

**PROGRAM DESCRIPTION**

**Department:** Agriculture

**HB Section(s):** 6.035 - 6.065

**Program Name:** Meat Processing Facility Investment Tax Credit

**Program is found in the following core budget(s):** MASBDA

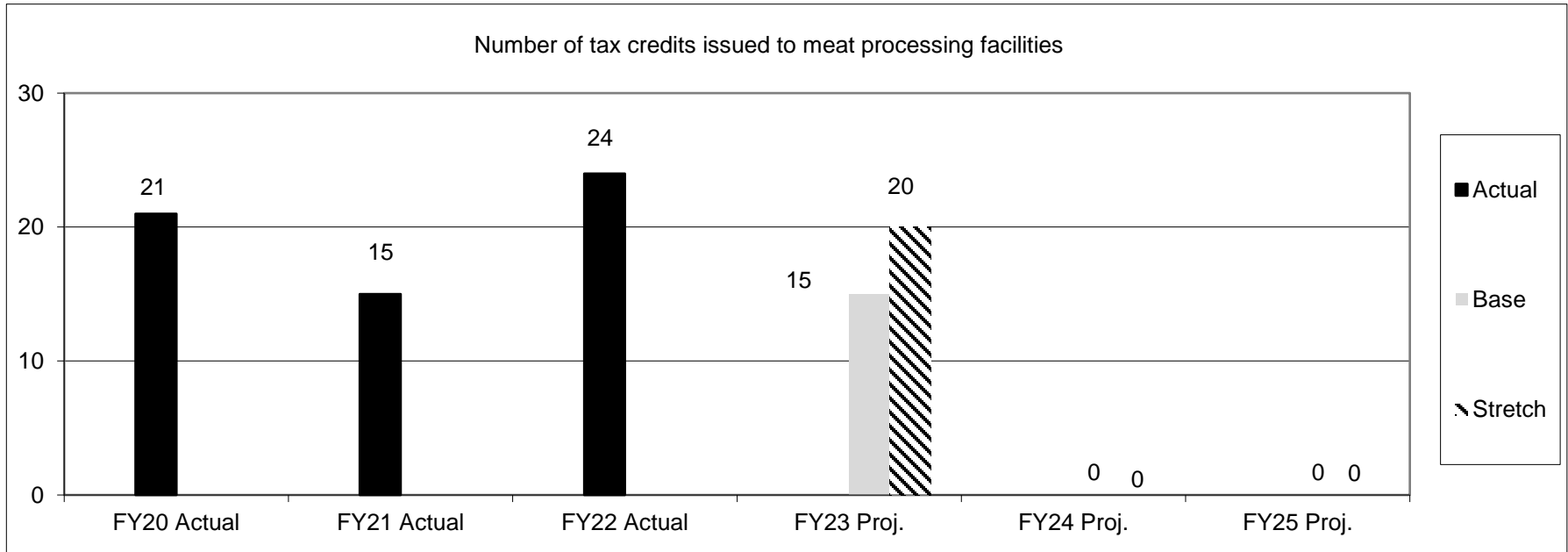
**1a. What strategic priority does this program address?**

- Empower More Meat Processors

**1b. What does this program do?**

- This program is designed to provide a taxpayer a tax credit for meat processing modernization or expansion at their processing facility
- The tax credit will be equal to 25% of the amount the taxpayer paid in the tax year for modernization and expansion
- The tax credit is non-refundable and may be carried forward 4 years
- Taxpayer may not claim more than \$75,000 per year
- If two or more taxpayers own the facility, each may claim a credit in proportion to their ownership, each may claim a credit in proportion to their ownership interest in the facility but combined for one facility cannot exceed the \$75,000 cap.

**2a. Provide an activity measure(s) for the program.**



\*Note 1: Tax Credit program sun set on 12/31/21 and MDA pursued a legislative sunset extension in 2022, which was vetoed and set for Special Session in September 2022, so only tax credits for approved expenditures for January 1, 2021 to December 31, 2021 will be issued.

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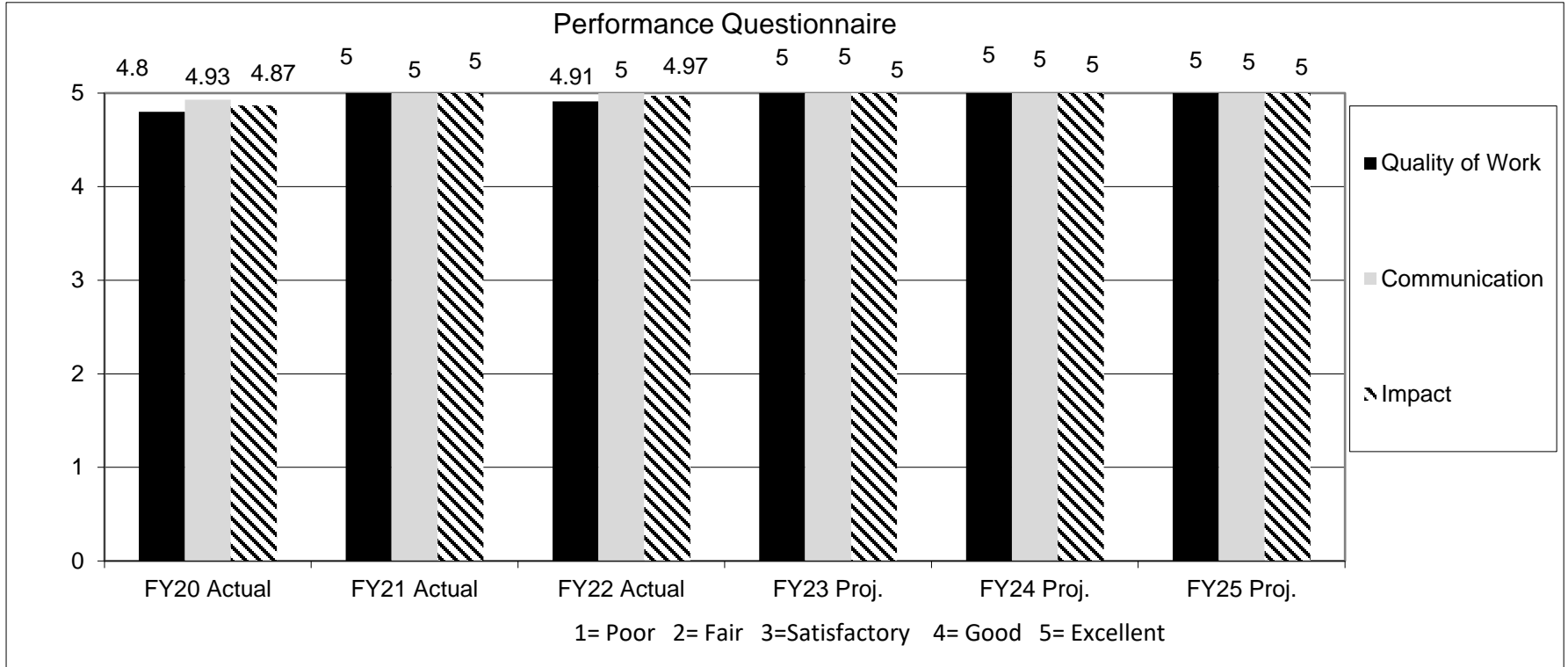
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**2b. Provide a measure(s) of the program's quality.**



\*Quality of Work = Competency of staff and service provided    \*Communication = Written and verbal communication between staff and lenders

\*Impact = Value added to their business

Note 2: MASBDA mailed 30 surveys and received 11 back from lenders and borrowers

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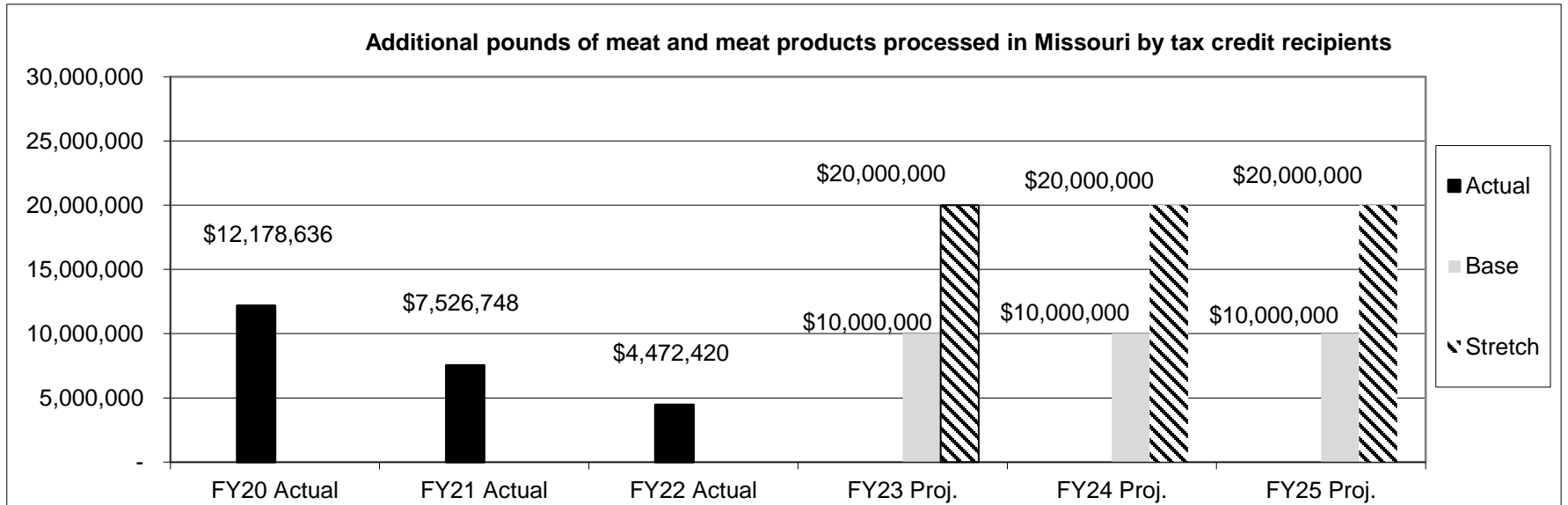
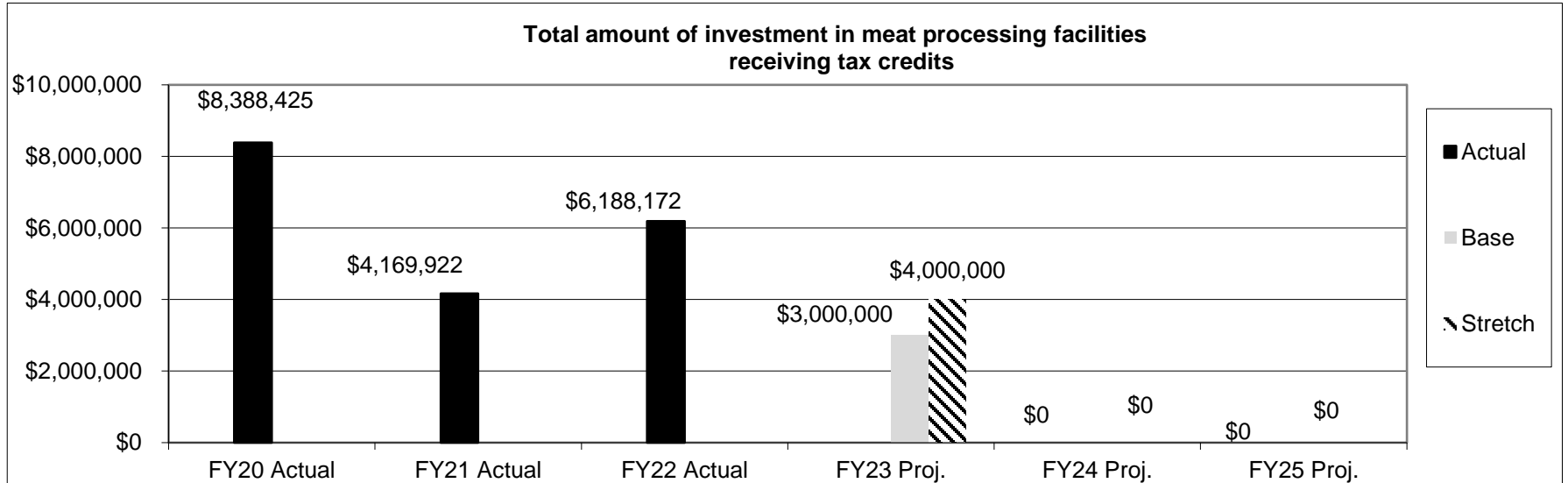
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**2c. Provide a measure(s) of the program's impact.**



Note 3: Tax recipients are required to report impact 3 years after receiving tax credit; this includes lbs., gross sales, and jobs.

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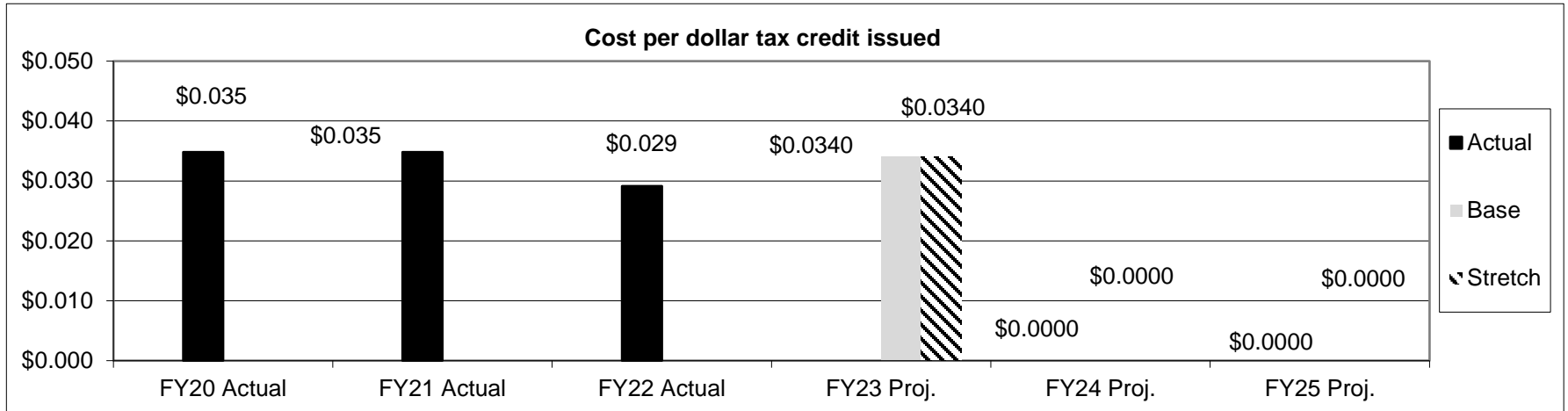
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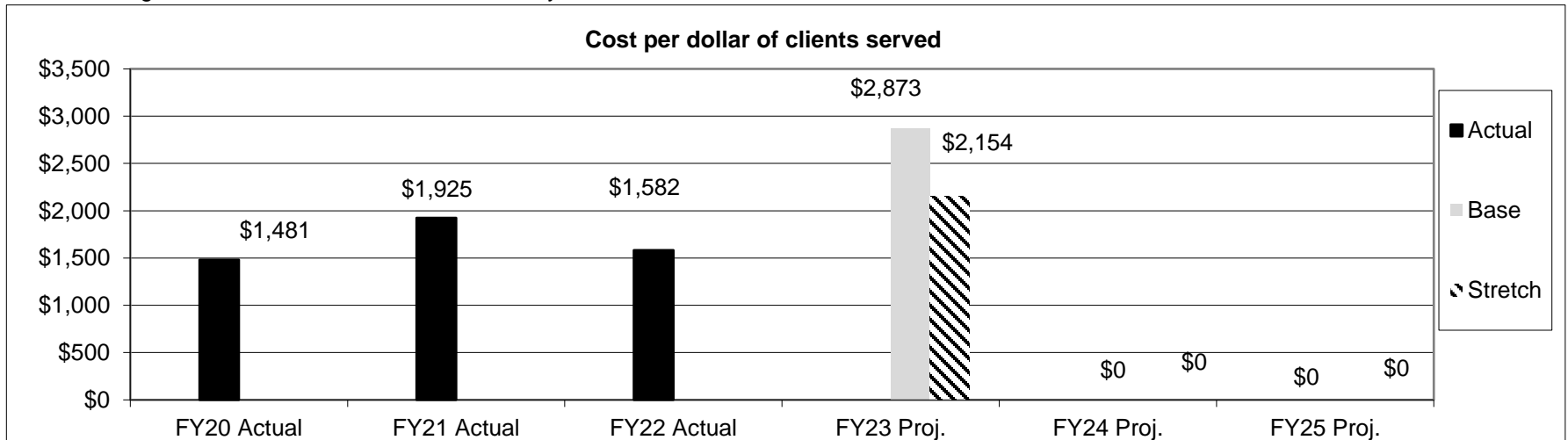
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**2d. Provide a measure(s) of the program's efficiency.**



Note 4: Only \$2 million is allocated for calendar year 2022 for approved expenditures as of January 1, 2021 to December 31, 2021. As of July 1, 2022 the remaining balance of the \$2 million for calendar year 2022 is \$1,267,273.46.



Note 4: Tax Credit program expired on 12/31/21, so the projected cost per client served for FY24 and beyond is projected to be \$0.

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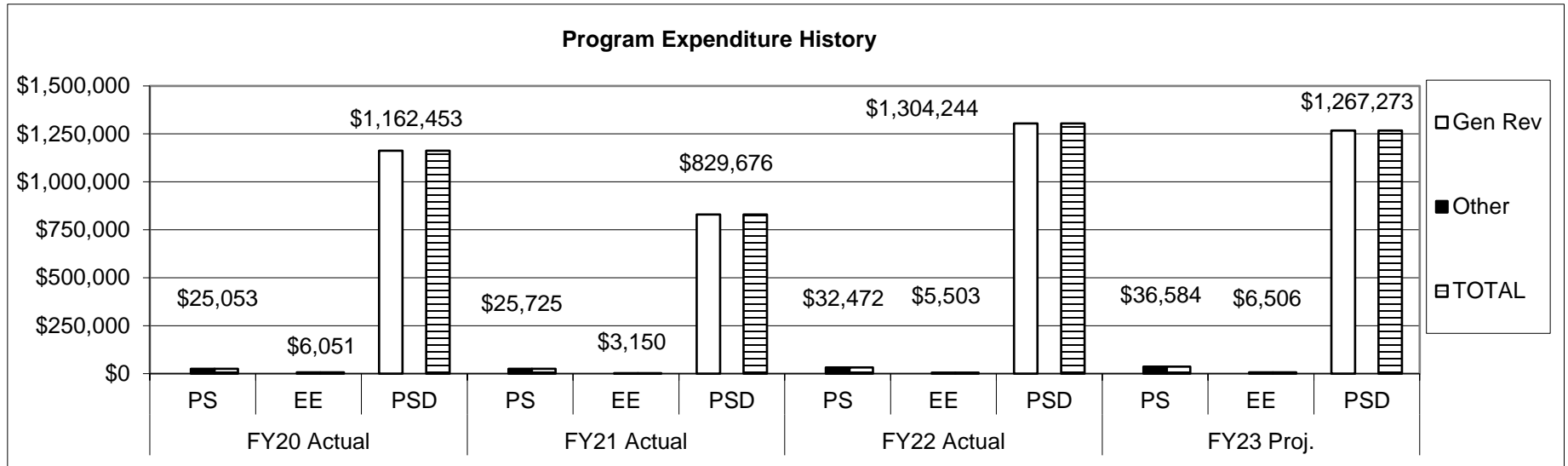
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**3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)**



**4. What are the sources of the "Other " funds?**

Agriculture Development Fund (0904), Single-Purpose Animal Facilities Loan Guarantee Fund (0409), and other non-state funds

**5. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**

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**6. Are there federal matching requirements? If yes, please explain.**

No

**7. Is this a federally mandated program? If yes, please explain.**

No