

From: Gray, Laura [Laura.Gray@vermont.gov]
Sent: Friday, December 18, 2015 10:27 AM
To: Springer, Darren; Allen, Susan; Pepper, James; Coriell, Scott
Subject: FW: R&D Credit Back up to 30%

Hi all,

Pat mentioned a couple of things they want to pursue, summarized below. My questions are in blue.

Also tax has finally gotten back on how much upping the R&D tax credit back to 30. From tax: We can say that \$250K – which was what the 14 legislation was “scored” at, is probably still in ballpark, give or take \$50K.

I am assuming we haven't budgeted for it but it is something businesses have been asking for and we pursued it last year, but it was sidelined at the last minute because tax couldn't produce an accurate estimate.

The other things we want to proceed with, that do not cost money, are:

1. Enabling up to 10% of the Vt. Training Program to be used at the Econ. Dev. Commissioners discretion, for workforce "pipeline" activities between employers and high schools and tech centers. Small grants to employers to offset costs associated with setting those programs up with high schools and/or tech centers. I.e. GW Plastics School of Tech. *Might be worth asking Annie.*
2. We also want to pursue, and I will check with Mary on this, is the "TIF light" or TIFlette idea of using a portion of the incremental increase in property taxes to pay down a municipal bond when the municipality has bonded for infrastructure need to facilitate a new industrial, or workforce housing project. Possibly look at using a portion of incremental increase in corporate or biz tax to pay as well. All incremental increase in taxes, not using existing taxes. *I thought we poured cold water on this because it doesn't seem doable? It seems like a good idea in concept, what do others think?*

The other needs we have cost money, the 3rd and 4th year of downpayment assistance (\$250,000 total). *Are we going out proposing this? Leg definitely will either way.* And the R&D tax credit.