ENHANCED ENTERPRIZE ZONE PROGRAM

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Excelsior Springs, Missouri Enhanced Enterprise Zone

Purpose
Provide tax credits and property tax abatement to new or expanding businesses in a Excelsior Springs designated Enhanced Enterprise Zone.

What qualifies a business for tax credits –
Company is planning to locate or expand within a designated EEZ and is an Eligible business selected by City of Excelsior Springs City Council.

- New or expanded business facility creates 2 new jobs and $100,000 in new investment
- Replacement business creates 2 new jobs and $1 million in new investment (eligible investment expenditures include the original cost of machinery, equipment, furniture, fixtures, land and building, and/or eight times the annual rental rate paid for the same. Inventory is not eligible.)
- Health insurance provided at all times, of which 50% is paid by the employer.
- Wages for new jobs must exceed 75% of the State’s average wage of $41,730 to be eligible for state benefits (wage valid until 7/1/13)

Eligible Businesses –
Businesses are to be identified by NAICS codes. The company cannot have announced or construction started prior to the approval process. Service industries can be eligible if a majority of their annual revenues will be derived from services provided out of the state. Approved business clusters include:

- Agriculture, Forestry, Fishing and Hunting (NAICS 11);
- Mining (NAICS 21);
- Utilities (NAICS 22);
- Construction (NAICS 22);
- Manufacturing (NAICS 31 – 33);
- Wholesale Trade (NAICS 42);
- Transportation and Warehousing (NAICS 48 49);
- Information (NAICS 51);
- Finance and Insurance (NAICS 52);
- Real Estate and Rental and Leasing (NAICS 53);
- Professional, Scientific, and Technical Services (NAICS 54);
- Management of Companies and Enterprise (NAICS 55);
- Administrative and Support and Waste Management and Remediation Disposal Services (NAICS 56 with the exclusion of NAICS 562112-Hazardous Waste Collection, 562119-Other Waste Collection, 562211-Hazardous Waste Treatment and, 562212-Solid Waste Landfill, 562213-Solid Waste Combustor and Incinerators, and 562219-Other Nonhazardous Waste Treatment and Disposal)
- Health Care and Social Assistance (NAICS 62);
- Arts, Entertainment, And Recreation (NAICS 71 with the exclusion of NAICS group 7132-Gambling Establishments);
- Accommodation and Food Services (NAICS 72 with the exclusion of NAICS subsector 722-Food and Drinking Places);
- Other Services (NAICS 81 with the exclusion of NAICS group 8131-Religious Organizations);
What are the state benefits –

Tax credits may be provided each year for up to 5 tax years, after the project commences operations.
- 2% of Payroll
- ¼% of new investment
- Tax credits may be provided each year for up to five tax years, based on tax credits reserved for the project.
- A company may request a proposal for one additional five-year period for a subsequent expansion if all program and minimum new job/investment requirements are met.
- Tax credits are refundable; or may be transferred, sold or assigned.

DED must first offer program benefits to the business in the form of a formal proposal. The company must return the accepted proposal within 90 days of the proposal date. The company must submit the Notice of Intent (NOI), and receive the Approval Letter before the start of construction, and/or purchase of machinery and equipment.

Duration of the Zone – 25 years

What are the local benefits –

Within zone, the City Council must abate at least 50% of taxes on improvements to real property for a period of at least 10 years; in no case can the abatement exceed 25 years.