



TAX CREDIT FOR CONTRIBUTION PROGRAM

Program Guidelines and Application

**MISSOURI DEVELOPMENT FINANCE BOARD
RIVERVIEW OFFICE BUILDING
221 BOLIVAR STREET, SUITE 300
P.O. BOX 567
JEFFERSON CITY, MISSOURI 65102
(573) 751-8479
<https://mdfb.org/>**

(Effective January 2022)

TAX CREDIT FOR CONTRIBUTION PROGRAM

Program Guidelines

The Missouri Development Finance Board (the “Board”) is authorized by Section 100.286.6 of the Missouri Statutes (the “Tax Credit Statute”) to grant a tax credit equal to 50% on the value of any eligible contribution to the Board by any taxpayer. To be eligible for the credit, the contribution must be made to one of three funds established by the Board’s statutes: the Industrial Development and Reserve Fund, the Infrastructure Development Fund, or the Export Finance Fund.

I. ELIGIBILITY

There are four eligibility requirements under the Tax Credit for Contribution Program –

- A. Applicant Eligibility; B. Project Eligibility; C. Contributor/Donor Eligibility; and
- D. Contribution/Donation Eligibility:

A. Applicant Eligibility

To be eligible, an applicant must be a local political subdivision, a local governmental entity created on behalf of or for the benefit of a local political subdivision, or a state agency. Applications from local governments must be authorized by duly adopted resolutions or ordinances of the elected governing body, and signed by the chief elected official or designated city representative. A duly executed copy of the authorizing resolution must be attached to the application. Applications from state agencies must be signed by the agency director.

B. Project Eligibility

For contributions made to the Infrastructure Development Fund and for which the applicant is requesting a grant of contribution proceeds from the Board, the project must qualify as a public infrastructure facility as determined under Chapter 100.255(9) and (14) of the Board’s statutes. The Infrastructure Fund is the only fund from which the Board is authorized to make a grant of proceeds from. Grants can only be made to local governments and state agencies, and only for land acquisition and attendant depreciable capital costs incurred or to be incurred on improvements to real property for qualified public infrastructure projects. Proceeds cannot be granted to pay for operating costs, short-term assets that are typically expensed, rolling stock, or furniture, fixtures and equipment having a depreciable life of less than five (5) years.

“Infrastructure facilities” means the highways, streets, bridges, water supply and distribution systems, mass transportation facilities and equipment, telecommunication facilities, jails and prisons, sewers and sewage treatment facilities, wastewater treatment facilities, airports, railroads, reservoirs, dams and waterways in this State, acquisition of blighted real estate and the improvements thereon, demolition of existing structures and preparation of sites in anticipation of development, public facilities and any other improvements provided by any form of government or development agency.

“Public facility” means any facility or improvements available for use by the general public including facilities for which user or other fees are charged on a nondiscriminatory basis.

By policy the Board will not consider applications under this program for health and/or medical facilities, including nursing or retirement facilities or combination thereof, or for private or public educational facilities. The Board may make exceptions to this policy at its sole discretion.

Contributions may be made to other Board funds from which the Board can use the proceeds to capitalize Board-operated small business loan or loan guarantee programs or other qualified uses as set forth in Board statutes.

C. Contributor/Donor Eligibility

Any taxpayer making a contribution to the Board, including any charitable organization that is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under Chapter 143, may, subject to certain limitations, be eligible to receive the credit.

The Tax Credit Statute entitles the Donor (individuals, estates, trusts, and corporations) to receive a credit upon any tax otherwise due under Chapter 143 (excluding Chapters 143.192 to 143.261), Chapter 147, and Chapter 148 of the Missouri Statutes. The exclusions are certain withholding taxes identified in the Tax Credit Statute. The amount of the credit is equal to 50% of the value of the contribution as determined under Contribution Eligibility below. Each Donor should consult his or her tax advisor before making a Contribution.

If the Donor is a for-profit private corporation or person, the Board will not use the Contribution in a manner which will **directly or indirectly benefit** the Donor beyond the benefit conferred by the credits, unless the Donor demonstrates to the sole satisfaction of the Board that such use is based upon fair market value considerations and is an arms-length transaction from the Donor.

D. Contribution/Donation Eligibility

The amount (or value) of each Contribution shall be determined by the Board as follows:

Cash – The amount of cash Contributions shall be the face amount of such Contribution.

Marketable Securities – The amount (or value) of marketable securities shall be the proceeds received by the Board from the liquidation of such marketable securities in accordance with the Donor’s instructions approved and accepted by the Board, less the Board’s costs of selling such securities.

Unmarketable Securities – Unmarketable securities are not eligible for contribution.

Real Property – The value of Contributions consisting of real property shall be the lesser of two independent MAI appraisals completed less than 12 months prior to the donation with the following restrictions applied:

- Title must be held free and clear by the donor and all taxes and assessments must be paid current;
- A current, clean Phase 1 Environmental Site Assessment as deemed acceptable by the Board must be submitted with the application on all non-residential real estate; and
- Transactional costs associated with the valuation, acquisition, sale or transfer of real property are not eligible to receive credits.

All determinations by the Board of the amount (or value) of each Contribution shall, absent manifest error, be conclusive and binding upon the Contributors and the Applicant. No other forms of contribution, including non-cash donations of materials, labor, in-kind or professional services, are eligible. The Board reserves the right to reject any Contribution.

II. DONOR USE OF THE TAX CREDIT

Upon acceptance of Contributions and submission of the necessary forms, the Donor will be issued a certificate evidencing the tax credit in an amount equal to 50% of the amount of the Contribution. All forms necessary to submit a contribution and qualify for the credit are in Exhibit D attached.

The Tax Credit Statute provides that tax credits are to be taken in the taxpayer's current tax year, although such credit may be carried forward for up to five years. Credits may be sold for not less than 75% or more than 100% of their par value, provided that all credits must be claimed within 10 years of the date the Contribution is made. Tax credits issued by the Board are not "refundable" and cannot be "carried-back," but can be carried forward to offset future tax liabilities for up to five years. These credits cannot be used to amend a previously filed return by the original contributor or any subsequent assignee for any tax year beyond the immediately preceding tax year in which the credit is acquired, and only if that preceding tax year return has not yet been filed with Department of Revenue.

To effectuate a sale or transfer, the assignor and assignee must complete and submit a Form L to the Board. The Form L can be found on our website <https://mdfb.org/>

III. TOTAL ANNUAL CREDIT AMOUNTS, LAPSE OF CREDITS

The Board is authorized to approve and award up to \$10 million in credits (equaling up to \$20 million in contributions) per calendar year. Of this \$10 million in credits, \$1 million has been set aside for applications from small cities and rural areas only (cities with a population less than 50,000 and counties less than 200,000 in population. The Board reserves the right to shift credits from one population category to another if the demand for credits is present.

Section 100.286.8 of the Board’s statutes provides that the \$10 million limitation may be exceeded by mutual agreement of the Commissioner of the Office of Administration, the Director of the Department of Economic Development, and the Director of the Department of Revenue provided that such approval is essential to ensure retention or attraction of investment in Missouri. The Board cannot approve more than \$25 million in tax credits during any calendar year.

Any calendar year credits not approved and awarded by the Board lapse at the end of the calendar year and do not carry-forward to the following year.

IV. APPLICATION SUBMISSION PROCESS

Prior to submission of a written draft, Applicants are encouraged to contact Board staff and discuss the proposal to confirm eligibility.

MDFB Staff Preliminary Review of Draft of Completed Application – Optional

The Applicant may submit the Application **in draft form** to mdfb@ded.mo.gov or to the following address:

Missouri Development Finance Board
221 Bolivar Street, Suite 300
P.O. Box 567
Jefferson City, MO 65102

Within approximately two (2) weeks from the receipt of the draft Application, Board staff will contact you regarding any additional information necessary to complete the Application. The Applicant should then address such comments before submitting a complete and executed final Application to the Board.

Submission of Completed Application – Once the Application is fully completed (which includes any changes or additional information requested pursuant to the preceding paragraph), the Applicant should submit to the Board a final executed Application to the mailing address set forth above. Applications also may be submitted electronically at mdfb.org.

When submitting applications, please submit only the application form **and** supplemental narrative attachments further explaining the project, and any economic impact studies prepared for the project. Benefits, outcomes and measurements should be clear, concise, and quantifiable. Methodologies used in estimating benefits and outcomes should be clearly explained.

Narrative attachments should contain a brief heading denoting its subject matter, be single-sided, typed, with either an 11 or 12-point font, with approximately 1-inch margins. The application and attachments may be bound into binders or other type folders, but should not be stapled either in whole or component parts.

If the Executive Director determines that the Application is complete, the Executive Director will schedule the Application for consideration at an upcoming meeting. . The Board normally meets the third Tuesday of each month at its office in Jefferson City. In order to process an application for inclusion on a regularly scheduled (third Tuesday) meeting agenda for

presentation in any given month, it must be received by the first business day of that month. Please note meeting dates are subject to changes at the Board's sole discretion which may impact the required submission date. It is the responsibility of the Applicant, or Principal User, to maintain communications with Board staff on upcoming meeting schedules when submitting a final application.

Consideration of the Application – The Board will notify the Applicant as soon as possible of the time and date of the Board meeting. At such meeting the Applicant will be expected to make a complete and detailed presentation concerning the matters covered by the Application. The Board reserves the right to postpone any action on the Application and to request additional information the Board determines is necessary to properly consider the Application. In practice, the Board generally requires a preliminary presentation at which time no action is taken, and a final presentation at a subsequent meeting where action is taken. Incomplete applications will not be considered and will be returned to the Applicant together with an explanation of why the application was determined incomplete.

Approval – If the Board approves the Application, the Applicant and the Board staff will then proceed to prepare the Tax Credit Agreement for execution and delivery. This agreement defines the relationship between the Applicant and Board and governs the use of Contributions made available to the Applicant for the Project.

V. BOARD FEES

There is no application fee for submissions. A 4% fee on the value of the Contribution Amount will be assessed on approved applications and deducted from contributions made to the Board.

VI. EVALUATION CRITERIA

Once the Board determines that the Application is eligible for tax credits under the Program, the Board will evaluate applications based upon the following criteria:

State and Local Economic Impact – This criteria will assess the projected benefit of the Project on state and local taxes. It includes such factors as the number and quality of jobs the project will create, the promotion of tourism, elimination of blighted conditions, and total project investment.

Local Governmental Financial Participation in the Project – This criteria will assess the amount of local support for the Project. It also considers the location in which the Project is occurring and the availability of other viable resources. Direct and indirect support from other sources will be considered in most cases.

Ratio of Public to Private Investment in the Project – This criteria will assess the private contribution to the cost of the Project to the total state and local support for the Project.

Critical Funding Test – This criteria will assess the extent to which the funding request is critical or essential for the Project to occur as presented. It also includes an assessment that the

charitable contributions can be timely raised and whether the Project is sustainable without additional assistance from MDFB.

Public Purposes – This criteria will assess the extent the Project will support other public policy goals including encouraging and leveraging private investment in distressed and blighted areas, enhancing employment opportunities to disadvantaged persons and businesses, and/or providing funding to support the construction or expansion of facilities resulting in expanding the delivery of services that benefit public health, safety and welfare, and/or the promotion of tourist and cultural facilities. It will also include an assessment of the importance of the public infrastructure facilities to the state and local government.

The Board reserves the right to approve projects with certain conditions other than those outlined in this policy. The decision to approve an application will be made in the sole discretion of the members of the Board after consideration of the foregoing factors. Priority will be given to applicants that have not received prior assistance from MDFB. The Board is prohibited from allocating credits from future years. Applications that indicate a desire to request tax credits over multiple years will face additional scrutiny and will generally not be approved absent mitigating factors that MDFB will consider on a case-by-case basis. MDFB prefers to provide funding to initiate a project that then becomes self-sustaining. The Board reserves the right to approve in whole or in part or reject any request, and to request any additional information it deems necessary.

VII. APPROVAL

Approval of the Application shall be evidenced by action of the members of the Board at a duly held meeting. The amount of an approval may be less than the amount requested by the applicant. Any approval may include conditions which must be satisfied prior to the issuance of tax credits.

Each Applicant and Project Beneficiary will be required to execute a Tax Credit Agreement containing the terms on which the Board will accept Contributions and the requirements for expending such Contributions, including requirements regarding compliance with the Board's standard guidelines and practices.

SPECIAL NOTICE

The Tax Credit Accountability Act of 2004 (Senate Bill 1099, Sections 135.800 through 135.830, RSMo) makes several changes to the tax credit programs, specifically:

- Processing tax credit applications;
- Annual reporting requirements; and,
- Penalty provisions

Changes in Processing of Tax Credits (Section 135.815, RSMo)

Prior to the Missouri Development Finance Board (“Board”) authorization of a tax credit, the Board will contact the Departments of Revenue and Insurance and verify that the applicant does not owe any delinquent income, sales, use taxes, or insurance taxes, or interest or penalties on such taxes. If a delinquency exists, the amount of tax credits issued will be reduced by the amount of the delinquency. After satisfying all delinquencies, the remaining credits shall be issued.

Reporting Requirements (Section 135.805, RSMo)

Certain tax credit recipients are required to annually report information pertaining to the project that received the tax credits to the Board. The statute requires that a full year pass after the issuance of the tax credits before the SB 1099 reporting requirements must be met. The earliest date that reporting may be required is June 30, 2006.

The Redevelopment category of tax credits, which includes the Missouri Development Finance Board Tax Credit for Contribution Program, requires recipients to annually report for three (3) years following the date of issuance of the tax credits to the Board the following information:

- Whether the property is used for residential, commercial or governmental purposes;
- Projected or actual project cost and labor cost; and,
- Date of completion

Penalty Provisions (Section 135.810, RSMo)

Failure to meet the annual reporting requirements or fraud in the application process shall subject such person or entity to penalties, if determined by a court.

If the annual report is ninety (90) days past due, the Board shall send notice by registered mail to the last known address of the person or entity who is required to complete the annual report. The notice shall inform the person or entity of the past due report and the pending penalties and their respective deadlines.

If the annual report is six (6) months past due, the Board shall notify the Department of Revenue that the taxpayer is subject to penalties because of failure to report.

Such penalties include the following:

- Failure to report for six (6) months but less than one year shall equal a penalty of two percent (2%) of the value of the tax credits issued for each month of the delinquency.
 - EXAMPLE: Entity authorized to utilize \$10,000 in tax credits. Annual report is due June 30, 2006; however, the entity does not submit the report until March 30, 2007. The entity is nine (9) months delinquent and the penalty would equal 2% multiplied by \$10,000 for nine (9) months or \$1,800.
- Failure to report for more than one (1) year shall equal a penalty of ten percent (10%) of the value of the credits issued for each month of the delinquency, not to exceed one hundred percent (100%) of the tax credit value.
 - EXAMPLE: Entity authorized to utilize \$10,000 in tax credits. Annual report is due June 30, 2006; however, the entity does not submit the report until March 30, 2008. The entity is twenty-one (21) months delinquent and the penalty would equal 10% multiplied by \$10,000 for twenty-one (21) months or \$21,000; however, the statute limits the penalty to the amount of the tax credits, therefore, the penalty would be \$10,000.

The taxpayer shall be liable for any penalties as of December 31 of any tax year and the liability shall be due as of the filing date of the taxpayer's next income tax return.

If the taxpayer is not required to file an income tax return, the taxpayer's liability for penalties shall be due as of April 15th of each year.

The Director of the Department of Revenue shall offset any tax credits claimed on a filed tax return against an outstanding penalty before applying such credits to the tax year against which they were originally claimed.

Any nonpayment of liability for penalties shall be subject to the same provisions of law as a liability for unpaid income taxes, including but not limited to, interest and penalty provisions.

Penalties shall remain the obligation of the person or entity obligated to complete the annual report without regard to any transfer of the credits.

Closed Records (Sections 610.255 and 620.014, RSMo)

Prior to August 28, 2004, and pursuant to Section 620.014, DED had the authority to close certain records except for the name of the tax credit recipient and the amount of the tax credit. SB 1099 removes this broad exception, but DED and the Board retains the authority to close records or documents that "relate to financial investments in a business, or sales projections or other business plan information which may endanger the competitiveness of a business" or as also allowed by law.

MISSOURI DEVELOPMENT FINANCE BOARD

TAX CREDIT FOR CONTRIBUTION PROGRAM APPLICATION

The undersigned Applicant hereby submits this Application and requests the Missouri Development Finance Board (the "Board") accept a Contribution, and, to the extent described herein, apply the proceeds of such Contribution for the purpose of financing the Project described below (the "Project") pursuant to the Board's Tax Credit for Contribution Program.

The undersigned has read the Board's Tax Credit for Contribution Program Description and Guidelines.

Date: _____ Total Estimated Project Budget/Cost: \$ _____
Total Amount of Proposed Contribution: \$ _____
Total Tax Credit Amount (50% of Contribution): \$ _____

Name: _____
Address: _____
City _____ County: _____ Zip Code: _____
Contact: _____ Telephone: _____
Title: _____ Fax: _____
E-mail: _____

A. THE APPLICANT

1. Organization:

What type of governmental entity is the Applicant?

2. Legal or In-House Counsel to the Applicant:

Firm Name: _____
Address: _____
City _____ State: _____ Zip Code: _____
Contact: _____ Telephone: _____
Title: _____ Fax: _____
E-mail: _____

3. What is the total population of the Applicant? _____

4. In which state legislative District(s) is the Project located:

House: _____ Senate: _____
In which U.S. Congressional District: _____

5. Taxpayer Identification Number: _____

6. Facility's NAICS* Number: _____

(Use the NAICS number for the facility(s) to be constructed or improved with the contribution.)

*NAICS — North American Industry Classification System. The Federal Office of Management and Budget (OMB) adopted the NAICS as the industry classification system used by the statistical agencies of the United States. NAICS replaces the 1987 Standard Industrial Classification (SIC). The NAICS is used for classifying business establishments to assist with gathering data related to measuring productivity, unit labor costs, and the capital intensity of production, employment and other information. Missouri businesses are assigned a NAICS when the company files a "Report to Determine Liability Status" with the Missouri Department of Labor and Industrial Relations, Division of Employment Security to determine Unemployment Tax Liability. Normally, a general business employer becomes liable for the tax and responsible for providing unemployment insurance for its workers when it:

- Pays \$1,500 in wages (cash and in-kind) in a calendar quarter, or
- Has an employee in some portion of a day in each of 20 different weeks, or
- Becomes liable under the Federal Unemployment Tax Act (FUTA) and employs a worker in Missouri, or
- Acquires and continues without interruption substantially all the business of a liable employer.

B. THE PROJECT

1. Project Description:

Type of Project:

- Construction of new infrastructure
- Acquisition of real estate
- Construction of new facilities
- Acquisition of existing facilities
- Additions or improvements to existing facilities
- Acquisition of equipment

Business Address/Location of Project Site:

(Street) (City) (County)

Legal Description of Property:

What is the expected date of commencement of construction of the Project?

Date: _____

What is the date the Project is expected to commence operations?

Date: _____

2. Project Costs and Ongoing Sustainability:

On the following table, state the costs reasonably necessary for the acquisition of the site and/or construction of the proposed Project together with any machinery and equipment in connection therewith, including any utilities hook-up, access roads, or appurtenant structures. Additionally, on a separate attachment explain how the project will be financially self-sustainable on an ongoing basis. Attach an annual income and expense Proforma for the project demonstrating sustainability.

<u>Description of Estimated Project Costs</u>	<u>Non- Contribution Amount</u>	<u>Cost Financed With Contribution Proceeds</u>
A. Acquisition of Land	\$ _____	\$ _____
Acquisition of Existing Buildings	\$ _____	\$ _____
B. Infrastructure Costs:		
1. Filling, grading and provision of drainage	\$ _____	\$ _____
2. Storm water retention	\$ _____	\$ _____
3. Installation and extension of utilities (offsite):	\$ _____	\$ _____
a. water	\$ _____	\$ _____
b. sewer	\$ _____	\$ _____
c. sewage treatment	\$ _____	\$ _____
d. gas	\$ _____	\$ _____
e. electricity	\$ _____	\$ _____
f. communications and similar facilities	\$ _____	\$ _____
4. Installation and extension of utilities (onsite):	\$ _____	\$ _____
a. water	\$ _____	\$ _____
b. sewer	\$ _____	\$ _____
c. sewage treatment	\$ _____	\$ _____
d. gas	\$ _____	\$ _____
e. electricity	\$ _____	\$ _____
f. communications and similar facilities	\$ _____	\$ _____
5. Construction, Extension or Improvement of Roads and/or Rail Lines	\$ _____	\$ _____
6. Extension of sidewalks and curbing	\$ _____	\$ _____
7. Elimination of Blight (please describe)	\$ _____	\$ _____
8. Other (please describe)	\$ _____	\$ _____
C. Facility Construction Costs (exclude inventory and working capital):		
1. Architectural and Engineering	\$ _____	\$ _____
2. Site Preparation	\$ _____	\$ _____
3. Materials	\$ _____	\$ _____
4. Labor	\$ _____	\$ _____
5. Construction Contracts	\$ _____	\$ _____
6. Utilities Connection	\$ _____	\$ _____
7. Paving and Landscaping	\$ _____	\$ _____
D. Renovation Costs	\$ _____	\$ _____
E. Machinery and Equipment	\$ _____	\$ _____
F. Furniture and Fixtures	\$ _____	\$ _____
G. Interest During Construction		
From _____ To _____	\$ _____	\$ _____
H. Accounting, Legal, Miscellaneous	\$ _____	\$ _____
I. Contingency	\$ _____	\$ _____
TOTAL PROJECT COSTS	\$ _____	\$ _____

Source of Funds:

State amount and sources of financing for all of the Project costs listed above.

<u>Sources</u>	<u>Amount</u>
Contribution Proceeds	\$ _____
Applicant's Funds (Describe Sources)	\$ _____
Federal Funds (Describe Sources)	\$ _____
State Funds (Describe Sources)	\$ _____
Private Funds (non-Contributions)	\$ _____
Other (Describe Sources)	\$ _____
TOTAL	\$ _____

Provide a detailed description for all State, Federal, Private or Other funding sources listed above. Include agency and program name, respective amounts if more than one source is involved on the same line, and a copy of the funding commitment or approval setting forth the terms of funding. If approval has not been received, provide an explanation of where the application or request is in the review process, and the expected date of approval. The ability to demonstrate a high level of certainty in obtaining all funding identified to complete the project as presented is a factor the Board considers.

3. Certified Minority (MBE) and Women-Owned Business Enterprise (WBE) Participation

The Board encourages the involvement of minority and women-owned businesses as certified by either the Missouri Office of Administration (OA) for state agency applications, or the municipality submitting the application for local projects. If the application is from a local government, please attach a copy of the Applicant's MBE/WBE Policy and Procedures pertaining to this subject, or the link to the local government's web site where this information can be obtained. If the Applicant has policies and procedures in place, adherence to these policies and procedures will be a stipulation of the use of Contributions. If policies are not in place, please denote same and note that you will be required to contact OA to develop a plan to address this matter. The Office of Administration list of certified businesses by region can be found at <http://oeo.mo.gov/> for those communities that do not maintain their own certification program.

Please estimate the number of each type business the Applicant and/or Principal User expects to utilize in the construction and equipping of the Project.

	<u>No. of Firms</u>	<u>Amount</u>
Minority Business Enterprise (MBE)	_____	\$ _____
Women Business Enterprise (WBE)	_____	\$ _____

Please note that the MDFB will require the Applicant, or Principal User if different from the Applicant, to submit a written report upon the completion of the Project providing the number of firms used, dollar amount of contracted value, and brief description of the type work or services contacted for each category above.

4. Ownership:

Present legal owner of Project site:

If presently owned by Applicant, indicate date of purchase, reason for purchase, and current use of site:

Is there a relationship legally or by virtue of common control between either the current Project user or owner or the proposed Project owner and user or seller of the Project:

Yes No If yes, please give details.

5. Employment:

New Full-Time Jobs _____ Average Wage _____

Part-Time Jobs _____ Average Wage _____

Temporary Jobs _____ Average Wage _____

Jobs during Construction _____

Average Wage _____

Estimated length of Construction period _____

C. FINANCIAL INFORMATION

1. Financial Statements:

Attach audited financial statements for at least the last three (3) fiscal years, including the most recent interim statement (not more than 90 days old).

2. Financial Difficulties:

Has the Applicant, or any corporation formed by or on behalf of the Applicant, ever defaulted on its debt obligations, been involved in bankruptcy, creditor's rights, or receivership proceedings, or been involved in criminal proceedings bearing on the handling of financial matters?

Yes No If yes, please give details.

3. Litigation:

Is the Applicant presently involved in any litigation which could have a material effect on its financial solvency?

Yes No If yes, please give details.

4. Please list the Applicant's general fund and other key fund surpluses (or deficits) for the last four years.

Year	General Fund () for deficits	_____ Fund () for deficits	_____ Fund () for deficits
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

5. Has the Applicant ever defaulted on any obligation or failed to appropriate for any lease or any other annual appropriation obligation during the last 20 years?

Yes No If yes, please give details.

D. PROJECT REVENUES

Attach a cost benefit analysis showing the total tax revenues generated that will be collected by the local governmental jurisdictions and the state as a result of the Project, and the cost of all local and state governmental assistance provided to the Project. Revenues and costs should be identified by each recipient or payee (private and governmental). Submission of a cost benefit analysis for Small Cities category and social services-focused projects may be waived at the discretion of the Board.

E. IDENTIFICATION OF CONTRIBUTORS

Has the Applicant identified who the contributors would be?

Yes No

If Yes, please list below or attach a list of names of potential contributors.

If No, please explain why the Applicant believes such Contributions are likely to be obtained.

Provide a timeline of fundraising activities. Include when you expect the first contribution to be made and when you expect to have the fundraising for this project complete. Please be as specific as possible.

F. USE OF THE PROJECT

If the Project will be used for (or will substantially benefit) an entity in addition to the Applicant, please complete Exhibit B for such user of beneficiary.

G. CERTIFICATION OF APPLICANT

The undersigned hereby represents and certifies that, to the best knowledge and belief of the undersigned, this Application contains no information or data, contained herein or in the exhibits or attachments, that is false or incorrect.

Dated this _____ day of _____, 20 ____

SIGNATURE: _____
NAME: _____
TITLE: _____

Certification

- I certify that I am an authorized representative of the applicant and as such am authorized to make the statement of affirmation contained herein.
- I certify that the applicant does NOT employ illegal aliens and that the applicant has complied with federal law (8 U.S.C. § 1324a) requiring the examination of an appropriate document or documents to verify that an individual is not an unauthorized alien.
- I understand that if the applicant is found to have employed an illegal alien in Missouri and did not for that employee examine the document(s) required by federal law, that the applicant shall be ineligible for any state-administered or subsidized tax credit, tax abatement or loan for a period of five years following any such finding.
- I attest that I have read and understand the Missouri Development Finance Board Tax Credit for Contribution Program guidelines, specifically as it relates to the Tax Credit Accountability Act of 2004 (SB 1099).
- I hereby agree to allow representatives of the Department and Board access to the property and applicable records as may be necessary for the administration of this program.

Program Assessment and Administrative Fees are due upon execution of a Tax Credit Agreement in an amount equal to 4% of the amount of all authorized Contributions.

STATE OF MISSOURI
(SS)
COUNTY/CITY OF _____

On this ____ day of _____, 20____, before me, _____, a Notary Public in and for said state, personally appeared _____, known to me to be the person who executed the Certification and acknowledged and states on his/her oath to me that he/she executed the same for the purposes therein stated.

_____ Notary Public

(SEAL)

My commission expires _____

EXHIBIT A

PROJECT NARRATIVES

Please address each of the following statements. (Provide separate attachments as necessary.)

1. Provide a description of the project, including land, buildings, improvements, machinery and equipment to be acquired or constructed, and the principal use of the facilities once complete.

2. Describe the public policy objective(s) that will be supported by the Project.

3. Describe and quantify the project's primary beneficiaries or targeted audience/clientele served.

4. Explain the economic impact this project will have on the State of Missouri and the community in which it is located.

5. Explain the non-economic benefits this project will have on the community and state.

6. Describe the local Governmental financial support for the project, both direct and indirect.

7. How did you determine the amount of local city/county cash or local non-profit cash to be dedicated to the project?

8. Describe the fundraising history of the organization and how they intend to be successful in raising funds for this project using tax credits.

9. Explain how this project will be financially self-sustainable upon completion.

EXHIBIT B

PROJECT USER BENEFICIARY INFORMATION

(Only to be completed when the Project will be used by or will benefit a non-profit or for-profit business or other private person.)

A. THE PROJECT USER OR BENEFICIARY

Name: _____
Address: _____
City _____ State: _____ Zip Code: _____
Contact: _____ Telephone: _____
Title: _____ Fax: _____
E-mail: _____

1. Business Organization:

- Corporation
- C-Corporation
- S-Corporation
- LLC
- Partnership (General Limited)
- Sole Proprietorship
- Publicly Held
- Privately Held

Is the Project User or the Beneficiary a subsidiary or affiliated directly with any other organization?

- Yes No

If so, indicate relationship and name of related organization.

Is the Project User or the Beneficiary a 501(c)(3) corporation? If so, provide Proof of Status as a not-for-profit organization.

Yes No

2. Officers and Directors

<u>Title</u>	<u>Name</u>	<u>Address of Residence</u>
President	_____	_____
Vice President	_____	_____
Secretary	_____	_____
Treasurer	_____	_____
Directors	_____	_____
	_____	_____
	_____	_____
	_____	_____

3. Principal Stockholders, Members or Partners:

<u>Name</u>	<u>%</u>	<u>City/State</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. Legal Counsel to the Project User or the Beneficiary:

Name: _____
Address: _____
City, State, ZIP: _____
Telephone: _____
Fax: _____
E-mail: _____

5. Project User or the Beneficiary's Principal Banker:

Name: _____
Address: _____
City, State, ZIP: _____
Telephone: _____
Fax: _____
E-mail: _____

6. Project User or the Beneficiary's Current Operations:

Briefly, describe the Project User's or the Beneficiary's operations, including description of existing products, facilities, services and in general, its method of operations, customers, clients and suppliers.

7. Financial Statements and Ongoing Sustainability:

Attach audited financial statements for at least the last three (3) fiscal years, if available, including the most recent interim statement (not more than 90 days old). If audited financial statements are not available, please explain why and submit reviewed, compilation or other type statements. Additionally, on a separate attachment explain how the project will be financially self-sustainable on an ongoing basis. Attach an annual income and expense Proforma for the project demonstrating sustainability.

8. Relationship to the Project:

Describe in detail the Project User's or the Beneficiary's relationship to the Project described in the Application to which this Exhibit is attached.

9. Litigation:

Is the Project User presently involved in any litigation which could have a material effect on its financial solvency?

Yes No If yes, please give details.

B. CERTIFICATION OF PROJECT USER OR THE BENEFICIARY

The undersigned hereby represents and certifies that, to the best knowledge and belief of the undersigned, this Exhibit and the Application to which it relates contains no information or data contained herein or in the exhibits or attachments, is false or incorrect.

Dated this _____ day of _____, 20 ____

SIGNATURE: _____

NAME: _____

TITLE: _____

Certification

- I certify that I am an authorized representative of the project user or beneficiary and as such am authorized to make the statement of affirmation contained herein.
- I certify that the project user or beneficiary does NOT employ illegal aliens and that the applicant has complied with federal law (8 U.S.C. § 1324a) requiring the examination of an appropriate document or documents to verify that an individual is not an unauthorized alien.
- I understand that if the project user or beneficiary is found to have employed an illegal alien in Missouri and did not, for that employee examine the document(s) required by federal law, that the project user or beneficiary shall be ineligible for any state-administered or subsidized tax credit, tax abatement or loan for a period of five years following any such finding.
- I attest that I have read and understand the Missouri Development Finance Board Tax Credit for Contribution Program guidelines, specifically as it relates to the Tax Credit Accountability Act of 2004 (SB 1099).
- I hereby agree to allow representatives of the Department and Board access to the property and applicable records as may be necessary for the administration of this program.

director's discretion, elect not to apply such administrative action for a first-time occurrence. Any person, corporation, partnership or other legal entity that is found to be ineligible for a state-administered or subsidized tax credit, tax abatement, or loan pursuant to this subsection may make an appeal with the administrative hearing commission pursuant to the provisions of Chapter 621, RSMo. "Negligent", for the purposes of this subsection means that a person has failed to take the steps necessary to comply with the requirements of 8 U.S.C. 1324a with respect to the examination of an appropriate document or documents to verify whether the individual is an unauthorized alien.

2. Beginning August 28, 1999, any individual, individual proprietorship, corporation, partnership, firm or association that knowingly accepts any state-administered or subsidized tax credit, tax abatement or loan in violation of subsection 1 of this section shall upon conviction be guilty of a class A misdemeanor, and such action may be brought by the attorney general in Cole county circuit court.

Section 285.525. (1) "Business entity", any person or group of persons performing or engaging in any activity, enterprise, profession, or occupation for gain, benefit, advantage, or livelihood. The term "business entity" shall include but not be limited to self-employed individuals, partnerships, corporations, contractors, and subcontractors. The term "business entity" shall include any business entity that possesses a business permit, license, or tax certificate issued by the state, any business entity that is exempt by law from obtaining such a business permit, and any business entity that is operating unlawfully without such a business permit. The term "business entity" shall not include a self-employed individual with no employees or entities utilizing the services of direct sellers as defined in subdivision (17) of subsection 12 of section 288.034

Section 285.530.1. No business entity or employer shall knowingly employ, hire for employment, or continue to employ an unauthorized alien to perform work within the state of Missouri.

2. As a condition for the award of any contract or grant in excess of five thousand dollars by the state or by any political subdivision of the state to a business entity, or for any business entity receiving a state-administered or subsidized tax credit, tax abatement, or loan from the state, the business entity shall, by sworn affidavit and provision of documentation, affirm its enrollment and participation in a federal work authorization program with respect to the employees working in connection with the contracted services. Every such business entity shall also sign an affidavit affirming that it does not knowingly employ any person who is an unauthorized alien in connection with the contracted services. Any entity contracting with the state or any political subdivision of the state shall only be required to provide the affidavits required in this subsection to the state and any political subdivision of the state with which it contracts, on an annual basis

3. All public employers shall enroll and actively participate in a federal work authorization program.

4. An employer may enroll and participate in a federal work authorization program and shall verify the employment eligibility of every employee in the employer's hire whose employment commences after the employer enrolls in a federal work authorization program. The employer shall retain a copy of the dated verification report received from the federal government. Any business entity that participates in such program shall have an affirmative defense that such business entity has not violated subsection 1 of this section.