



# BRING JOBS HOME ACT

## MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

### **PURPOSE**

Provides a tax deduction for expenses associated with eliminating a business located outside of the state and reestablishing it in Missouri.

### **AUTHORIZATION**

Section 143.1100

### **ELIGIBLE AREAS**

Statewide

### **ELIGIBLE APPLICANTS**

Any individual, firm, partner in a firm, corporation, partnership, shareholder in an S corporation, or member of a limited liability company subject to the income tax imposed under chapter 143, excluding withholding tax imposed under sections 143.191 to 143.265.

### **ELIGIBILITY CRITERIA**

To be eligible for the tax deduction, the number of full-time employees for the tax year the deduction is claimed must exceed the number of full-time employees for the year preceding the year in which eligible insourcing expenses were paid or incurred.

### **PROGRAM BENEFITS/ELIGIBLE USES**

The program provides a tax deduction against income tax other than the withholding tax of up to 50% of the eligible insourcing expenses associated with eliminating a business located outside of the state and reestablishing it in Missouri.

### **FUNDING LIMITS**

Eligible insourcing expenses must be taken into account during the taxable year that the plans has been completed and all eligible insourcing expenses have been paid or incurred or, if the taxpayer chooses, the first taxable year after the taxable year the expenses have been paid or incurred. A deduction will not be allowed for any expenses incurred when dissolving a business in Missouri and relocating it to another state.

The amount of the deduction shall not exceed the amount of:

1. For individuals, the taxpayer's Missouri adjusted gross income for the taxable years the deduction is claimed; and
2. For corporations, the taxpayer's Missouri taxable income for the taxable year the deduction is claimed.

However, any amount of the deduction that cannot be claimed in the taxable year may be carried over to the next five succeeding taxable years until the full deduction has been claimed.

The total amount of deductions authorized for this program shall not exceed \$5 million dollars in any year. In the event that more than \$5 million dollars in deductions are claimed in a taxable year, deductions shall be issued on a first-come, first-served filling basis.

A taxpayer who receives a deduction under this program shall be ineligible to receive incentives under the provisions of any other state tax deduction program for the same expenses incurred.

### **APPLICATION/APPROVAL PROCEDURE**

A part I preliminary-application is submitted to DED that includes an insourcing plan, estimates of new jobs and total deduction to be claimed. Applications are granted preliminary authorization based on available cap space. Applicants will submit a part II final-application to include documentation of actual jobs created and documentation of actual eligible expenses.

### **SPECIAL PROGRAM REQUIREMENTS**

Any taxpayer allowed a deduction under this program who, within ten years of receiving such deduction, eliminates the business unit for which the deduction was allowed shall repay the amount of tax savings realized from the deduction to the state, prorated by the number of years the business unit was in this state.

This program shall automatically sunset August 28, 2022 unless reauthorized by an act of the general assembly.

### **CONTACT**

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