

# Legislative Alert

## Minnesota Enacts New Job Creation Program

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.

For more information, please contact:

Eric Dantzer  
Senior Manager  
(732) 410-6711  
edantzer@atlasinsight.com

### *Target Audience: Business with Minnesota Operations*

#### Details of New Legislation:

Minnesota has approved a new Economic Development package, House File No. 729, which enacts a number of new significant incentives. One of the new incentives includes the Job Creation Fund which is set to replace the expiring JOBZ Enterprise Zone program. Unlike JOBZ, which was limited to non-MSP area communities, the new Job Creation Fund is offered across state, effectively broadening the number of companies potentially eligible for the program. The Economic Development package will go into effect on January 1, 2014, with an initial \$20 million allocation.

#### Job Creation Fund

The fund allows a maximum grant award of \$1 million for standard projects or \$2 million for job retention projects (see below). The maximum incentive award is split 50/50 between job creation and investment. Award amounts are based on the location of the project, the level of local support, and the project's annual wages. Similar to programs in other states, the Fund is designed to target competitive projects. A variety of factors, including the project's economic impact, will be used to determine which companies receive awards. Awards require approval by both the local government and the Commissioner of Employment and Economic Development.

	Standard Projects	Retention Projects
<b>Maximum Grant Award</b>	<b>\$1 Million</b>	<b>\$2 Million</b>
<b>Award Amount</b>	5 - 7.5% on Qualifying CapEx \$1,000-3,000 per Eligible Employee	5 - 7.5% on Qualifying CapEx \$1,000-3,000 per Eligible Employee
<b>Job Requirement</b>	10 New Full-Time Jobs	200 Retained Jobs - 75 If Outside the Metropolitan Area
<b>Investment Requirement</b>	\$500,000	\$25,000,000 (May Include M&E)
<b>Incentive Term</b>	5 - 7 years to realize benefit	5 - 7 years to realize benefit
<b>Targeted Industries</b>	Manufacturing, warehousing, distribution, information technology, finance, insurance, and professional or technical services	

#### Recommended Action:

The Job Creation Fund represents a major new program for Minnesota. The Fund will help new and existing companies create and maintain employment for expanding operations. The experts at Atlas Insight have the experience and resources to help you determine whether your company can potentially benefit from this Program. Our staff is ready to help you navigate through the application, approval and compliance phases while ensuring that your company receives and monetizes the maximum benefits possible.

