

**State Industrial Development Authority
Alabama State Ceiling
Fact Sheet**

Purpose: Allows entities to issue tax-exempt bonds that would not otherwise be allowed to.

Available: on January 1 of calendar year. Calculated as follows:

State Ceiling = per capita X estimated population

Each December check U.S. Census Bureau for Annual State Population Estimates for July

Also check IRS Notices and Revenue Procedures for updates on Volume Cap calculations

Categories:

Processed By:

1. Qualified Small Issue Bond (Manufacturing-QSIM)	35%	SIDA
2. Exempt Facility (EXE)	15%	SIDA
3. Discretionary	15%	SIDA
4. Alabama Higher Education Loan (Student Loan)	10%	AHELC
5. Alabama Housing Finance Authority	25%	Housing

SIDA only accepts **two hand- delivered** applications for either the Manufacturing category (QSIM) or Exempt Facilities category (EXE) (Current), accompanied with check.

Fees: Current 1/10 of 1% of principal. Extension 1/20 of 1% of principal.

Limits:

SIDA's limit for a single project is \$20,000,000.

IRS -Manufacturing is limited at \$10,000,000.

Allocation is approved: issuer has 60 days from date allocated or November 30 of calendar year, whichever comes first to issue bonds. Can make a request in writing to SIDA for an extension up to 45 days and accompanied with check for 1/20 of 1% of principal.

Issuer will notify SIDA within seven days after issuance of bonds. If amount is less than requested, the remaining reverts back to the Authority.

On or after December 1 of calendar year SIDA will accept **two hand- delivered** Carryforward applications with fee of 1/10 of 1% of principal.

December 31 of calendar year is the cut-off day for that year.

The Authority will need to meet to approve moving amounts from one category to another so Carryforwards may be approved. If the unused allocation is not Carryforward it will be lost. Usual process is for Housing to request the unused for Carryforward purposes.