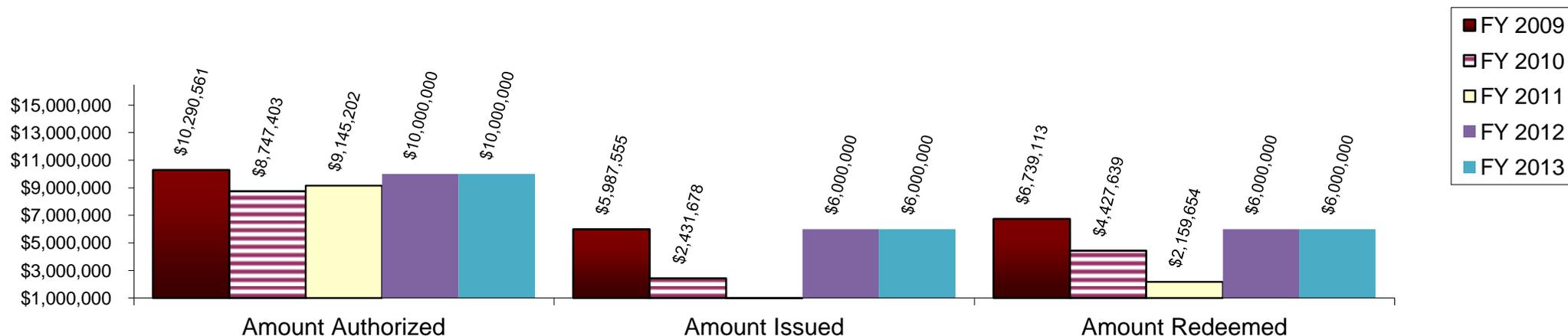


## TAX CREDIT ANALYSIS

<b>Program Name:</b> Neighborhood Preservation Tax Credit (NPA)		
<b>Department:</b> Economic Development	<b>Contact Name &amp; No.:</b> Nathan Potter 522-8006	<b>Date:</b> July, 2013
<b>Program Category:</b> Housing	<b>Type:</b> Tax Credit <input checked="" type="checkbox"/> Other (specify) _____	
<b>Statutory Authority:</b> 135.475 - 135.487, RSMo	<b>Applicable Taxes:</b> Income tax, Corporate franchise tax, Bank tax, Insurance premium tax, Other financial institutions tax	
<b>Program Description and Eligibility Requirements:</b> Provide an incentive for homeowners in certain lower income areas to rehabilitate their home, or incentive for "in-fill" new construction of owner-occupied housing. Geographic eligibility restrictions; age of home restrictions; must be residence intended for owner-occupancy.		
<b>Explanation of How Award is Computed:</b> Entitlement <input checked="" type="checkbox"/> Discretionary _____ Tax Credit of 25% - 35% of eligible renovation costs, or 15% of new construction. This is a calendar year program.		
<b>Program Cap:</b> Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$ <u>16 million</u> None _____		
<b>Explanation of cap:</b> \$8M for eligible areas; \$8M for qualifying areas (as defined by law). Credits are awarded on a first-come first-served basis by utilizing a lottery system.		
<b>Explanation of Expiration of Authority:</b>		
<b>Specific Provisions:</b> (if applicable) Carry forward <u>5</u> years Carry Back <u>3</u> years Refundable _____ Sellable/Assignable <input checked="" type="checkbox"/> Additional Federal Deductions Available _____		
<b>Comments on Specific Provisions:</b>		

	FY 2010 ACTUAL	FY 2011 ACTUAL	FY 2012 ACTUAL	FY 2013 (current year)	FY 2014 (budget year)
Certificates Issued (#)	202	97	41	150	150
Projects (#)	202	97	41	150	150
Amount Authorized	\$10,290,561	\$8,747,403	\$9,145,202	\$10,000,000	\$10,000,000
Amount Issued	\$5,987,555	\$2,431,678	\$969,307	\$6,000,000	\$6,000,000
Amount Redeemed	\$6,739,113	\$4,427,639	\$2,159,654	\$6,000,000	\$6,000,000
EST. Amount Outstanding	N/A	N/A	\$1,900,979	N/A	N/A
EST. Amount Authorized but Unissued	N/A	N/A	\$45,881,700	N/A	N/A



## TAX CREDIT ANALYSIS

**Program Name:** Neighborhood Preservation Tax Credit (NPA)

## TAX CREDIT ANALYSIS

**Program Name:** Neighborhood Preservation Tax Credit (NPA)

**Comments on Historical and Projected Information:**

### BENEFIT: COST ANALYSIS (includes only state revenue impacts)

	FY 2012 ACTUAL	Other Fiscal Period 5 Years	<b>Derivation of Benefits:</b>
<b>BENEFITS</b>			<b>Investment:</b> (a) \$60,800,028.97 in Non-residential Investment Demand in 2012. <b>Employment:</b> (a) n/a <b>Other Assumptions:</b> (a) n/a <b>Incentives/Credits:</b> (a) \$9,145,201.93 in authorized NPA credits, redeemed in 2012. Impacts estimated using the REMI model for the Statewide Region. Assumptions provided by DED. The multi-year fiscal Benefit-Cost Ratio is .14 when other program incentives are included.
Direct Fiscal Benefits	\$514,570	\$938,744	
Indirect Fiscal Benefits	\$332,987	\$607,477	
<b>Total</b>	<b>\$847,557</b>	<b>\$1,546,221</b>	
<b>COSTS</b>			
Direct Fiscal Costs	\$9,145,202	\$9,145,202	
Indirect Fiscal Costs	\$0	0	
<b>Total</b>	<b>\$9,145,202</b>	<b>\$9,145,202</b>	
<b>BENEFIT: COST</b>	<b>0.09</b>	<b>0.17</b>	

**Other Benefits:**

**In FY2012, every dollar of authorized program tax credits returns**

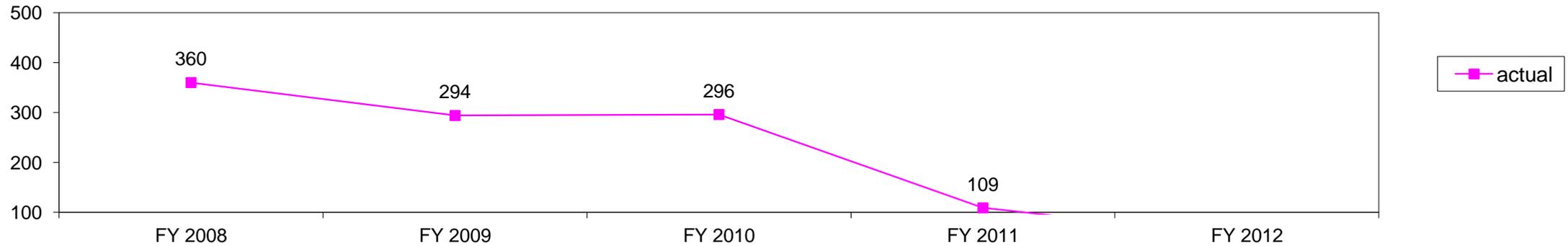
\$1.34 in new personal income totaling	\$12.27 million
\$2.67 in new value-added/GSP totaling	\$24.38 million
\$4.29 in new economic output totaling	\$39.28 million

**Over 5 years, every dollar of authorized program tax credits returns**

\$2.73 in new personal income totaling	\$25.01 million
\$5.17 in new value-added/GSP totaling	\$47.27 million
\$8.27 in new economic output totaling	\$75.59 million

### PERFORMANCE MEASURE(S)

#### Housing Units

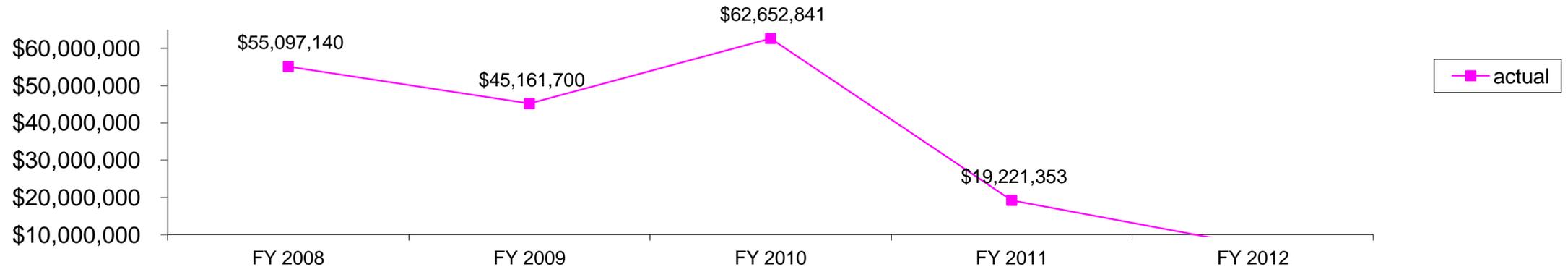


**Comments on Performance Measure:**

## TAX CREDIT ANALYSIS

**Program Name:** Neighborhood Preservation Tax Credit (NPA)

### Amount Leveraged



**Comments on Performance Measure:**