

STATE OF MISSOURI AND JOB INCENTIVES



[caption id="attachment_2546" align="alignnone" width="150" caption="Missouri"] [/caption] The economic development officials in the state of Missouri have authorized a high amount of newly created job tax breaks for a number of different businesses during 2011, which increased the state incentives even while new data has shown that the past business enticements are not exactly creating as many jobs as expected. In Missouri, the Quality Jobs program had offered close to \$80 million tax breaks to a little over 55 different projects during the span of the last year. These figures were reported by the Associated Press. The Governor of the state, Jay Nixon, and his administration, have said that these figures prove that the economy in Missouri is getting better and starting to pull through after such a crippling recession. The recession, which began in 2007 and ended in 2009, left Missouri with a high unemployment rate of about 9 percent for just about two years. Many residents of the state were long-term unemployed because the economy was so terrible and there simply were not enough jobs. However, while the economy has been in recovery for about three years, the unemployment rate in Missouri has fallen to 8 percent during December of 2011, although Missouri had a large amount of job losses during the month of December. John Fougere, the spokesman for the Missouri Department of Economic Development, has said, "With prospects improving, more companies are considering expansion and the creation of new jobs, and it is fortunate that the state has a program like Quality Jobs to assist in their growth." The many businesses that were approved for the Quality Jobs Program during 2011 made statements claiming that they plan to create nearly 6,500 jobs within the next few years. The state, however, will only pay tax breaks once those businesses actually create the jobs. The Quality Jobs program in Missouri wants companies to create a certain amount of jobs within about two to three years. The amount of jobs the business is expected to create will vary depending on the type of business. Smaller business may be expected to add about 10 new jobs while larger business may be expected to create 100 more jobs. After adding the set minimum amount of jobs and also meeting the health insurance requirements and wage requirements, the businesses will be able to claim the tax breaks. In the meantime, data provided from the Department of Economic Development has shown that most of these companies are not keeping their promises and have not been hiring the total number of employees that they anticipated and expected to add on. With the 167 different projects, taking place from 2005 until 2010, the business have only created 38 percent of the jobs they first anticipated when they joined the program.

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