

# SENATE AMENDMENT NO. \_\_\_\_\_

Offered by \_\_\_\_\_ Of \_\_\_\_\_

Amend SS#2/SCS/House Bill No. 1700, Page 108, Section 321.552, Line 24,

2 by inserting after all of said line the following:

3 "620.2005. 1. As used in sections 620.2000 to 620.2010,  
4 the following terms mean:

5 (1) "Average wage", the new payroll divided by the number  
6 of new jobs, or the payroll of the retained jobs divided by the  
7 number of retained jobs;

8 (2) "Commencement of operations", the starting date for the  
9 qualified company's first new employee, which shall be no later  
10 than twelve months from the date of the approval;

11 (3) "Contractor", a person, employer, or business entity  
12 that enters into an agreement to perform any service or work or  
13 to provide a certain product in exchange for valuable  
14 consideration. This definition shall include but not be limited  
15 to a general contractor, subcontractor, independent contractor,  
16 contract employee, project manager, or a recruiting or staffing  
17 entity;

18 (4) "County average wage", the average wages in each county  
19 as determined by the department for the most recently completed  
20 full calendar year. However, if the computed county average wage  
21 is above the statewide average wage, the statewide average wage

1 shall be deemed the county average wage for such county for the  
2 purpose of determining eligibility. The department shall publish  
3 the county average wage for each county at least annually.

4 Notwithstanding the provisions of this subdivision to the  
5 contrary, for any qualified company that in conjunction with  
6 their project is relocating employees from a Missouri county with  
7 a higher county average wage, the company shall obtain the  
8 endorsement of the governing body of the community from which  
9 jobs are being relocated or the county average wage for their  
10 project shall be the county average wage for the county from  
11 which the employees are being relocated;

12 (5) "Department", the Missouri department of economic  
13 development;

14 (6) "Director", the director of the department of economic  
15 development;

16 (7) "Employee", a person employed by a qualified company,  
17 excluding:

18 (a) Owners of the qualified company unless the qualified  
19 company is participating in an employee stock ownership plan; or

20 (b) Owners of a noncontrolling interest in stock of a  
21 qualified company that is publicly traded;

22 (8) "Existing Missouri business", a qualified company that,  
23 for the ten-year period preceding submission of a notice of  
24 intent to the department, had a physical location in Missouri and  
25 full-time employees who routinely performed job duties within  
26 Missouri;

27 (9) "Full-time employee", an employee of the qualified  
28 company that is scheduled to work an average of at least  
29 thirty-five hours per week for a twelve-month period, and one for

1 which the qualified company offers health insurance and pays at  
2 least fifty percent of such insurance premiums. An employee that  
3 spends less than fifty percent of the employee's work time at the  
4 facility shall be considered to be located at a facility if the  
5 employee receives his or her directions and control from that  
6 facility, is on the facility's payroll, one hundred percent of  
7 the employee's income from such employment is Missouri income,  
8 and the employee is paid at or above the applicable percentage of  
9 the county average wage;

10 (10) "Industrial development authority", an industrial  
11 development authority organized under chapter 349 that has  
12 entered into a formal written memorandum of understanding with an  
13 entity of the United States Department of Defense regarding a  
14 qualified military project;

15 (11) "Infrastructure projects", highways, roads, streets,  
16 bridges, sewers, traffic control systems and devices, water  
17 distribution and supply systems, curbing, sidewalks, storm water  
18 and drainage systems, broadband internet infrastructure, and any  
19 other similar public improvements, but in no case shall  
20 infrastructure projects include private structures;

21 (12) "Local incentives", the present value of the dollar  
22 amount of direct benefit received by a qualified company for a  
23 project facility from one or more local political subdivisions,  
24 but this term shall not include loans or other funds provided to  
25 the qualified company that shall be repaid by the qualified  
26 company to the political subdivision;

27 (13) "Manufacturing capital investment", expenditures made  
28 by a qualified manufacturing company to retool or reconfigure a  
29 manufacturing project facility directly related to the

1 manufacturing of a new product or the expansion or modification  
2 of the manufacture of an existing product;

3 (14) "Memorandum of understanding", an agreement executed  
4 by an industrial development authority and an entity of the  
5 United States Department of Defense, a copy of which is provided  
6 to the department of economic development, that states, but is  
7 not limited to:

8 (a) A requirement for the military to provide the total  
9 number of existing jobs, jobs directly created by a qualified  
10 military project, and average salaries of such jobs to the  
11 industrial development authority and the department of economic  
12 development annually for the term of the benefit;

13 (b) A requirement for the military to provide an accounting  
14 of the expenditures of capital investment made by the military  
15 directly related to the qualified military project to the  
16 industrial development authority and the department of economic  
17 development annually for the term of the benefit;

18 (c) The process by which the industrial development  
19 authority shall monetize the tax credits annually and any  
20 transaction cost or administrative fee charged by the industrial  
21 development authority to the military on an annual basis;

22 (d) A requirement for the industrial development authority  
23 to provide proof to the department of economic development of the  
24 payment made to the qualified military project annually,  
25 including the amount of such payment;

26 (e) The schedule of the maximum amount of tax credits which  
27 may be authorized in each year for the project and the specified  
28 term of the benefit, as provided by the department of economic  
29 development; and

1 (f) A requirement that the annual benefit paid shall be the  
2 lesser of:

3 a. The maximum amount of tax credits authorized; or

4 b. The actual calculated benefit derived from the number of  
5 new jobs and average salaries;

6 (15) "NAICS" or "NAICS industry classification", the  
7 classification provided by the most recent edition of the North  
8 American Industry Classification System as prepared by the  
9 Executive Office of the President, Office of Management and  
10 Budget;

11 (16) "New capital investment", shall include costs incurred  
12 by the qualified company at the project facility after acceptance  
13 by the qualified company of the proposal for benefits from the  
14 department or the approval notice of intent, whichever occurs  
15 first, for real or personal property, and may include the value  
16 of finance or capital leases for real or personal property for  
17 the term of such lease at the project facility executed after  
18 acceptance by the qualified company of the proposal for benefits  
19 from the department or the approval of the notice of intent;

20 (17) "New direct local revenue", the present value of the  
21 dollar amount of direct net new tax revenues of the local  
22 political subdivisions likely to be produced by the project over  
23 a ten-year period as calculated by the department, excluding  
24 local earnings tax, and net new utility revenues, provided the  
25 local incentives include a discount or other direct incentives  
26 from utilities owned or operated by the political subdivision;

27 (18) "New job", the number of full-time employees located  
28 at the project facility that exceeds the project facility base  
29 employment less any decrease in the number of full-time employees

1 at related facilities below the related facility base employment.  
2 No job that was created prior to the date of the notice of intent  
3 shall be deemed a new job;

4 (19) "New payroll", the amount of wages paid for all new  
5 jobs, located at the project facility during the qualified  
6 company's tax year that exceeds the project facility base  
7 payroll;

8 (20) "New product", a new model or line of a manufactured  
9 good that has not been manufactured in Missouri by a qualified  
10 manufacturing company at any time prior to the date of the notice  
11 of intent, or an existing brand, model, or line of a manufactured  
12 good that is redesigned;

13 (21) "Notice of intent", a form developed by the department  
14 and available online, completed by the qualified company, and  
15 submitted to the department stating the qualified company's  
16 intent to request benefits under this program. The notice of  
17 intent shall be accompanied with a detailed plan by the  
18 qualifying company to make good faith efforts to employ, at a  
19 minimum, commensurate with the percentage of minority populations  
20 in the state of Missouri, as reported in the previous decennial  
21 census, the following: racial minorities, contractors who are  
22 racial minorities, and contractors that, in turn, employ at a  
23 minimum racial minorities commensurate with the percentage of  
24 minority populations in the state of Missouri, as reported in the  
25 previous decennial census. At a minimum, such plan shall include  
26 monitoring the effectiveness of outreach and recruitment  
27 strategies in attracting diverse applicants and linking with  
28 different or additional referral sources in the event that  
29 recruitment efforts fail to produce a diverse pipeline of

1 applicants;

2 (22) "Percent of local incentives", the amount of local  
3 incentives divided by the amount of new direct local revenue;

4 (23) "Program", the Missouri works program established in  
5 sections 620.2000 to 620.2020;

6 (24) "Project facility", the building or buildings used by  
7 a qualified company at which new or retained jobs and any new  
8 capital investment are or will be located or by a qualified  
9 manufacturing company at which a manufacturing capital investment  
10 is or will be located. A project facility may include separate  
11 buildings located within sixty miles of each other such that  
12 their purpose and operations are interrelated; provided that  
13 where the buildings making up the project facility are not  
14 located within the same county, the average wage of the new  
15 payroll shall exceed the applicable percentage of the highest  
16 county average wage among the counties in which the buildings are  
17 located. Upon approval by the department, a subsequent project  
18 facility may be designated if the qualified company demonstrates  
19 a need to relocate to the subsequent project facility at any time  
20 during the project period. For qualified military projects, the  
21 term "project facility" means the military base or installation  
22 at which such qualified military project is or shall be located;

23 (25) "Project facility base employment", the greater of the  
24 number of full-time employees located at the project facility on  
25 the date of the notice of intent or, for the twelve-month period  
26 prior to the date of the notice of intent, the average number of  
27 full-time employees located at the project facility. In the  
28 event the project facility has not been in operation for a full  
29 twelve-month period, the average number of full-time employees

1 for the number of months the project facility has been in  
2 operation prior to the date of the notice of intent;

3 (26) "Project facility base payroll", the annualized  
4 payroll for the project facility base employment or the total  
5 amount of taxable wages paid by the qualified company to  
6 full-time employees of the qualified company located at the  
7 project facility in the twelve months prior to the notice of  
8 intent. For purposes of calculating the benefits under this  
9 program, the amount of base payroll shall increase each year  
10 based on an appropriate measure, as determined by the department;

11 (27) "Project period", the time period within which  
12 benefits are awarded to a qualified company or within which the  
13 qualified company is obligated to perform under an agreement with  
14 the department, whichever is greater;

15 (28) "Projected net fiscal benefit", the total fiscal  
16 benefit to the state less any state benefits offered to the  
17 qualified company, as determined by the department;

18 (29) "Qualified company", a firm, partnership, joint  
19 venture, association, private or public corporation whether  
20 organized for profit or not, or headquarters of such entity  
21 registered to do business in Missouri that is the owner or  
22 operator of a project facility, certifies that it offers health  
23 insurance to all full-time employees of all facilities located in  
24 this state, and certifies that it pays at least fifty percent of  
25 such insurance premiums. For the purposes of sections 620.2000  
26 to 620.2020, the term "qualified company" shall not include:

27 (a) Gambling establishments (NAICS industry group 7132);

28 (b) Store front consumer-based retail trade establishments  
29 (under NAICS sectors 44 and 45), except with respect to any

1 company headquartered in this state with a majority of its  
2 full-time employees engaged in operations not within the NAICS  
3 codes specified in this subdivision;

4 (c) Food and drinking places (NAICS subsector 722);

5 (d) Public utilities (NAICS 221 including water and sewer  
6 services);

7 (e) Any company that is delinquent in the payment of any  
8 nonprotested taxes or any other amounts due the state or federal  
9 government or any other political subdivision of this state;

10 (f) Any company requesting benefits for retained jobs that  
11 has filed for or has publicly announced its intention to file for  
12 bankruptcy protection. However, a company that has filed for or  
13 has publicly announced its intention to file for bankruptcy may  
14 be a qualified company provided that such company:

15 a. Certifies to the department that it plans to reorganize  
16 and not to liquidate; and

17 b. After its bankruptcy petition has been filed, it  
18 produces proof, in a form and at times satisfactory to the  
19 department, that it is not delinquent in filing any tax returns  
20 or making any payment due to the state of Missouri, including but  
21 not limited to all tax payments due after the filing of the  
22 bankruptcy petition and under the terms of the plan of  
23 reorganization. Any taxpayer who is awarded benefits under this  
24 subsection and who files for bankruptcy under Chapter 7 of the  
25 United States Bankruptcy Code, Title 11 U.S.C., shall immediately  
26 notify the department and shall forfeit such benefits and shall  
27 repay the state an amount equal to any state tax credits already  
28 redeemed and any withholding taxes already retained;

29 (g) Educational services (NAICS sector 61);

- 1 (h) Religious organizations (NAICS industry group 8131);
- 2 (i) Public administration (NAICS sector 92);
- 3 (j) Ethanol distillation or production;
- 4 (k) Biodiesel production; or
- 5 (l) Health care and social services (NAICS sector 62).

6  
7 Notwithstanding any provision of this section to the contrary,  
8 the headquarters, administrative offices, or research and  
9 development facilities of an otherwise excluded business may  
10 qualify for benefits if the offices or facilities serve a  
11 multistate territory. In the event a national, state, or  
12 regional headquarters operation is not the predominant activity  
13 of a project facility, the jobs and investment of such operation  
14 shall be considered eligible for benefits under this section if  
15 the other requirements are satisfied;

16 (30) "Qualified manufacturing company", a company that:

17 (a) Is a qualified company that manufactures motor vehicles  
18 (NAICS group 3361);

19 (b) Manufactures goods at a facility in Missouri;

20 (c) Manufactures a new product or has commenced making a  
21 manufacturing capital investment to the project facility  
22 necessary for the manufacturing of such new product, or modifies  
23 or expands the manufacture of an existing product or has  
24 commenced making a manufacturing capital investment for the  
25 project facility necessary for the modification or expansion of  
26 the manufacture of such existing product; and

27 (d) Continues to meet the requirements of paragraphs (a) to  
28 (c) of this subdivision for the project period;

29 (31) "Qualified military project", the expansion or

1 improvement of a military base or installation within this state  
2 that causes:

3 (a) An increase of ten or more part-time or full-time  
4 military or civilian support personnel:

5 a. Whose average salaries equal or exceed ninety percent of  
6 the county average wage; and

7 b. Who are offered health insurance, with an entity of the  
8 United States Department of Defense paying at least fifty percent  
9 of such insurance premiums; and

10 (b) Investment in real or personal property at the base or  
11 installation expressly for the purposes of serving a new or  
12 expanded military activity or unit;

13 (32) "Related company", shall mean:

14 (a) A corporation, partnership, trust, or association  
15 controlled by the qualified company;

16 (b) An individual, corporation, partnership, trust, or  
17 association in control of the qualified company; or

18 (c) Corporations, partnerships, trusts or associations  
19 controlled by an individual, corporation, partnership, trust, or  
20 association in control of the qualified company. As used in this  
21 paragraph, "control of a qualified company" shall mean:

22 a. Ownership, directly or indirectly, of stock possessing  
23 at least fifty percent of the total combined voting power of all  
24 classes of stock entitled to vote in the case of a qualified  
25 company that is a corporation;

26 b. Ownership of at least fifty percent of the capital or  
27 profit interest in such qualified company if it is a partnership  
28 or association;

29 c. Ownership, directly or indirectly, of at least fifty

1 percent of the beneficial interest in the principal or income of  
2 such qualified company if it is a trust, and ownership shall be  
3 determined as provided in Section 318 of the Internal Revenue  
4 Code of 1986, as amended;

5 (33) "Related facility", a facility operated by the  
6 qualified company or a related company located in this state that  
7 is directly related to the operations of the project facility or  
8 in which operations substantially similar to the operations of  
9 the project facility are performed;

10 (34) "Related facility base employment", the greater of the  
11 number of full-time employees located at all related facilities  
12 on the date of the notice of intent or, for the twelve-month  
13 period prior to the date of the notice of intent, the average  
14 number of full-time employees located at all related facilities  
15 of the qualified company or a related company located in this  
16 state;

17 (35) "Related facility base payroll", the annualized  
18 payroll of the related facility base payroll or the total amount  
19 of taxable wages paid by the qualified company to full-time  
20 employees of the qualified company located at a related facility  
21 in the twelve months prior to the filing of the notice of intent.  
22 For purposes of calculating the benefits under this program, the  
23 amount of related facility base payroll shall increase each year  
24 based on an appropriate measure, as determined by the department;

25 (36) "Rural area", a county in Missouri with a population  
26 less than seventy-five thousand or that does not contain an  
27 individual city with a population greater than fifty thousand  
28 according to the most recent federal decennial census;

29 (37) "Tax credits", tax credits issued by the department to

1 offset the state taxes imposed by chapters 143 and 148, or which  
2 may be sold or refunded as provided for in this program;

3 (38) "Withholding tax", the state tax imposed by sections  
4 143.191 to 143.265. For purposes of this program, the  
5 withholding tax shall be computed using a schedule as determined  
6 by the department based on average wages.

7 2. This section is subject to the provisions of section  
8 196.1127.

9 620.2010. 1. In exchange for the consideration provided by  
10 the new tax revenues and other economic stimuli that will be  
11 generated by the new jobs created, a qualified company may, for a  
12 period of five years from the date the new jobs are created, or  
13 for a period of six years from the date the new jobs are created  
14 if the qualified company is an existing Missouri business, retain  
15 an amount equal to the withholding tax as calculated under  
16 subdivision (38) of section 620.2005 from the new jobs that would  
17 otherwise be withheld and remitted by the qualified company under  
18 the provisions of sections 143.191 to 143.265 if:

19 (1) The qualified company creates ten or more new jobs, and  
20 the average wage of the new payroll equals or exceeds ninety  
21 percent of the county average wage;

22 (2) The qualified company creates two or more new jobs at a  
23 project facility located in a rural area, the average wage of the  
24 new payroll equals or exceeds ninety percent of the county  
25 average wage, and the qualified company commits to making at  
26 least one hundred thousand dollars of new capital investment at  
27 the project facility within two years; or

28 (3) The qualified company creates two or more new jobs at a  
29 project facility located within a zone designated under sections

1 135.950 to 135.963, the average wage of the new payroll equals or  
2 exceeds eighty percent of the county average wage, and the  
3 qualified company commits to making at least one hundred thousand  
4 dollars in new capital investment at the project facility within  
5 two years of approval.

6 2. In addition to any benefits available under subsection 1  
7 of this section, the department may award a qualified company  
8 that satisfies subdivision (1) of subsection 1 of this section  
9 additional tax credits, issued each year for a period of five  
10 years from the date the new jobs are created, or for a period of  
11 six years from the date the new jobs are created if the qualified  
12 company is an existing Missouri business, in an amount equal to  
13 or less than six percent of new payroll; provided that in no  
14 event may the total amount of benefits awarded to a qualified  
15 company under this section exceed nine percent of new payroll in  
16 any calendar year. The amount of tax credits awarded to a  
17 qualified company under this subsection shall not exceed the  
18 projected net fiscal benefit to the state, as determined by the  
19 department, and shall not exceed the least amount necessary to  
20 obtain the qualified company's commitment to initiate the  
21 project. In determining the amount of tax credits to award to a  
22 qualified company under this subsection or a qualified  
23 manufacturing company under subsection 3 of this section, the  
24 department shall consider the following factors:

25 (1) The significance of the qualified company's need for  
26 program benefits;

27 (2) The amount of projected net fiscal benefit to the state  
28 of the project and the period in which the state would realize  
29 such net fiscal benefit;

1           (3) The overall size and quality of the proposed project,  
2 including the number of new jobs, new capital investment,  
3 manufacturing capital investment, proposed wages, growth  
4 potential of the qualified company, the potential multiplier  
5 effect of the project, and similar factors;

6           (4) The financial stability and creditworthiness of the  
7 qualified company;

8           (5) The level of economic distress in the area;

9           (6) An evaluation of the competitiveness of alternative  
10 locations for the project facility, as applicable; and

11          (7) The percent of local incentives committed.

12          3. (1) The department may award tax credits to a qualified  
13 manufacturing company that makes a manufacturing capital  
14 investment of at least five hundred million dollars not more than  
15 three years following the department's approval of a notice of  
16 intent and the execution of an agreement that meets the  
17 requirements of subsection 4 of this section. Such tax credits  
18 shall be issued no earlier than January 1, 2023, and may be  
19 issued each year for a period of five years. A qualified  
20 manufacturing company may qualify for an additional five-year  
21 period under this subsection if it makes an additional  
22 manufacturing capital investment of at least two hundred fifty  
23 million dollars within five years of the department's approval of  
24 the original notice of intent.

25          (2) The maximum amount of tax credits that any one  
26 qualified manufacturing company may receive under this subsection  
27 shall not exceed five million dollars per calendar year. The  
28 aggregate amount of tax credits awarded to all qualified  
29 manufacturing companies under this subsection shall not exceed

1 ten million dollars per calendar year.

2 (3) If, at the project facility at any time during the  
3 project period, the qualified manufacturing company discontinues  
4 the manufacturing of the new product, or discontinues the  
5 modification or expansion of an existing product, and does not  
6 replace it with a subsequent or additional new product or with a  
7 modification or expansion of an existing product, the company  
8 shall immediately cease receiving any benefit awarded under this  
9 subsection for the remainder of the project period and shall  
10 forfeit all rights to retain or receive any benefit awarded under  
11 this subsection for the remainder of such period.

12 (4) Notwithstanding any other provision of law to the  
13 contrary, any qualified manufacturing company that is awarded  
14 benefits under this section shall not simultaneously receive tax  
15 credits or exemptions under sections 100.700 to 100.850 for the  
16 jobs created or retained or capital improvement that qualified  
17 for benefits under this section. The provisions of subsection 5  
18 of section 285.530 shall not apply to a qualified manufacturing  
19 company that is awarded benefits under this section.

20 4. Upon approval of a notice of intent to receive tax  
21 credits under subsection 2, 3, 6, or 7 of this section, the  
22 department and the qualified company shall enter into a written  
23 agreement covering the applicable project period. The agreement  
24 shall specify, at a minimum:

25 (1) The committed number of new jobs, new payroll, and new  
26 capital investment, or the manufacturing capital investment and  
27 committed percentage of retained jobs for each year during the  
28 project period;

29 (2) The date or time period during which the tax credits

1 shall be issued, which may be immediately or over a period not to  
2 exceed two years from the date of approval of the notice of  
3 intent;

4 (3) Clawback provisions, as may be required by the  
5 department;

6 (4) Financial guarantee provisions as may be required by  
7 the department, provided that financial guarantee provisions  
8 shall be required by the department for tax credits awarded under  
9 subsection 7 of this section; and

10 (5) Any other provisions the department may require.

11 5. In lieu of the benefits available under sections 1 and 2  
12 of this section, and in exchange for the consideration provided  
13 by the new tax revenues and other economic stimuli that will be  
14 generated by the new jobs created by the program, a qualified  
15 company may, for a period of five years from the date the new  
16 jobs are created, or for a period of six years from the date the  
17 new jobs are created if the qualified company is an existing  
18 Missouri business, retain an amount equal to the withholding tax  
19 as calculated under subdivision (38) of section 620.2005 from the  
20 new jobs that would otherwise be withheld and remitted by the  
21 qualified company under the provisions of sections 143.191 to  
22 143.265 equal to:

23 (1) Six percent of new payroll for a period of five years  
24 from the date the required number of new jobs were created if the  
25 qualified company creates one hundred or more new jobs and the  
26 average wage of the new payroll equals or exceeds one hundred  
27 twenty percent of the county average wage of the county in which  
28 the project facility is located; or

29 (2) Seven percent of new payroll for a period of five years

1 from the date the required number of jobs were created if the  
2 qualified company creates one hundred or more new jobs and the  
3 average wage of the new payroll equals or exceeds one hundred  
4 forty percent of the county average wage of the county in which  
5 the project facility is located.

6  
7 The department shall issue a refundable tax credit for any  
8 difference between the amount of benefit allowed under this  
9 subsection and the amount of withholding tax retained by the  
10 company, in the event the withholding tax is not sufficient to  
11 provide the entire amount of benefit due to the qualified company  
12 under this subsection.

13 6. In addition to the benefits available under subsection 5  
14 of this section, the department may award a qualified company  
15 that satisfies the provisions of subsection 5 of this section  
16 additional tax credits, issued each year for a period of five  
17 years from the date the new jobs are created, or for a period of  
18 six years from the date the new jobs are created if the qualified  
19 company is an existing Missouri business, in an amount equal to  
20 or less than three percent of new payroll; provided that in no  
21 event may the total amount of benefits awarded to a qualified  
22 company under this section exceed nine percent of new payroll in  
23 any calendar year. The amount of tax credits awarded to a  
24 qualified company under this subsection shall not exceed the  
25 projected net fiscal benefit to the state, as determined by the  
26 department, and shall not exceed the least amount necessary to  
27 obtain the qualified company's commitment to initiate the  
28 project. In determining the amount of tax credits to award to a  
29 qualified company under this subsection, the department shall

1 consider the factors provided under subsection 2 of this section.

2 7. In lieu of the benefits available under subsections 1,  
3 2, 5, and 6 of this section, and in exchange for the  
4 consideration provided by the new tax revenues and other economic  
5 stimuli that will be generated by the new jobs and new capital  
6 investment created by the program, the department may award a  
7 qualified company that satisfies the provisions of subdivision  
8 (1) of subsection 1 of this section tax credits, issued within  
9 one year following the qualified company's acceptance of the  
10 department's proposal for benefits, in an amount equal to or less  
11 than nine percent of new payroll. The amount of tax credits  
12 awarded to a qualified company under this subsection shall not  
13 exceed the projected net fiscal benefit to the state, as  
14 determined by the department, and shall not exceed the least  
15 amount necessary to obtain the qualified company's commitment to  
16 initiate the project. In determining the amount of tax credits  
17 to award to a qualified company under this subsection, the  
18 department shall consider the factors provided under subsection 2  
19 of this section and the qualified company's commitment to new  
20 capital investment and new job creation within the state for a  
21 period of not less than ten years. For the purposes of this  
22 subsection, each qualified company shall have an average wage of  
23 the new payroll that equals or exceeds one hundred percent of the  
24 county average wage. Notwithstanding the provisions of section  
25 620.2020 to the contrary, this subsection, shall expire on June  
26 30, 2025.

27 8. No benefits shall be available under this section for  
28 any qualified company that has performed significant,  
29 project-specific site work at the project facility, purchased

1 machinery or equipment related to the project, or has publicly  
2 announced its intention to make new capital investment or  
3 manufacturing capital investment at the project facility prior to  
4 receipt of a proposal for benefits under this section or approval  
5 of its notice of intent, whichever occurs first.

6 9. In lieu of any other benefits under this chapter, the  
7 department of economic development may award a tax credit to an  
8 industrial development authority for a qualified military project  
9 in an amount equal to the estimated withholding taxes associated  
10 with the part-time and full-time civilian and military new jobs  
11 located at the facility and directly impacted by the project.

12 The amount of the tax credit shall be calculated by multiplying:

13 (1) The average percentage of tax withheld, as provided by  
14 the department of revenue to the department of economic  
15 development;

16 (2) The average salaries of the jobs directly created by  
17 the qualified military project; and

18 (3) The number of jobs directly created by the qualified  
19 military project.

20  
21 If the amount of the tax credit represents the least amount  
22 necessary to accomplish the qualified military project, the tax  
23 credits may be issued, but no tax credits shall be issued for a  
24 term longer than fifteen years. No qualified military project  
25 shall be eligible for tax credits under this subsection unless  
26 the department of economic development determines the qualified  
27 military project shall achieve a net positive fiscal impact to  
28 the state."; and

29 Further amend the title and enacting clause accordingly.