

Next Steps

The Company has recently been approved to participate in the [Missouri Works Program](#). Words in italic are defined in statute and can be found in Section 620.2005, RSMo or in the program guidelines.

Next Step: Submit VET

The Company has 2 years from the date of the Notice of Intent approval to create the minimum number of new jobs and investment as outlined in the NOI approval Letter. The Company must complete and submit the [Missouri Works Verification of Eligibility Thresholds \(VET\)](#) when the required number of jobs and the monthly prorated percentage of the investment have been met if applicable.

To be considered a *New Job*, the employee must be:

- ✓ A *full-time employee* of the qualified company.
- ✓ Scheduled to work an average of at least 35 hours a week per year.
- ✓ Offered health insurance of which at least 50% is employer paid.
- ✓ Spend 50% of their time at the project facility. Employees who spend less than 50% of their time at the facility must meet additional criteria to be eligible.
- ✓ Hired after the NOI was received by DED.
- ✓ Exceed the number of base employees referred to as '*project facility base employment*' and '*related facility base employment*'.

VET Approval

If the VET is approved, DED will notify the company and the Department of Revenue (DOR) that the company can begin retaining withholdings. DOR will send the company notification that withholdings of the new jobs may be retained. The withholdings retained by the company will be reported to DOR on the [MO-MWP](#) form which is submitted at the same frequency as [MO-941](#) form. DOR will provide further instruction on completing the MO-MWP form.

Retaining Withholdings and Determining Eligible Employees:

- **Eligible Employees.** The eligible new employees will be those employees who meet the above requirements of a *New Job*. The company can retain the withholdings on eligible employees once the VET has been approved.
- **Base Employment:** The Company must maintain the base employment number established in the NOI Approval Letter or the Base Employment Addendum referred to as *project facility base employment*. Base employees are not eligible for benefits. The company is required to remit payment of state withholding tax on jobs considered part of the *project facility base employment*.

- **Terminations:** If the company has terminations in the base, those base terminations will be filled by eligible employees based on their hire date. Each time there is a termination in the base, the oldest hire of the eligible employees will move out of the eligible employees and into the base employment to fill the vacancy. (We calculate the base employment on a monthly basis. For example: a base employee that terminates on July 15 will count as base for the month of July, but will be replaced by an eligible employee in August. From August forward, that employee will no longer be eligible for benefits).

Annual Reporting:

The company is required to submit the [Missouri Works - New Jobs Annual Verification](#) at the end of each tax year for the duration of the benefit period. Along with the Annual Verification, the company is required to submit an excel spreadsheet to include a monthly detail by employee of the withholdings retained. DED would prefer the Annual Report be provided as soon as possible following the end of the company's tax year; however, per Missouri Works Statute, **the company must submit an Annual Verification no later than 90 days prior to the end of the qualified company's tax year immediately following the tax year for which the benefits provided under the program are attributed.**

Tax Credits:

Tax credits authorized through the Missouri Works program can be applied to Chapter 143 (state income tax, excluding withholding tax) and Chapter 148 (financial institutions tax). Tax credits can only be applied to tax liability for the year in which they were earned, and must be claimed within one year of the tax year in which they were earned. The tax credits are refundable and may be sold, transferred or assigned.

Effective August 28, 2005, and pursuant to Section 620.1900, RSMo, this tax credit program is subject to a fee of 2.5% of the amount of tax credits issued. Applicants will be invoiced for the fee after the tax credit application has been approved. Tax credits will be issued upon receipt of the fee. This fee applies to tax credits only, not the retention of withholding taxes.

Compliance Audit:

By participating in the program, the company consents to a potential compliance visit administered by the Department of Revenue.

Tax Credit Accountability Act Reporting:

The company is required to report project information on the [Tax Credit Accountability Act Report](#) form. The first Accountability Act Reporting Form is due after the issuance of the first tax credit after a full year has passed. The Accountability Act Reporting Form must be filled out for all years in which the company is receiving program benefits and for 3 years after the issuance of the last tax credit. The form is due by June 30 each year, with penalties accruing if the forms are not received by the Department of Revenue by December 31 of the same year.

Program Resources:

[Missouri Works Statute](#)

[Missouri Works Program](#)