PURPOSE
To generate private funds to be used to establish a “protective business environment” (incubator) in which a number of small businesses can collectively operate, fostering growth and development during a business’ start-up period.

AUTHORIZATION
Section 620.495, RSMo

ELIGIBLE AREAS
Statewide.

ELIGIBLE APPLICANTS
Missouri taxpayers who make a contribution to an approved incubator sponsor in Missouri

PROGRAM BENEFITS/ELIGIBLES
This 50% tax credit can be applied to:

• Ch. 143 – Income tax, excluding withholding tax
• Ch. 147 – Corporate franchise tax
• Ch. 148 –
  • Bank Tax
  • Insurance Premium Tax
  • Other Financial Institution Tax

This credit’s special attributes:

• Carry forward 5 years
• Sellable or transferable (75¢ minimum)

APPLICATION/APPROVAL PROCEDURE
SPONSOR -
An incubator sponsor must apply to the Department of Economic Development for designation as an approved incubator. DED reviews and approves applications based on the following criteria:

• Ability of the sponsor to carry out the provisions of §620.495, RSMo;
• Economic impact of the incubator on the community;
• Conformance with area-wide and local economic development plans, if they exist; and
• Location of the incubator (encouraging geographic distribution of incubators throughout the state).

CONTRIBUTOR -
Any taxpayer, including non-for-profit corporations, except those that benefit directly from General Revenue such as public universities, may be a contributor. Applications can be submitted to DED year-round, but decisions will be made on a first-come basis, based on the annual amount of tax credits allocated to an approved incubator.

CONTACT
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