



SMALL BUSINESS INCUBATOR TAX CREDIT PROGRAM

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

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)

FUNDING LIMITS

The overall maximum amount of tax credits that can be authorized under this program in any one calendar year is \$500,000.

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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