**TAX CREDIT ANALYSIS**

**Program Name:** Community Development Bank Tax Credit (CDC)

**Department:** Economic Development  
**Contact Name & No.:** Nathan Potter 522-8006

**Statutory Authority:** 135.400 to 135.430 RSMo.

**Applicable Taxes:** Income Tax, excluding withholding tax; Corporate franchise tax; Bank tax; Insurance premium tax; Other financial institution tax; Express companies tax; Insurance co. retaliatory tax

**Program Description and Eligibility Requirements:**

- **Cumulative Cap Exhausted. No new applications being accepted.** Credit of 50% for a contribution/investment into a pre-approved community bank or CDC. Funds targeted to induce investment into distressed areas. The types of investments identified in the application could fall into one of the three following categories: micro loans to new or growing small businesses, real estate development/redevelopment or housing in-fill/rehabilitation projects.

**Program Cap:**
- Cumulative $6 Million  
- (remainder of cumulative cap) $0  
- Annual $__________  
- None ________

**Explanation of cap:** When the program was initiated it received a one time allocation of $6 million. In 2000 SB 894 was passed that would have allowed for an annual allocation of tax credits. However, SB 894 was found to be unconstitutional by the Missouri Supreme Court. Currently all of the initial allocation has been authorized to approved community banks/CDC’s. While those approved community banks/CDC’s continue to produce results no new applications are being accepted.

**Explanation of Expiration of Authority:**

- 10 years  
- Carry Back _____ years  
- Refundable _____  
- Sellable/Assignable X  
- Additional Federal Deductions Available _____

**Specific Provisions:**

- Carry forward 10 years  
- Carry Back _____ years  
- Refundable _____  
- Sellable/Assignable X  
- Additional Federal Deductions Available _____

**Program Category:** Redevelopment  
**Type:** Tax Credit X  
**Other (specify):**

**Comments on Specific Provisions:**

**Comments on Historical and Projected Information:**

### Historical and Projected Information

<table>
<thead>
<tr>
<th></th>
<th>FY 2010 Actual</th>
<th>FY 2011 Actual</th>
<th>FY 2012 Actual</th>
<th>FY 2013 (budget year)</th>
<th>FY 2014 (budget year)</th>
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<tbody>
<tr>
<td>Certificates Issued (#)</td>
<td>1</td>
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<td>0</td>
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<td>Projects (#)</td>
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<td>Amount Redeemed</td>
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<td>EST. Amount Outstanding</td>
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</table>

**HISTORICAL AND PROJECTED INFORMATION**

- FY 2010
- FY 2011
- FY 2012
- FY 2013
- FY 2014

![Graph showing historical and projected amounts](attachment:image.png)
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**Program Name:** Community Development Bank Tax Credit (CDC)

<table>
<thead>
<tr>
<th></th>
<th>FY 2012</th>
<th>Other Fiscal Period</th>
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<tbody>
<tr>
<td>BENEFITS</td>
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<td>Direct Fiscal Benefits</td>
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<td>BENEFIT: COST</td>
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</table>

**Derivation of Benefits:**


**PERFORMANCE MEASURE(S)**

**New and Retained Jobs**

![Graph showing New and Retained Jobs](image)

**Comments on Performance Measure:**
TAX CREDIT ANALYSIS

Program Name: Community Development Bank Tax Credit (CDC)

New and Rehabilitated Housing Units

Comments on Performance Measure: FY 2003 15 New Housing Units and 567 Rehabilitated Housing Units = 582 Total Units; FY 2004 83 New Housing Units and 123 Rehabilitated Housing Units = 206 Total Units; FY 2005 12 New Housing Units and 25 Rehabilitated Housing Units = 37 Total Units.

Leveraged Investment Dollars

Comments on Performance Measure: Leveraged dollars reflect the amount of investment that occurred in targeted distressed areas as a result of program approved projects.