of the project for a period of 5 years
 - ▶ Tax credits are refundable
- 

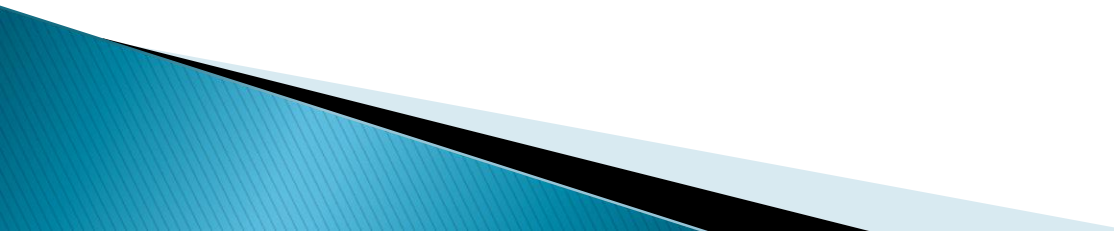
Development Tax Credits

- ▶ Assistance provided to finance assets
- ▶ Provides a 50% sellable and transferable tax credit
- ▶ Program requires a contribution to a State of Missouri recognized not-for-profit
- ▶ Contribution triggers the tax credits
- ▶ Asset financed must be maintained by not-for-profit for a minimum of 5 years, however, can be replaced
- ▶ Program can be utilized for job creation or retention
- ▶ Interested third party contributions work best
ie. Utilities

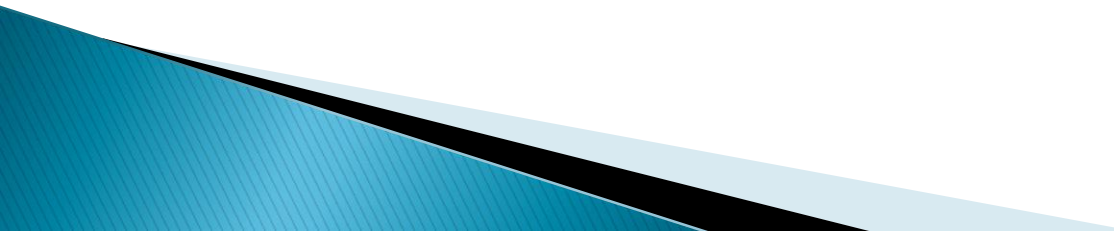
Missouri Build

- ▶ State of Missouri's premiere large development program which is administered by the Missouri Development Finance Board
 - ▶ Utilized to reimburse company for asset purchases
 - ▶ May be utilized for public or private asset acquisition
 - ▶ Requires 100 new FTE's and \$15 million in private investment for manufacturing, R&D and services in interstate commerce
- 

Missouri Build Process

- ▶ Company should secure all financing for the asset independent of Missouri Build
 - ▶ Debt financing, equity financing or company treasury should be independent of Missouri Build
 - ▶ Missouri Department of Economic Development / Missouri Partnership will propose assistance based on quality of project
- 

Missouri Build Process cont.

- ▶ Project must meet eligibility parameters for jobs and investment, present a quality wage (normally greater than local average) and be competitive with another state, country or region
 - ▶ Missouri Development Finance Board will meet and provide a preliminary approval to the project. The project may be publicly announced at this time.
- 

Chapter 100 Sales Tax Exemption, Personal Property

▶ PURPOSE

Provide a sales tax exemption on tangible personal property purchased through Chapter 100 bonds for non-manufacturing purchases.

▶ ELIGIBLE APPLICANTS

Any company for which Chapter 100 bonds are issued that purchases personal property. Companies eligible for Chapter 100 bond financing include manufacturing, warehousing, distribution, office, research and development, agricultural processing, and services in interstate commerce. Retail, services in intrastate commerce and others are not eligible.

▶ ELIGIBILITY CRITERIA

The project cannot have been announced; bonds already approved/issued; or personal property already purchased. The project must:

- Involve competition with another state; therefore, a comprehensive state/local incentive proposal will be involved in an attempt to win the project;
- Have above-average wages with benefits, or be in an economically distressed or blighted area;
- Include local incentives provided to the project commensurate with the state incentives, relative to the new state/local tax revenues created by the project;
- Have a positive state fiscal benefit, including all the state incentives proposed for the project; and
- Have an indication that the city and county have approved the local sales tax exemption. (The local sales tax exemption may also be provided independent of the state sales tax.)

Chapter 100 Sales Tax Exemption, Real Property

- ▶ When real property is financed under Chapter 100, the sales tax on building materials is exempt

Energy Sales Tax Exemption for Manufacturers

▶ **PURPOSE**

Provide an exemption to the state sales tax on energy purchases to manufacturing companies.

▶ **PROGRAM BENEFITS/ELIGIBLE USES**

Effective August 28, 2007, Senate Bill 30 exempts Missouri manufacturing companies from state tax (4.225 percent) and local use tax, but not local sales tax.

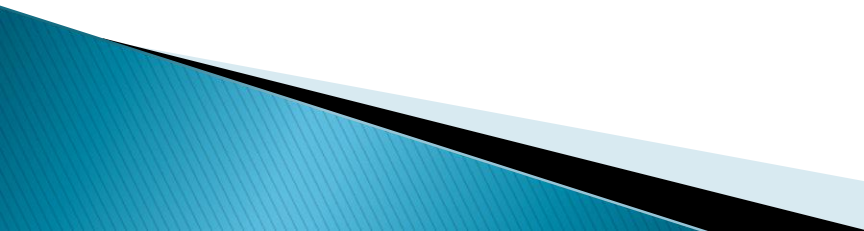
▶ The Missouri Department of Revenue will issue a state sales tax exemption to a manufacturing company for:

- Electrical energy
- Gas, whether natural, artificial, or propane
- Water
- Coal
- Energy sources
- Chemicals
- Machinery equipment
- Materials

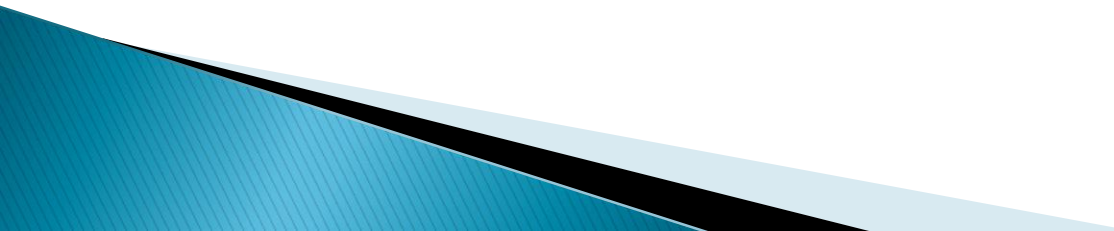
▶ The Sales/Use Tax Exemption Certificate must be given to the seller by the purchaser. The items listed above may be exempt if they are:

- Used or consumed in the manufacturing, processing, compounding, mining or producing of any product; or
- Used or consumed in the processing of recovered materials; or
- Used or consumed in research and development related to manufacturing, processing, compounding, mining, or producing any product

New Jobs Training

- ▶ Community College program utilized to assist training in larger development projects
 - ▶ Normally needs about 100 new FTE's (fewer if wages are higher)
 - ▶ Formally a bond or certificate issuance, now is utilize as you need
 - ▶ Funding is company's as long as they perform as pledged
 - ▶ Train the trainer aspect is very popular—trainer is sent to a location and is trained—returning to train others or other trainers
- 

Customized Training

- ▶ Matching grant program to assist company's training needs
 - ▶ May utilize any educational institution for training ie. Community college, Vo-tech
- 

SBA Programs

- ▶ Banks and other lending institutions offer a number of SBA guaranteed loan programs to assist small businesses. While SBA itself does not make loans, it does guarantee loans made to small businesses by private and other institutions. Below is an overview of SBA's guaranteed loan programs.
- ▶ 7(a) Loan Program:
This is SBA's primary and most flexible loan program, with financing guaranteed for a variety of general business purposes. It is designed for start-up and existing small businesses, and is delivered through commercial lending institutions. The major types of 7(a) loans are: Express Programs, Export Loan Programs, Rural Lender Advantage Program and Special Purpose Loans Program
- ▶ CDC/504 Loan Program:
This program provides long-term, fixed-rate financing to acquire fixed assets (such as real estate or equipment) for expansion or modernization. It is designed for small businesses requiring "brick and mortar" financing, and is delivered by CDCs (Certified Development Companies)—private, non-profit corporations set up to contribute to the economic development of their communities.
- ▶ Microloan Program:
This program provides small (up to \$35,000) short-term loans for working capital or the purchase of inventory, supplies, furniture, fixtures, machinery and/or equipment. It is designed for small businesses and not-for-profit child-care centers needing small-scale financing and technical assistance for start-up or expansion, and is delivered through specially designated intermediary lenders (nonprofit organizations with experience in lending and technical assistance).
- ▶ Disaster Assistance Loan Program:
This program provides low-interest loans to homeowners, renters, businesses of all sizes and most private non-profit organizations to repair or replace real estate, personal property, machinery and equipment, inventory and business assets that have been damaged or destroyed in a declared disaster.

Department of Energy

- ▶ Loan guarantees and grants targeted at renewable energy, energy efficiency and energy conservation
- ▶ DNR is marketing and does include ARRA funding



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