



MISSOURI WORKS PROGRAM

Facilitate the creation of quality jobs by targeted business projects

AUTHORIZATION

Sections 620.2000 to 620.2020

ELIGIBLE APPLICANTS

- For-Profit or non-profit businesses.
- Not Eligible:
 - Gambling establishments, store front consumer-based retail trade establishments, food and drinking places, public utilities, educational services, religious organizations, public administration, ethanol distillation or production, biodiesel production, or healthcare and social services.
 - Businesses that are delinquent in payment of any nonprotested taxes or other payments (state, federal, local).
 - Businesses that have filed for or have publicly announced their intention to file for bankruptcy, unless certain requirements are met.
 - Businesses that are relocating jobs from Johnson, Miami, or Wyandotte counties in Kansas to Jackson, Platte, Clay or Cass counties in Missouri. However, net new jobs created above a qualified company's base employment may be eligible for benefits.
- Note: Headquarters, administrative, or research and development offices of otherwise excluded businesses may be eligible if the predominant function of such offices is to serve a multistate territory.

APPLICATION/APPROVAL PROCEDURE

Prior to the receipt of a DED proposal or approval of a notice of intent ("NOI"), none of the following can have occurred:

- Significant, project-specific site work at the project facility.
- Purchased machinery or equipment related to the project.
- A publicly announced intention to make new capital investment at the project facility.

A qualified company may request a proposal for estimated benefits or apply directly with an NOI to DED. DED will then confirm the business is eligible; establish the date at which "base employment" is calculated; reserve the estimated tax credits for the project (if any); and establish the 2-year deadline date by which the minimum thresholds for the creation of the new jobs, investment, etc. must be met.

PROGRAM BENEFITS

Program benefits include (a) the retention of the state withholding tax of the new jobs and/or (b) state tax credits, which are refundable, transferable and saleable. The program benefits are based on a percentage of the payroll of the new jobs. The program benefits are not provided until the minimum new job threshold is met and the company meets the average wage and health insurance requirements. For definitions of "full time employee," "new jobs," and "project facility base employment," please see the Missouri Works Program Guidelines.

ELIGIBILITY CRITERIA

Program	Minimum New Jobs	Minimum New Private Capital Investment	Minimum Average Wage	Automatic Benefit
Zone Works (Note 1)	2	\$100,000	80% of County Avg. Wage	WH, 5 or 6 years (Note 3)
Rural Works (Note 2)	2	\$100,000	90% of County Avg. Wage	WH, 5 or 6 years (Note 3)
Statewide Works	10	N/A	90% of County Avg. Wage	WH, 5 or 6 years (Note 3)
Mega Works 120	100	N/A	120% of County Avg. Wage	6% of new payroll, 5 or 6 years (Note 3)
Mega Works 140	100	N/A	140% of County Avg. Wage	7% of new payroll, 5 or 6 years (Note 3)
Qualified Military Projects	10	Real or personal property amount as outlined in the proposal	90% of County Avg. Wage	Tax credits equal to the estimated WH taxes for a term up to 15 years. Must receive a proposal for benefits.

"WH" means the retention of the state withholding tax of the new jobs

Note 1: Project facility must be located in an Enhanced Enterprise Zone.

Note 2: Project facility must be located in a "rural" county, which would NOT include Boone, Buchanan, Clay, Greene, Jackson, St. Charles, and St. Louis City and County.

Note 3: Benefit period is 5 years, or 6 years for existing Missouri companies (those that have been operational in Missouri for at least 10 years).

In addition to the Benefit indicated above, the Statewide Works or Mega Works projects may be considered for discretionary benefits. The criteria for the discretionary benefits include:

- The least amount necessary to obtain the company's commitment;
- The amount of the project's projected net fiscal benefit to the state and the period in which the state would realize such net fiscal benefit;
- The overall size (number of jobs, payroll, new capital investment) and quality (average wages, growth potential of the company, multiplier effect of the industry) of the project;
- The financial stability and creditworthiness of the company;
- The level of economic distress of the project area;
- The competitiveness of alternative locations; and
- The percentage of local incentives committed to the project.

FUNDING LIMITS - PROGRAM CAPS

FY2020 (July 1, 2019 - June 30, 2020)	FY2021 and thereafter (Starting July 1, 2020)	FY2023 and thereafter (Starting July 1, 2023)
\$116 million in tax credits (Note: Up to 21.5% of tax credit cap may be set aside for the Deal Closing Fund.)	\$116 million in tax credits (Note: Up to 21.5% of tax credit cap may be set aside for the Deal Closing Fund.) \$10 million in tax credits for infrastructure projects \$75 million in withholdings for companies with a base employment of 50 or more	\$116 million in tax credits (Note: Up to 21.5% of tax credit cap may be set aside for the Deal Closing Fund.) \$10 million in tax credits for infrastructure projects \$75 million in withholdings for companies with a base employment of 50 or more

ATTRIBUTES OF THE TAX CREDITS

The tax credits may be applied to Chapter 143 (state income tax, excluding withholding tax) and Chapter 148 (financial institution tax) liabilities. Tax credits must be claimed within one year of the close of the taxable year for which they were issued. Tax credits can only be applied to tax liability for the year in which they were earned. Any annual unused balance is fully refundable. The credits may also be transferred, sold or assigned.

REPORTING REQUIREMENTS

On an annual basis, the business must submit a report documenting the new jobs created, the total payroll, and that the business meets the health insurance requirements for the new jobs. In the event that a company has not maintained the minimum program requirements, benefits will cease for the remainder of the benefit period and may require repayment. The Tax Credit Accountability Act Reporting Form must also be submitted to the Department of Revenue by June 30th each year the company receives tax credits and for the three years following the issuance of the tax credits.

SPECIAL PROGRAM REQUIREMENTS

Special conditions apply when Missouri Works is used at the same time as other programs that affect state withholding taxes (e.g. Missouri One Start, State Tax Increment Financing).

Estimated state withholding taxes, based on adjusted gross income (AGI):

- AGI of \$15-20,000 1.21%
- AGI of \$20-25,000 1.92%
- AGI of \$25-30,000 2.45%
- AGI of \$30-35,000 2.82%
- AGI of \$35-40,000 3.06%
- AGI of \$40-45,000 3.20%
- AGI of \$45-50,000 3.29%
- AGI of \$50-55,000 3.40%
- AGI of \$55-60,000 3.46%
- AGI of \$60-65,000 3.53%
- AGI of \$65-70,000 3.58%
- AGI of \$70-75,000 3.67%
- AGI of \$75-100,000 3.43%
- AGI of \$100-200,000 3.02%

County average wages (effective until 6/30/2022):

Average county wages are based on Census of Employment and Wages, MERIC. Updates to be made annually. Use 2,080 hours per year when converting from annual to hourly wages.

County	Average Annual Wage	County	Average Annual Wage	County	Average Annual Wage
ADAIR	\$35,659	GRUNDY	\$33,808	PERRY	\$39,716
ANDREW	\$37,419	HARRISON	\$31,738	PETTIS	\$38,034
ATCHISON	\$37,404	HENRY	\$37,825	PHELPS	\$39,873
AUDRAIN	\$39,430	HICKORY	\$28,232	PIKE	\$35,939
BARRY	\$40,423	HOLT	\$42,688	PLATTE	\$53,359
BARTON	\$36,845	HOWARD	\$34,425	POLK	\$35,164
BATES	\$34,213	HOWELL	\$36,070	PULASKI	\$31,920
BENTON	\$30,188	IRON	\$41,584	PUTNAM	\$31,766
BOLLINGER	\$32,271	JACKSON	\$54,746	RALLS	\$47,892
BOONE	\$48,247	JASPER	\$42,969	RANDOLPH	\$41,466
BUCHANAN	\$49,786	JEFFERSON	\$41,474	RAY	\$39,254
BUTLER	\$34,908	JOHNSON	\$36,218	REYNOLDS	\$39,682
CALDWELL	\$40,038	KNOX	\$35,732	RIPLEY	\$23,402
CALLAWAY	\$51,646	LACLEDE	\$37,650	SALINE	\$40,868
CAMDEN	\$37,771	LAFAYETTE	\$36,118	SCHUYLER	\$30,831
CAPE GIRARDEAU	\$45,171	LAWRENCE	\$38,354	SCOTLAND	\$30,058
CARROLL	\$40,175	LEWIS	\$36,982	SCOTT	\$41,118
CARTER	\$26,964	LINCOLN	\$43,461	SHANNON	\$27,455
CASS	\$39,763	LINN	\$37,869	SHELBY	\$36,725
CEDAR	\$29,634	LIVINGSTON	\$36,713	ST CHARLES	\$50,936
CHARITON	\$37,118	MACON	\$35,565	ST LOUIS CITY	\$54,746
CHRISTIAN	\$35,639	MADISON	\$32,121	ST LOUIS CO	\$54,746
CLARK	\$28,917	MARIES	\$35,243	ST. CLAIR	\$29,903
CLAY	\$52,999	MARION	\$41,515	ST. FRANCOIS	\$34,097
CLINTON	\$39,540	MCDONALD	\$37,575	STE. GENEVIEVE	\$47,471
COLE	\$45,498	MERCER	\$43,945	STODDARD	\$39,610
COOPER	\$36,639	MILLER	\$35,045	STONE	\$31,993
CRAWFORD	\$38,816	MISSISSIPPI	\$33,235	SULLIVAN	\$50,516
DADE	\$34,233	MONITEAU	\$41,443	TANEY	\$34,125
DALLAS	\$26,282	MONROE	\$33,185	TEXAS	\$31,776
DAVISS	\$29,193	MONTGOMERY	\$39,137	VERNON	\$39,912
DEKALB	\$37,986	MORGAN	\$31,486	WARREN	\$42,127
DENT	\$31,446	NEW MADRID	\$38,947	WASHINGTON	\$29,678
DOUGLAS	\$28,665	NEWTON	\$45,439	WAYNE	\$27,509
DUNKLIN	\$28,226	NODAWAY	\$38,000	WEBSTER	\$36,222
FRANKLIN	\$44,812	OREGON	\$27,548	WORTH	\$26,236
GASCONADE	\$33,727	OSAGE	\$40,889	WRIGHT	\$33,285
GENTRY	\$38,945	OZARK	\$27,077	STATEWIDE	\$54,746
GREENE	\$47,337	PEMISCOT	\$31,814		

Statewide average of \$54,746 applicable to any county over the statewide average when determining program eligibility. (Jackson, St. Louis County and City)

The wage represents an average for all private industries.

If a project is moving from one Missouri county to a county with a lower county average wage, the company must obtain endorsement from the governing body of the community where the jobs are located, or the higher county average wage will be used for calculations.