Sub. SB 39-7

- Limits the DSA director to approving only four TMUD per fiscal year with a carryover provision (in lieu of a cap).
- If multi applications are submitted, they will be ranked by their economic value and transformational impact. Specific consideration shall be given to the new state and local taxes generated from the project and its surrounding area. The project that has the most significant transformational impact and has a pro forma that shows the most expeditious schedule for the new state and local taxes to exceed the amount of the tax credit, will be the one that is approved.
- After the TMUD credit is approved by the DSA Director, the project must go into construction no later than one year after its approval. If it does not, the approval will be rescinded.
- The total tax credit that will be awarded will be 10% of the costs of the project. However, the 10% tax credit certificate will be issued incrementally. The first 5% tax credit certificate will be issued upon the completion of the construction of the project. The remaining 5% will be issued as evidence is submitted showing the new state and local taxes that were caused by the project and its surrounding area. If the evidence shows that after the construction of the project was completed it already generated new state and local taxes that exceeded the amount of the 10% credit, then a certificate for the full 10% will be issued. If the new taxes do not exceed the amount of the tax credit immediately after the completion of the construction, then the remaining 5% will be issued incrementally on an annual basis as evidence is shown that the new state and local taxes generated from the project and its surrounding area exceeds the amount of the additional credit. The incremental increases in the credit will be for a period of up to 5 years.
- Increases historic tax credit percentage from 25% to 35% for rural areas.
- Enhances Chapter 119 rules stipulating how DSA administers program.