

TAX CREDIT ANALYSIS

Program Name: Neighborhood Assistance Program (NAP)		
Department: Economic Development	Contact Name & No.: Brenda Horstman 751-3713	Date: October, 2011
Program Category: Community Development	Type: Tax Credit <input checked="" type="checkbox"/> Other (specify) _____	
Statutory Authority: 32.100 - 32.125, RSMo	Applicable Taxes: Income tax, Corporate franchise tax, Bank tax, Insurance premium tax, Other financial institutions tax, Express company tax	

Program Description and Eligibility Requirements:
 Provides assistance to community-based organizations that enable them to implement community or neighborhood projects in the areas of community service, education, crime prevention, job training and physical revitalization.

Explanation of How Award is Computed: Entitlement _____ Discretionary
 Applications are reviewed on a competitive basis and awards made to nonprofits or Missouri businesses for 50% or 70% of the approved budget.

Program Cap: Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$ 16 million _____ None _____
Explanation of cap: Effective August 28, 2008, fiscal year cap was reduced from \$18 million to \$16 million.

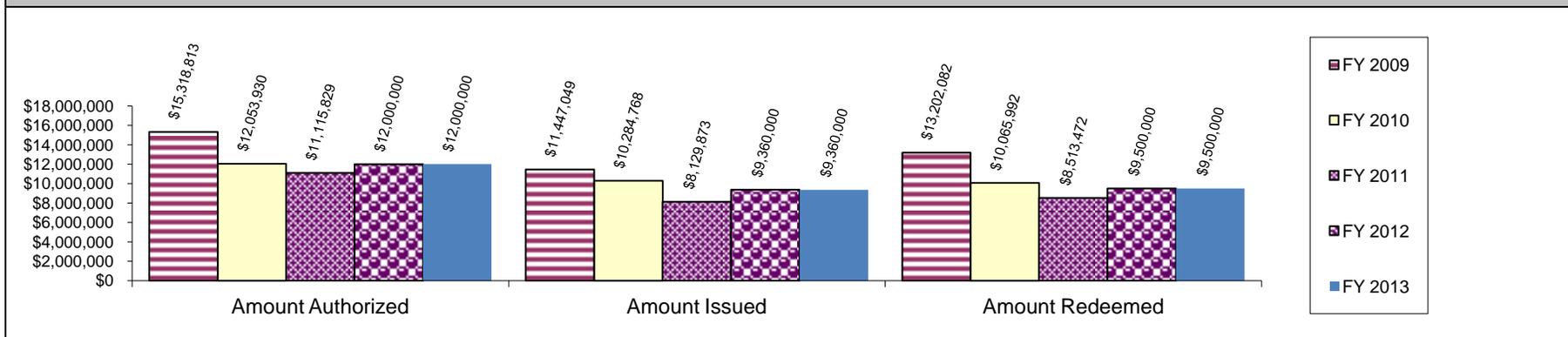
Explanation of Expiration of Authority:

Specific Provisions: (if applicable)
 Carry forward 5 years Carry Back _____ years Refundable _____ Sellable/Assignable _____ Additional Federal Deductions Available _____

Comments on Specific Provisions:

	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL	FY 2012 (current year)	FY 2013 (budget year)
Certificates Issued (#)	2,196	2,267	1,542	1,800	1,800
Projects (#)	90	65	34	40	40
Amount Authorized	\$15,318,813	\$12,053,930	\$11,115,829	\$12,000,000	\$12,000,000
Amount Issued	\$11,447,049	\$10,284,768	\$8,129,873	\$9,360,000	\$9,360,000
Amount Redeemed	\$13,202,082	\$10,065,992	\$8,513,472	\$9,500,000	\$9,500,000
EST. Amount Outstanding	N/A	N/A	\$11,629,371	N/A	N/A
EST. Amount Authorized but Unissued	N/A	N/A	\$18,143,615	N/A	N/A

HISTORICAL AND PROJECTED INFORMATION



Comments on Historical and Projected Information:

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BENEFIT: COST ANALYSIS (includes only state revenue impacts)

	FY 2011 ACTUAL	Other Fiscal Period (10 years)
BENEFITS		
Direct Fiscal Benefits	\$27,910	\$159,598
Indirect Fiscal Benefits	\$530,828	\$3,035,486
Total	\$558,738	\$3,195,084
COSTS		
Direct Fiscal Costs	\$1,852,638	\$10,514,975
Indirect Fiscal Costs	\$0	\$0
Total	\$1,852,638	\$10,514,975
BENEFIT: COST	0.30	0.30

Derivation of Benefits

Investment: (a) \$743,201 in construction spending between 2011-2013.

Employment: (a) 79 jobs in social assistance (0 displaced) at average wages between 2011-2016.

Other Assumptions: (a) 479 new HS/GED/Assoc. Degree graduates earning an additional \$2,874,000/yr in disposable personal income between 2011-2020, (b) 1,483 jobless participants obtained assistance and found jobs earning an additional \$23.728 million/yr in disposable personal income between 2011-2020.

Incentives/Credits: (a) \$11,115,829 in authorized NAP credits, redeemed between 2011-2016.

Impacts occur in the Statewide Region. Assumptions provided by DED. Estimated using REMI-PI+Statewide Region. Assumptions provided by DED. Estimated using REMI-PI+Statewide Model (remi-fiscal-PI+aug11).

Other Benefits:

In FY-2011, every dollar of authorized program tax credits returns

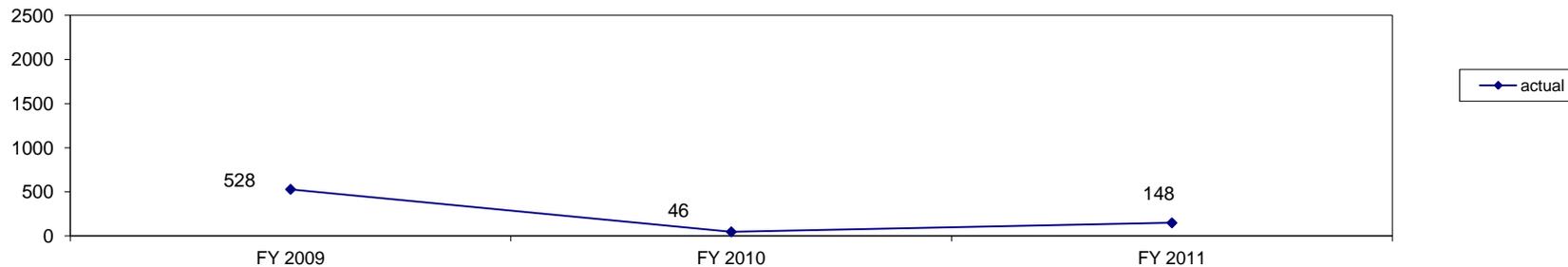
\$18.79 in new personal income totaling	\$34.81 million
\$8.13 in new value-added/GSP totaling	\$15.07 million
\$12.76 in new economic output totaling	\$23.65 million

Over 10 YEARS, every dollar of authorized program tax credits returns

\$31.40 in new personal income totaling	\$330.13 million
\$12.14 in new value-added/GSP totaling	\$127.65 million
\$18.32 in new economic output totaling	\$192.61 million

PERFORMANCE MEASURE(S)

Permanent New/Retained Jobs



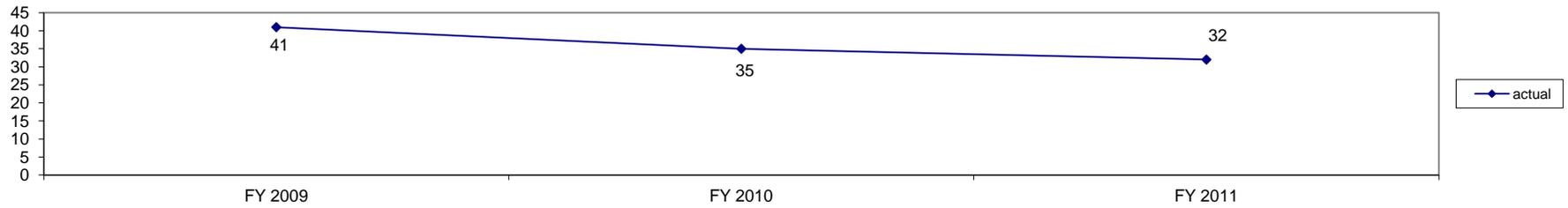
Comments on Performance Measure:

Numbers are dependent on the type of projects that are funded each year.

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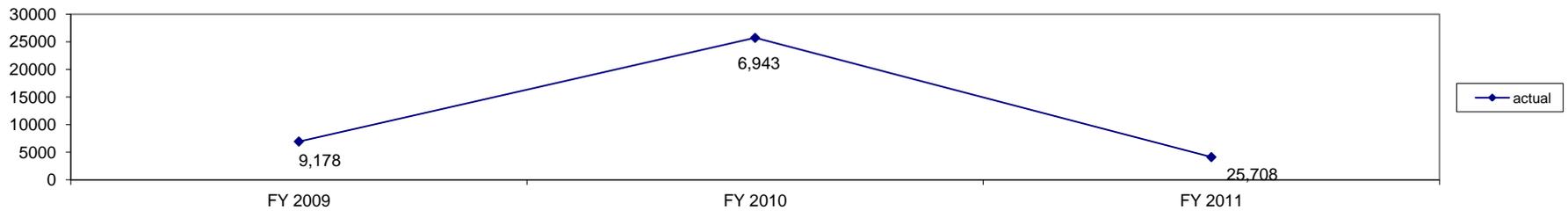
Program Name: Neighborhood Assistance Program (NAP)

New/Renovated Facilities



Comments on Performance Measure:

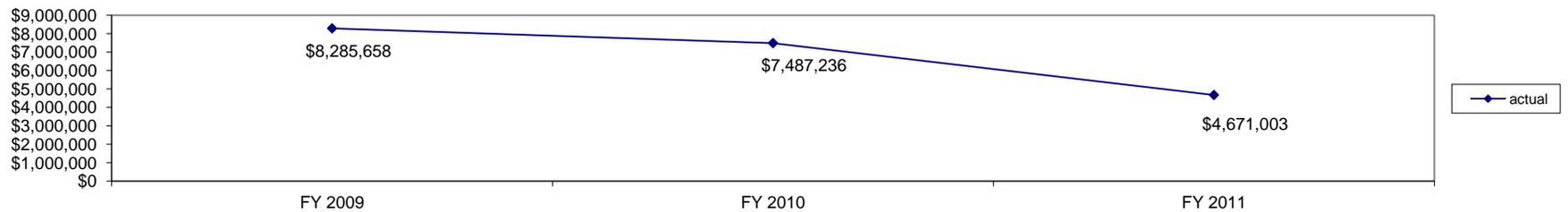
Individuals Learning Life Skills



Comments on Performance Measure:

Includes individuals earning GEDs, job training and other skills necessary to become productive citizens.

Amount Leveraged



Comments on Performance Measure: