

HB 2425 -- Transportation and Warehouse Jobs Act

Sponsor: Nolte

This bill establishes the Transportation and Warehouse Jobs Act which authorizes a qualified transportation facility or qualified warehouse to retain 50% of the withholding tax from retained jobs for 10 years upon approval of a notice of intent by the Department of Economic Development.

The qualified facility will be eligible for participation in the Missouri Quality Jobs Program but may not simultaneously receive tax credits or exemptions from the New or Expanded Business Facility, Enterprise Zone, or Enhanced Enterprise Zone programs or for relocating a business to a distressed community. If the facility also participates in the New Jobs Training Program, it cannot retain withholding taxes that have already been allocated for use in that program. A taxpayer who receives these benefits and knowingly hires individuals who are not allowed to work legally in the United States will immediately forfeit these benefits and must repay the state an amount equal to any withholding taxes already retained.

If a facility fails to comply with all provisions of this program, the department must issue a final decision to that effect and the facility must repay all benefits previously obtained from the state with an interest of 5% per year from the date the benefit was originally received.

The department must provide an annual report prior to March 1 to the General Assembly including the name and location of participating facilities, the annual amount of benefits provided, the estimated net state fiscal impact, and the number of new or retained jobs.

A "qualified transportation facility" is defined as a business that:

- (1) Derives more than 25% of its total sales revenues from goods transported or distributed from the facility which are exported outside of the United States or sold to the federal government for export outside the United States or that derives more than 50% of all its total sales revenues from goods which are exported outside the state of Missouri;
- (2) Makes an additional capital investment of at least \$50,000 per full-time employee equivalent retained at the facility;
- (3) Transports or distributes a new product that has not been transported or distributed in Missouri any time prior to the date

of the notice of intent;

- (4) Adds five or more employees at the facility; and
- (5) Continues to transport or distribute these types of goods for at least five years from the date of the notice of intent.

A "qualified warehouse" is defined as a facility that:

- (1) Houses a new product that has not been housed in Missouri any time prior to the date of the notice of intent;
- (2) Makes an additional capital investment of at least \$50,000 per full-time employee equivalent retained at the facility; and
- (3) Adds five or more new jobs.

The provisions of the bill will expire six years from the effective date.