

INSIDE SPRINGFIELD



Enhanced Enterprise Zones

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REGIONAL • ECONOMIC • PARTNERSHIP

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WELCOME TO THE SPRINGFIELD REGION

Creating and retaining new jobs is a priority for the City of Springfield and its economic development partners, the Springfield Area Chamber of Commerce, the Springfield Business and Development Corporation, City Utilities of Springfield, and Greene County. The Enhanced Enterprise Zone is a key component of the Partnership's incentive program for encouraging investment and job creation. The zones allows for local real property tax abatement and can provide saleable state tax credits.



The original Enterprise Zone assisted companies such as Prime in expanding their presence in Springfield.

ENHANCED ENTERPRISE ZONES OVERVIEW

The Springfield Enhanced Enterprise Zone was officially designated by the Missouri Department of Economic Development on July 20, 2005, with subsequent zones approved in the 2nd Quarter of 2010. The Zones encompass all of Springfield and parts of unincorporated Greene County as well as a small segment of the community of Battlefield. Much of the Enhanced Enterprise Zone was previously included in the original Enterprise Zone, designated in 1984. Springfield's Enterprise Zone has been a leader in job creation and new business investment in the State. From 2005 to 2020, the Springfield Enterprise Zone facilitated 654.2 million dollars of investment and resulted in the creation of 5,409 new jobs.

The Springfield Enhanced Enterprise Zones encompasses a large amount of available commercial and industrial property. The zones have an abundance of prime industrial sites available for development, most with a full range of public services including convenient access to interstate highways, rail service, air transportation, and telecommunications. A seven-member board and the City of Springfield Planning and Development Department administer the Enhanced Enterprise Zones Program. Authority for the Enhanced Enterprise Zones is contained in Chapter 135 of the Revised Statutes of Missouri. The Act authorizes state tax credits and local property tax abatement. To qualify, a sole proprietorship, partnership, or corporation must meet all the requirements of the Enhanced Enterprise Zone.

PROGRAM REQUIREMENTS

To be eligible for Enhanced Enterprise Zone benefits a business must meet certain requirements based on the type of business, amount of investment and the location of the facility.

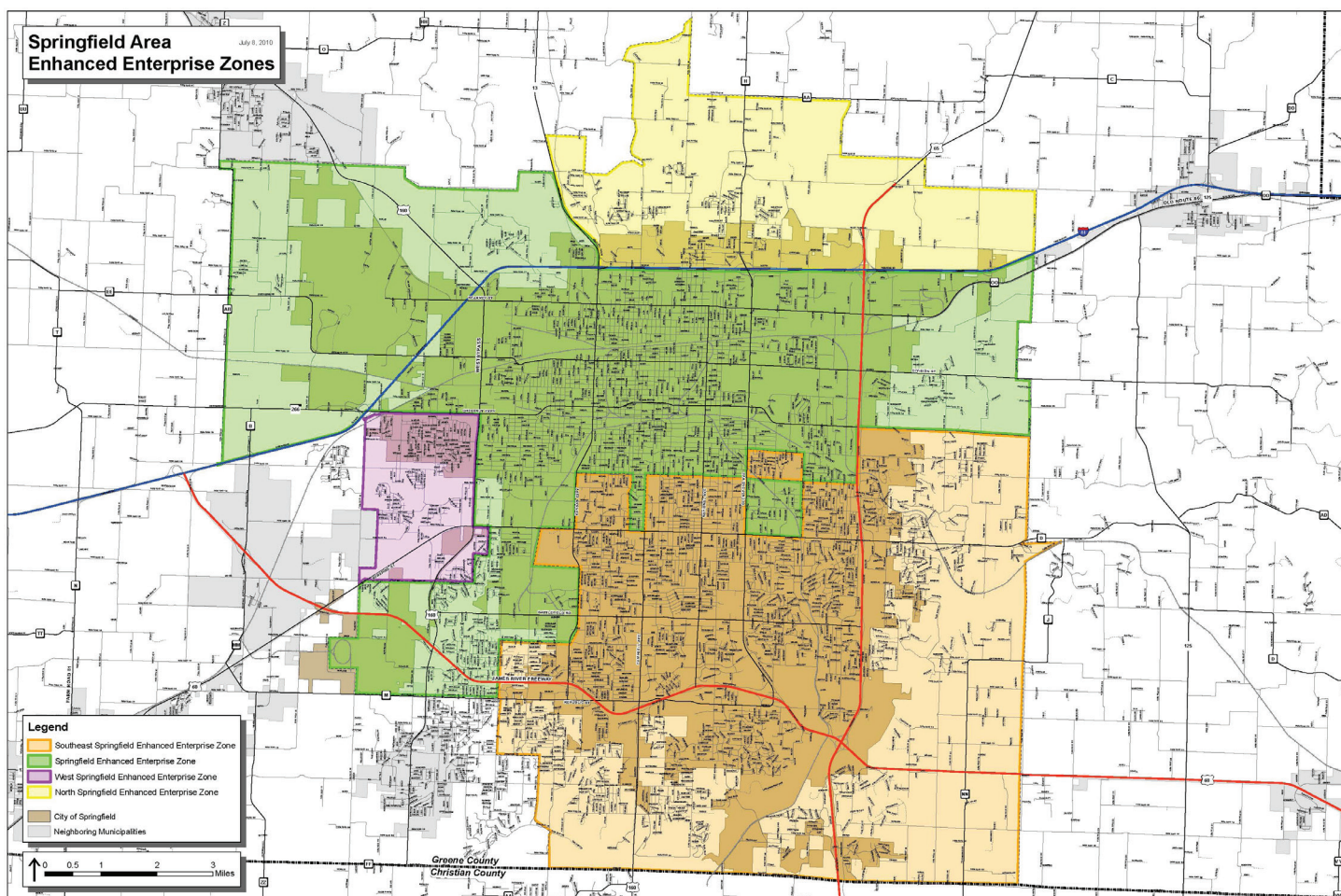
To receive both state tax credits and local property tax abatement the business must be located within the zone boundaries. Additionally, the creation of at least 2 new jobs and \$100,000 in new investment is required to be eligible for state tax credits. These qualifications must be maintained as an annual average in order to receive benefits.

Businesses that locate within the Enhanced Enterprise Zones, except for those businesses specifically excluded by Statute may be eligible for benefits. The following types of businesses are **excluded** from benefits by Statute:

- Gaming Establishments (NAICS industry group 7132)
- Retail Trade (NAICS sectors 44 and 45)
- Educational Services (NAICS sector 61)
- Religious Organizations (NAICS industry group 8131)
- Public Administration (NAICS sector 92)
- Food and Drinking Establishments (NAICS subsector 722)

ENHANCED ENTERPRISE ZONE MAP

The facility must be located within the boundaries of the Enhanced Enterprise Zones, shown generally below. For a more detailed Springfield Enhanced Enterprise Zone map visit SpringfieldRegion.com.



LOCAL REAL PROPERTY TAX ABATEMENT

In addition to Springfield's existing competitive tax environment, property tax abatement can be an attractive incentive for eligible companies desiring to locate in the Enhanced Enterprise Zones. For example, a company making a \$1 million investment would save almost \$90,000 in taxes over a 10-year period. Businesses who locate within the Enhanced Enterprise Zones are eligible for local real property tax abatement on one-half of the new investment(excluding land) for ten years. The box on the right demonstrates this example.

As part of Springfield's commitment to sustainability additional benefit has been made available under the Enhanced Enterprise Zones. For a facility that obtains LEED-Silver certification from the US Green Building Council and is part of an Enhanced Enterprise Zone project an additional 25% abatement is awarded for a time period of 10 years.

EXAMPLE: \$1 MILLION INVESTMENT NEW FACILITY

Current Commercial Tax Levy = \$6.5899 per \$100 of assessed valuation (based on a location inside the City of Springfield and the Springfield School District)

Commercial Assessment Rate= 32% of Appraised Value

Appraised Value	\$1,000,000
x Assessment Rate	32%
= Assessed Value	\$320,000

x Commercial Tax Levy	\$6.5899
= Real Property Tax	\$21,088

EEZ Abatement (50%)	\$10,544
x 10-Year Period	
=Total Incentive	\$105,440

ADDITIONAL INFORMATION

For questions concerning Missouri tax credits, you can contact Mary Rajek with the Missouri Department of Economic Development Community Engagement Division at 573-508-4113 or Mary.Rajek@ded.mo.gov.

If you are interested in locating a facility in Springfield please contact Springfield's Partnership for Economic Development. To assist in your project, the Partnership maintains a website, SpringfieldRegion.com, dedicated to economic development opportunities throughout the region. The site provides a complete data analysis of the Springfield metro area as well as available sites and buildings. Also included is a complete contact list of staff team members of Springfield's Partnership for Economic Development and their areas of expertise.

For specific questions about aspects of the Springfield Enhanced Enterprise Zones please use the contacts on the last page of this packet.

ENHANCED ENTERPRISE ZONE CONTACTS

For questions concerning the Springfield real property tax abatement, contact:



CITY OF SPRINGFIELD DEPARTMENT OF PLANNING AND DEVELOPMENT

Sarah Kerner

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If you have a qualified expansion or relocation project, contact:



SPRINGFIELD AREA CHAMBER OF COMMERCE & SPRINGFIELD REGIONAL ECONOMIC PARTNERSHIP

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SPRINGFIELD'S PARTNERSHIP FOR ECONOMIC DEVELOPMENT

