

TAX CREDIT ANALYSIS

Program Name: New Enterprise Creation Act (NECA)

Department: Economic Development

Contact Name & No.: Brenda Horstman 751-3713

Date: October 2012

Program Category: Entrepreneurial

Type: Tax Credit **Other (specify)** _____

Statutory Authority: 620.635 to 620.653, RSMo

Applicable Taxes: Income tax, Corporate franchise tax, Bank tax, Insurance premium tax, Other financial institutions tax

Program Description and Eligibility Requirements:

Cumulative cap exhausted. No new applicants accepted. An accredited investor who makes an investment in the seed capital fund may receive a tax credit. The fund must be under contract with Innovation Centers in Missouri. The Seed Capital Investment Board was established to approve the fund manager and oversee the program.

Explanation of How Award is Computed:

Entitlement _____ Discretionary _____

The tax credit is equal to 100% of contributions made to a qualified fund chosen by the Missouri Seed Capital Investment Board. The Board contracts with a professional venture capital firm to manage the fund and evaluate and make investments. Tax credits are issued equally over four years.

Program Cap: Cumulative \$ _20 million _____ (remainder of cumulative cap) \$ _0 _____ Annual \$ _____ None _____

Explanation of cap: Cumulative cap exhausted.

Explanation of Expiration of Authority: Cumulative cap exhausted.

Specific Provisions: (if applicable)

Carry forward _10_ years Carry Back _____ years Refundable _____ Sellable/Assignable Additional Federal Deductions Available _____

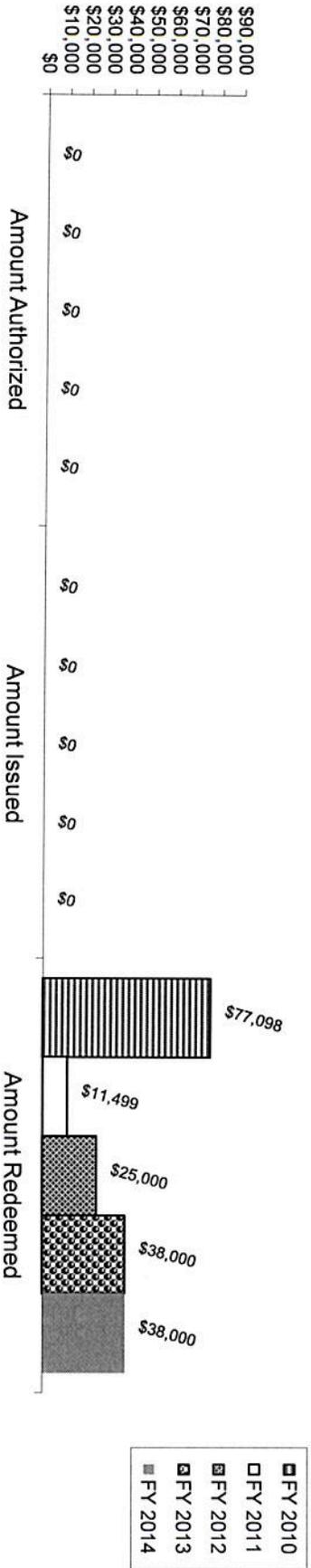
Comments on Specific Provisions:

	FY 2010 ACTUAL	FY 2011 ACTUAL	FY 2012 ACTUAL	FY 2013 (current year)	FY 2014 (budget year)
Certificates Issued (#)	N/A	N/A	N/A	N/A	N/A
Projects (#)	N/A	N/A	N/A	N/A	N/A
Amount Authorized	Cumulative Cap Exhausted	Cumulative Cap Exhausted	Cumulative Cap Exhausted	Cumulative Cap Exhausted	Cumulative Cap Exhausted
Amount Issued	N/A	N/A	N/A	N/A	N/A
Amount Redeemed	\$77,098	\$11,499	\$25,000	\$38,000	\$38,000
Est. Amount Outstanding	N/A	N/A	\$1,012,594	N/A	N/A
Est. Amount Authorized but Unissued	N/A	N/A	\$0	N/A	N/A

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HISTORICAL AND PROJECTED INFORMATION



Comments on Historical and Projected Information:

BENEFIT: COST ANALYSIS (includes only state revenue impacts)

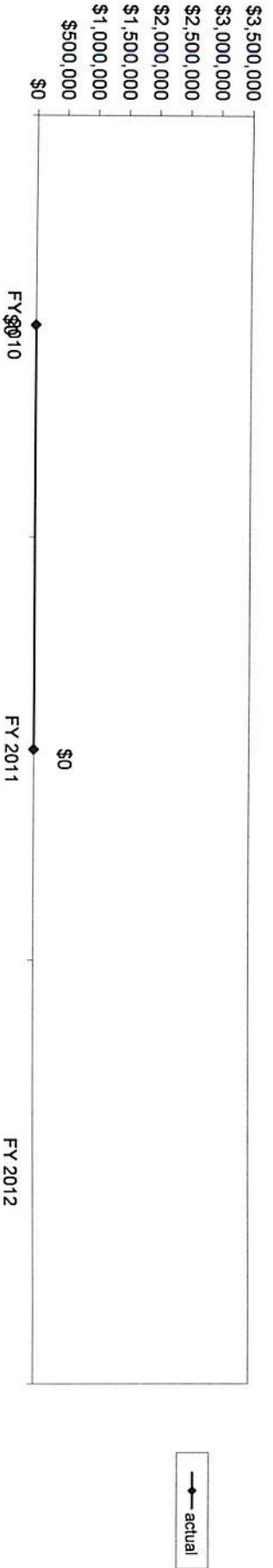
	FY 2012 ACTUAL	Other Fiscal Period	
BENEFITS			
Direct Fiscal Benefits			Derivation of Benefits No New Authorizations in FY 2012. Cumulative Cap Exhausted.
Indirect Fiscal Benefits			
Total	\$0	\$0	
COSTS			
Direct Fiscal Costs			
Indirect Fiscal Costs			
Total	\$0	\$0	
BENEFIT: COST	0.00	0.00	

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PERFORMANCE MEASURE(S)

Investment



Comments on Performance Measure: