

HB 1597 -- Rural Empowerment Zones

Sponsor: Wilson (119)

This bill allows the governing body of any county to submit an application to the Department of Economic Development to designate areas within the county as rural empowerment zones. The department will review the application to ensure that the area meets all of the following criteria:

- (1) The area is one of pervasive poverty, unemployment, and general distress;
- (2) At least 65% of the population has earned income below 80% of the median income of all residents within the state;
- (3) The population of the area is between 400 and 3,500 at the time of the designation;
- (4) The level of unemployment within the area exceeds 150% of the average rate of unemployment for the state over the previous twelve months or the percentage of area residents employed on a full-time basis is less than 50% of the statewide percentage;
- (5) The area is more than 10 miles from any existing rural empowerment zone;
- (6) The area is in a third or fourth classification county; and
- (7) The area is not in an existing enterprise zone.

New businesses and revenue-producing enterprises located in the zone will be exempt from paying all Missouri income taxes attributable to the business until August 28, 2014, provided the business creates a certain number of new full-time jobs within one year from the date on which the tax exemption begins. New businesses must create at least 10 new jobs; revenue-producing enterprises that employ fewer than 20 people must create at least five new jobs; and revenue-producing enterprises that employ 20 or more people must create a number of new jobs equal to 25% of the number of full-time employees employed by the revenue-producing enterprise.