

TAX CREDIT ANALYSIS

Program Name: Rolling Stock Tax Credit					
Department: Revenue/State Tax Commission		Contact Name & No.: Sandy Wankum 751-2414			Date: October, 2012
Program Category: N/A			Type: Tax Credit <input checked="" type="checkbox"/> Other (specify) _____		
Statutory Authority: Section 137.018.4			Applicable Taxes:		
Program Description and Eligibility Requirements:					
For tax year beginning January 1, 2009, a freight line company shall, subject to appropriation, be allowed a credit against the tax levied for the applicable year. The tax credit amount shall be equal to the amount of eligible expenses incurred during the calendar year immediately preceding the tax year for which the credit under this section is claimed. The amount of the tax credit issued shall not exceed the freight line company's liability for the tax levied under this section for the tax year for which the credit is claimed.					
Explanation of How Award is Computed: Entitlement <input checked="" type="checkbox"/> Discretionary _____					
Private car ad valorem tax is assessed to the freight line companies by the following formula: The State Tax Commission determines the assessed value for freight line companies. The Tax Commission determines an average tax rate based on the actual taxes collected from the previous tax year paid by the operating railroads in Missouri. The tax rate is applied by the Tax Commission's calculated assessed value. This produces the "tax levied". This is returned to the Department of Revenue for central collection by October 1st and is due and payable by December 31st. For all taxable years beginning on or after January 1, 2009, a freight line company shall, subject to appropriation, be allowed a credit against the tax levied. The tax credit amount is equal to the amount of eligible expenses (eligible expenses are those incurred in this state to manufacture, maintain, or improve a freight line company's rolling stock) and are incurred during the calendar year immediately preceding the tax year for which the credit is claimed. The amount of the tax credit issued shall not exceed the freight line company's liability for the tax levied for which the credit is claimed. If the appropriation is not totally funded, each company would receive a pro-rata share (based on their claim to total claims).					
Program Cap: Cumulative \$_____ (remainder of cumulative cap) \$_____ Annual \$ <input checked="" type="checkbox"/> None _____					
Explanation of cap: : The amount of the tax credit issued shall not exceed the freight line company's liability for the tax levied under Section 137.1018 for the tax year for which the credit is claimed.					
Explanation of Expiration of Authority: The provision of the program shall automatically sunset six years after August 28, 2008 unless reauthorized by an act of the General Assembly and if reauthorized, the program shall automatically sunset twelve years after the effective date of the reauthorization.					
Specific Provisions: (if applicable) Carry forward _____ years Carry Back _____ years Refundable _____ Sellable/Assignable _____ Additional Federal Deductions Available _____					
Comments on Specific Provisions: N/A					
	FY 2010 ACTUAL	FY 2011 ACTUAL	FY 2012 ACTUAL	FY 2013(current year)	FY 2014 (budget year)
Certificates Issued (#)	0	0	0	0	0
Projects (#)	0	0	0	0	0
Amount Authorized	\$0	\$0	\$0	\$0	\$0
Amount Issued	\$0	\$0	\$0	\$0	\$0
Amount Redeemed	\$0	\$0	\$0	\$0	\$0
EST. Amount Outstanding	N/A	N/A	\$0	N/A	N/A
EST. Amount Authorized but Unissued	N/A	N/A	\$0	N/A	N/A
HISTORICAL AND PROJECTED INFORMATION					
<div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="width: 60%;"> <p>Amount Authorized</p> <p>Amount Issued</p> <p>Amount Redeemed</p> </div> <div style="width: 35%; border: 1px solid black; padding: 5px;"> <ul style="list-style-type: none"> FY 2010 FY 2011 FY 2012 FY 2013 FY 2014 </div> </div>					

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<p>Comments on Historical and Project: The Private Car Ad Valorem tax credit was appropriated by the General Assembly through the budget process for FY-2010 in the amount of \$4,000,000; however, the Governor line item vetoed the appropriation, thus there is no current or historical data available. If appropriations would have been authorized, the claim would have been for the total taxes due for calendar year 2010 which was \$3,417,193. Historical data reflects the following for private car taxes due: 2012 - \$3,740,856; 2011 - \$3,452,968; 2010 - \$3,423,831; 2009 - \$3,757,140 2008 - \$3,901,082 2007 - \$4,152,737 2006 - \$3,551,652 2005 - \$3,005,374</p>																					
BENEFIT: COST ANALYSIS (includes only state revenue impacts)																					
	FY 2012 ACTIVITY	Other Fiscal Period (indicated time period)	Derivation of Benefits:																		
BENEFITS																					
Direct Fiscal Benefits																					
Indirect Fiscal Benefits																					
Total																					
COSTS																					
Direct Fiscal Costs																					
Indirect Fiscal Costs																					
Total																					
BENEFIT: COST	#DIV/0!	#DIV/0!																			
Other Benefits:																					
PERFORMANCE MEASURE(S)																					
Permanent New Jobs Created																					
<table border="1" style="margin: 10px auto; border-collapse: collapse;"> <caption>Permanent New Jobs Created Data</caption> <thead> <tr> <th>Fiscal Year</th> <th>Estimated</th> <th>Actual</th> </tr> </thead> <tbody> <tr> <td>FY 2010</td> <td>0</td> <td>0</td> </tr> <tr> <td>FY 2011</td> <td>0</td> <td>0</td> </tr> <tr> <td>FY 2012</td> <td>0</td> <td>0</td> </tr> <tr> <td>FY 2013</td> <td>0</td> <td>0</td> </tr> <tr> <td>FY 2014</td> <td>0</td> <td>0</td> </tr> </tbody> </table>				Fiscal Year	Estimated	Actual	FY 2010	0	0	FY 2011	0	0	FY 2012	0	0	FY 2013	0	0	FY 2014	0	0
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FY 2010	0	0																			
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Comments on Performance Measure: N/A																					