

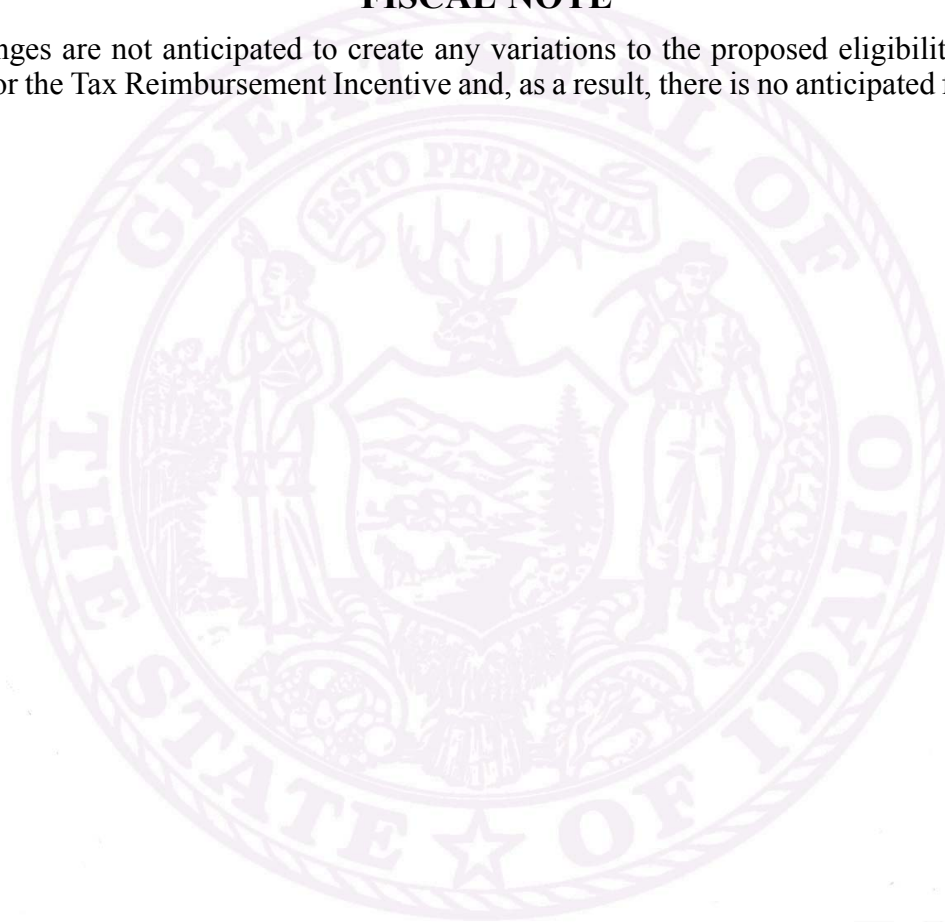
**STATEMENT OF PURPOSE**

**RS23203C1**

The Tax Reimbursement Incentive was passed during the 2014 legislative session as a new performance-based economic development tool that provides a tax credit of up to 30% for up to 15 years on new income tax, sales tax and payroll taxes paid as a result of a new qualifying project. Since going into effect on July 1, 2014, over a dozen projects - both new and existing Idaho businesses - have sought to qualify for this tax credit. After working through the details on several of these projects, the Department of Commerce identified several minor changes that provide needed clarity to the statute.

**FISCAL NOTE**

These changes are not anticipated to create any variations to the proposed eligibility of projects applying for the Tax Reimbursement Incentive and, as a result, there is no anticipated fiscal impact.



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