

Legislative Alert

Missouri Enacts New Job Creation Program

Target Audience: Missouri Employers

Details of New Legislation:

On July 11th, Governor Nixon signed into law and introduced Missouri Works. This program is designed to support companies considering Missouri as a place to locate and grow their business. The Missouri Works program will replace the Development Tax Credit, Enhanced Enterprise Zone Tax Credit, and the Missouri Quality Jobs Program.

Missouri Works Program:

The Missouri Works program offers employers 100% retention of state withholding tax and/or refundable, sellable, and transferable tax credits for investing and creating jobs throughout the State. The program includes five job creation categories and one job retention category. The minimum number of required jobs and investment must be made within two years of a Notice of Intent approval. Minimum wages must equal or exceed a percentage of the County average wage. The benefit period for each category is five years for new companies, and six for existing.

In addition to the standard benefit, the Mega 120 and Mega 140 tiers allow for the State to award a discretionary bonus incentive for highly competitive projects. This bonus can increase the total incentive to up to 9% of the incremental payroll.

Qualification Tiers:

| Category | Geography | Min. Jobs | Min. CapEx | Min. Avg. Wage | Benefit |
|-----------------|--------------------------|-------------|------------------|----------------|---|
| Zone Works | Enhanced Enterprise Zone | 2 New | \$100,000 | 80% | 100% Withholding Tax Rebate on New Jobs 5 or 6 years |
| Rural Works | Rural Counties | 2 New | \$100,000 | 90% | |
| Statewide Works | No Restriction | 10 New | \$0 | 90% | |
| Mega 120 Works | No Restrictions | 100 New | \$0 | 120% | 6% of Payroll for 5 or 6 years + bonus* |
| Mega 140 Works | No Restrictions | 100 New | \$0 | 140% | 7% of Payroll for 5 or 6 years + bonus* |
| Retention | Located in MO <10 Yeas | 50 Retained | 50% of Incentive | 90% | 100% WH Tax up to 10 years |

* Up to a 3% discretionary bonus is available for highly competitive projects

Recommended Action:

This new program takes effect on August 28th. If your company is considering expanding or locating a new operation in Missouri, this legislation could present a valuable opportunity. The experts at Atlas Insight have the experience and resources to navigate through the application, approval and compliance phases while ensuring your company receives the maximum benefit possible.

Atlas Insight assists companies from all industry sectors and geographies to negotiate and secure tax credits and incentives for business investment and job creation/retention.

The professionals at Atlas Insight are industry leaders in the field of corporate site selection and incentive procurement.

We help to choose locations for all types of business facilities that meet the long-term needs of those operations, while helping to achieve overall corporate goals.

Our team has extensive experience in all corporate sectors and has consulted on many sensitive projects for some of the world's largest corporations. We strive for excellence with every client.

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