



GROWING ALABAMA CREDIT

Sections 40-18-410 through Section 40-18-416 of the Code of Alabama 1975 provide for an incentive to Alabama income taxpayers who make contributions to Economic Development Organizations (EDO), as defined below, for approved qualifying projects. Taxpayers donating to EDO's for approved projects receive an Alabama income tax credit equal to their donation. The tax credit may offset up to 50% of the taxpayer's income tax liability and may be carried forward for five years. Before receiving any funds, the Economic Development Organization must submit an application to the Department of Commerce. All Growing Alabama Credit allocations must be approved by the Renewal of Alabama Commission. Funding is capped at \$10 million for fiscal year 2020.

For additional information regarding this program, please contact Angela Smith, Incentives Manager, at angelag.smith@commerce.alabama.gov or 334.353.8113.

FY 2020 COMMISSION MEETING AND APPLICATION DEADLINE SCHEDULE

<u>Application Deadline</u>	<u>Commission Meeting</u>
March 4	March 25
June 3	June 24
September 8	September 29

APPLICANT

"Economic Development Organization" is a state or local economic development organization defined as follows:

- "State EDO" is an organization determined by the Department of Commerce to be (1) an Alabama entity not operating for a profit and (2) charged with improving the state or a region of the state. A state EDO must confirm eligibility with Commerce prior to submitting an application.
- "Local EDO" is any organization determined by the Department of Commerce to (1) be an Alabama entity not operating for a profit, (2) be charged with improving a community or region of the state, and (3) have a record of supporting or otherwise participating in economic development activities in some part of Alabama.

QUALIFYING ACTIVITIES

1. INDUSTRIAL SITE, INDUSTRIAL PARK, RESEARCH PARK

Industrial sites, except sites in industrial or research parks, must have either a pending expression of interest or an identifiable reason an industrial prospect rejected the site. Sites in industrial or research parks must require connections to interstates, highways, roadways, rail systems, or sewer, fiber, electrical, gas or water infrastructure. Eligible expenditures include site preparation or public infrastructure work.

Requirements:

- Applicant must be a local EDO.
- Project site must be owned by applicant (local EDO).
- Applicant must have a conflict of interest policy consistent with that found in the instructions to Form 1023 issued by the Internal Revenue Service.
- Application must include three 3rd-party contractor quotes.

2. INLAND PORT OR INTERMODAL FACILITY

“Inland Port” is defined as any port on a navigable river away from traditional land, air, and coastal borders. “Intermodal Facility” is defined as any facility which interconnects two or more different modes of air, rail, or road traffic serving multiple customers, and which involves storage facilities.

Eligible expenditures include capital improvements or economic development activities.

- “Capital improvements” means construction and rehabilitation expenses of a capital nature at an inland port or intermodal facility, the dredging of waterways in the immediate vicinity of an inland port, and the expansion of onsite storage facilities at an inland port or intermodal facility.
- Economic development activities” means activities and initiatives which enhance the use of, and flow of goods through, an inland port or intermodal facility.

Requirements:

- Applicant must be a local EDO.
- Project site must be owned by applicant (local EDO).
- Applicant must have a conflict of interest policy consistent with that found in the instructions to Form 1023 issued by the Internal Revenue Service.
- Application must include an economic impact report.

3. STEM MARKETING PROGRAM

A “STEM Marketing Program” is defined as a program designed to encourage persons trained in fields related to science, technology, engineering, or mathematics to remain in Alabama. Eligible expenditures are direct operational expenditures associated with the program.

Requirements:

- Applicant can be a local or state EDO.
- Applicant must have a conflict of interest policy consistent with that found in the instructions to Form 1023 issued by the Internal Revenue Service.
- Application must include an economic impact report.

4. TECH ACCELERATOR PROGRAM

A “Tech Accelerator Program” is defined as a program involving the creation, operation, or support of an accelerator program for technology companies. An “accelerator” is defined as a company which, for a fixed term of six months or less, educates and mentors early-stage technology companies recruited to a location in Alabama, with the goal of accelerating such companies’ development and growth. The program must contain a defined curriculum and mentorship component. Eligible expenditures are direct operational expenditures associated with the program.

Requirements:

- Applicant can be a local or state EDO.
- Applicant must have a conflict of interest policy consistent with that found in the instructions to Form 1023 issued by the Internal Revenue Service.
- Application must include an economic impact report.

5. AGRICULTURAL CENTER

An “Agricultural Center” is defined as a multi-use facility and related commercial and non-commercial structures for livestock, equestrian, small animal shows and events, spectator events, trade shows, educational conferences, agricultural and agricultural-related industries, educational, demonstrational or training purposes, educational and training conferences or events, recreational vehicle rallies, recreational vehicle multi-day parking, hosting of corporate and non-corporate organization meetings, use as fair grounds, operation of retail activities, and other events and facilities expected to draw participants and spectators from states located across the southeastern United States, with a projected total annual economic impact upon completion of all phases of the Agricultural Center at least \$35,000,000 and with the related and supporting infrastructure and facilities having a projected capital expenditure upon completion of all phases of the Agricultural Center of at least \$100,000,000.

Eligible expenditures include construction, maintenance, promotion, operation, management, leasing, and subleasing.

Requirements:

- Applicant can be a local or state EDO.
- Applicant must have a conflict of interest policy consistent with that found in the instructions to Form 1023 issued by the Internal Revenue Service.
- Application must include an economic impact report.

APPROVED APPLICATIONS

Growing Alabama Approved Applicant	Growing Alabama Approved Allocation
The Bibb County Economic and Industrial Development Authority	\$5,000,000
The Industrial Development Board of Pell City, Alabama	\$1,619,400
The Industrial Development Board of the City of Bessemer	\$3,000,000
Mobile Airport Authority	\$3,000,000
Mobile Airport Authority	\$ 302,697
Mobile Airport Authority	\$2,000,000
Baldwin County Economic Development Alliance	\$5,000,000
The Economic Development Partnership of Alabama, Inc.	\$2,697,303
Etowah County Commission	\$2,700,000
Opelika Industrial Development Authority	\$ 200,000