

HB 1455 -- Manufacturing Jobs Act

Sponsor: Gatschenberger

This bill changes the laws regarding the Manufacturing Jobs Act and the use of funds in the Missouri Job Development Fund.

The bill requires the Department of Economic Development to make efforts to prioritize the use of funding under the Missouri Job Development Fund to assist qualified suppliers as defined in the bill.

A qualified supplier is allowed, with approval of a notice of intent by the department, to retain an amount equal to a maximum of 5.5% of new payroll for a period of five years from the date the required number of jobs were created in this state from the withholding tax of the new jobs that would otherwise be withheld and remitted by the qualified supplier if the average wage of the new jobs equals or exceeds the county average wage. An additional .5% of new payroll may be added to the 5.5% maximum if the average wage of the new jobs in any year exceeds 120% of the county average wage in the county in which the project facility is located, plus an additional .5% of new payroll may be added if the average wage of the new jobs in any year exceeds 140% of the average wage in the county in which the project facility is located. The department must issue a refundable tax credit for any difference between the amount of benefit allowed and the amount of withholding tax retained by the qualified supplier in the event the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified supplier. Any tax credits issued under these provisions must be subject to specified provisions of the Missouri Quality Jobs Act in Section 620.1881, RSMo.

If a qualified supplier also participates in the New Jobs Training Program in Sections 178.892 to 178.896, the company must retain no withholding tax, but the department must issue a refundable tax credit for the full amount of benefit allowed under these provisions. The calendar year annual maximum amount of tax credits which may be issued to a qualified supplier that also participates in the New Jobs Training Program must be increased by an amount equivalent to the withholding tax retained by that company under the New Jobs Training Program. If combined benefits of this program and the New Jobs Training Program exceed the projected state benefit of the project as determined by the department through a cost-benefit analysis, the increase in the maximum tax credits must be limited to the amount that would not cause the combined benefits to exceed the projected state benefit.