

Purpose

The purpose of the program is to incentivize the location and expansion of data centers in the State of Missouri by providing an exemption, for a period of time, of the sales and utility taxes associated with a variety of activities necessary to build a new facility or expand an existing facility.

Authorization

144.810 RSMo

Eligible Areas

Statewide

Eligible Applicants

Taxpayers(s) primarily engaged in data processing, hosting and related services (NAICS 518210); or

Taxpayer(s) primarily engaged in internet publishing and broadcasting and web search portals at the business facility (NAICS 519130)

Eligibility Criteria

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Taxpayer(s) primarily engaged in internet publishing and broadcasting and web search portals at the business facility (NAICS 519130)

How The Program Works

An eligible data center company (or a consortium of eligible companies) who plan to locate at a new facility or expand an existing facility apply to the State with a Notice of Intent which describes their proposed “plan”. That “plan” includes the estimates of construction or rehab materials; machinery and equipment purchases; and utility costs over a designated term at the facility (no more than 10 years for an expanding facility and no more than 15 years for a new facility). The “plan” also includes the number of new jobs to be hired over the term at the facility within a required time frame.

The Department of Economic Development, in cooperation with the Department of Revenue determine the applicant’s eligibility including company type (by NAICS code) and whether the company’s plan will meet the statutory

thresholds for program participation. The Department of Economic Development also determines if the fiscal impact of the proposed plan provides a positive net fiscal return to the State. If so, the Department offers a conditional approval. Once the thresholds have been met, the company may apply to receive a sales tax exemption certificate for each year of their benefit term. The first year may include a refund of any sales taxes paid for a period prior to meeting the thresholds.

The thresholds for participation for an expanding facility include: at least 5 new full time jobs with average wages at 150% of county average wage within 24 months and \$5 million dollars in new investment within 12 months of the conditional approval of the Notice of Intent.

The thresholds for participation for a new facility include: at least 10 new full time jobs with average wages at or above 150% of county average wage and \$25 million dollars in new investment within 36 months of the conditional approval of the Notice of Intent.

The “consortium” of eligible companies may aggregate their jobs and investment at the same facility to achieve the thresholds. Exemption certificates may be issued to multiple companies inside the same facility.

Program Benefits/Eligible Uses

Existing Facilities:

An exemption on state and local sales and use taxes used for expanding operations as defined, levied, or calculated under section 32.085, sections 144.010-144.525, sections 144.600-144.761 or section 238.235 for a specified maximum amount for each year for 10 years.

New Facilities:

An exemption of 100% of the state and local sales and use taxes defined, levied, or calculated under section 32.085, sections 144.010-144.525, sections 144.600-144.761 or section 238.235 for a specified maximum amount for each year for 15 years.

Application/Approval Procedure

- Project taxpayer (applicant) submits the following:
 - Notice of Intent (NOI)
 - List of all employees at the facility
 - E-Verify Memorandum of Understanding (MOU)
 - Tax clearance for each “project taxpayer”
 - Agreement recognizing the responsibilities of each taxpayer (if there are multiple taxpayers)
 - Project Plan
- DED reviews all documentation to determine the following:
 - Eligibility for the program;
 - Whether the facility is an existing or new facility;
 - That the amount of the exemption does not exceed the projected “net fiscal benefit to the state calculated over a 10 year period” using the Regional Economic Modeling, Inc. dataset; and
 - That the project plan indicates that the required investment and job numbers will be met.
- DED provides either a conditional approval or denial within 30 days of receipt of NOI to project taxpayers (applicant) and to DOR.
- DED issues Data Center Program Agreement document to project taxpayers for execution (terms and conditions for repayment and penalties, compliance and reporting).
- Applicant performs work (retains all receipts).
- Applicant sends project paperwork to DED for certification including executed agreement, if not provided previously.
- DED reviews and sends to DOR review
- DOR approves and DED certifies to applicant.
- DOR refunds sales/use tax and issues annual certificates, as applicable.
- Applicant provides annual reporting to DED.

Special Program Requirements

County average wages (effective until 7/1/2016):

- Average county wages based on Census of Employment and Wages, MERIC. Updates to be made annually. Use 2,080 hours per year when converting from annual to hourly wages.
- Statewide average of \$44,810 applicable to any county over the statewide average when determining program eligibility
- The wages represent an average for all private industries.

County	Avg. Annual Wage	County	Avg. Annual Wage	County	Avg. Annual Wage
Adair	\$27,740	Grundy	\$32,714	Perry	\$33,611
Andrew	\$28,500	Harrison	\$24,064	Pettis	\$31,205
Atchison	\$27,678	Henry	\$35,501	Phelps	\$31,934
Audrain	\$32,335	Hickory	\$21,297	Pike	\$30,004
Barry	\$36,050	Holt	\$30,629	Platte	\$43,032
Barton	\$25,852	Howard	\$28,239	Polk	\$28,748
Bates	\$26,806	Howell	\$30,292	Pulaski	\$25,104
Benton	\$26,017	Iron	\$43,675	Putnam	\$24,612
Bollinger	\$24,532	Jackson	\$50,741	Ralls	\$42,156
Boone	\$34,808	Jasper	\$37,630	Randolph	\$34,374
Buchanan	\$40,542	Jefferson	\$32,364	Ray	\$33,060
Butler	\$30,138	Johnson	\$29,329	Reynolds	\$23,412
Caldwell	\$33,787	Knox	\$25,434	Ripley	\$20,137
Callaway	\$40,668	Laclede	\$31,189	St. Charles	\$41,501
Camden	\$28,044	Lafayette	\$29,796	St. Clair	\$23,055
Cape Girardeau	\$37,154	Lawrence	\$31,756	Ste. Genevieve	\$40,727
Carroll	\$30,813	Lewis	\$28,820	St. Francois	\$28,354
Carter	\$22,615	Lincoln	\$34,101	St. Louis Co.	\$55,096
Cass	\$30,588	Linn	\$32,948	St. Louis City	\$56,130
Cedar	\$23,196	Livingston	\$31,766	Saline	\$31,339
Chariton	\$30,217	Mcdonald	\$29,895	Schuyler	\$26,473
Christian	\$28,538	Macon	\$28,373	Scotland	\$22,037
Clark	\$24,559	Madison	\$27,116	Scott	\$32,232
Clay	\$46,029	Maries	\$27,989	Shannon	\$19,663
Clinton	\$30,680	Marion	\$33,159	Shelby	\$27,089
Cole	\$38,223	Mercer	\$26,733	Stoddard	\$31,260
Cooper	\$30,829	Miller	\$29,757	Stone	\$26,793
Crawford	\$33,802	Mississippi	\$27,387	Sullivan	\$34,318
Dade	\$27,567	Moniteau	\$28,966	Taney	\$27,063
Dallas	\$21,842	Monroe	\$29,602	Texas	\$26,295
Daviess	\$25,139	Montgomery	\$29,216	Vernon	\$34,073
Dekalb	\$30,112	Morgan	\$24,296	Warren	\$33,007
Dent	\$26,495	New Madrid	\$39,080	Washington	\$23,665
Douglas	\$23,751	Newton	\$32,111	Wayne	\$20,717
Dunklin	\$23,843	Nodaway	\$31,246	Webster	\$29,547
Franklin	\$36,780	Oregon	\$21,102	Worth	\$22,946
Gasconade	\$28,188	Osage	\$30,413	Wright	\$27,055
Gentry	\$26,976	Ozark	\$20,635		
Greene	\$37,996	Pemiscot	\$28,740		