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Rebuild Rhode Island Tax Credits & Sales Tax Rebates

Beginning in FY20, all future Rebuild Rhode Island tax credits and Sales Tax rebates are dispersed from the Rebuild Fund.

FYE 2020:

- Anticipating 14 Rebuild RI tax credit payments
 - *All future Rebuild Rhode Island tax credits and Sales Tax rebates are expected to be dispersed from the Rebuild Fund through separate budget appropriations.*
- Anticipating 10 Sales and Use Tax payments
- The estimated payment for FY20 is \$9.6M

FYE 2021:

- Anticipating 21 Rebuild RI Credit payments
 - Total project payments of \$18 million
- Anticipating 8 Sales and Use Tax payments
- The estimated fund payment for FY21 is \$19.8M



River House (Providence)

Tax Increment Finance Incentive

FYE 2020:

- Anticipating 4 project PILOT payments
 - *These payments are made directly to an escrow account managed by the Commerce Corporation by the TIF recipients and thus are not reflected in state revenue estimates*
- Total payments of \$1.3M
 - 4 projects are now complete (all PILOTs):
 - Hyatt Place (Warwick)
 - \$244,723
 - Homewood Suites (Providence)
 - \$256,704
 - Residence Inn (Providence)
 - \$559,879
 - Fairfield Inn* (South Kingstown)
 - \$215,069



Hyatt Place (Warwick)

**The Commerce Corporation has been negotiating an amendment to the mechanics of the Fairfield Inn PILOT Agreement. As a result the PILOT payments shown have been collected by the Division of Taxation. Approximately \$140,000 has been remitted to the Corporation for the benefit of the project.*

Tax Increment Finance Incentive (continued)

FYE 2021:

- Anticipating 2 new project certifications under the standard TIF Structure
 - *Payments from these recipients are collected by Taxation directly and then subsequently disbursed to the project by Department of Revenue*
 - *These payments are subject to annual appropriation.*
- Total estimated project payments of \$2.3 million
 - 2 anticipated projects (all Standard TIF):
 - Hammett's Wharf (Newport)
 - Hotel Beatrice (Providence)



Residence Inn (Providence)

**The TIF estimates for FY 2021 are based upon Commerce Corporation original underwriting and have NOT been adjusted for potential COVID-19 impacts.*

Qualified Jobs Incentive Tax Credit (estimate)

As of July 1, 2019, Qualified Jobs Incentive Tax Credit rebates 75% of new personal state income tax withholdings up to \$7,500 per job for new full-time jobs that wouldn't be created but for this incentive. Prior to that date, 100% of new personal state income tax withholdings. Of the 37 deals approved to date, 30 are subject to the 100% program, and 7 are subject to the 75% program

FY 2020:

- 2 annual certifications completed FYTD with a gross value¹ of \$96,042
- 14 additional annual certifications anticipated this FY with estimated gross value of \$1.8 million

FYE 2021:

- Anticipating 20 annual certifications with a total gross value of \$2.7 million




Infosys (Providence)

1. The anticipated total gross value is based upon original project underwriting of hiring estimates and salaries provided by the participant companies. The annual actual value of the tax credits will flow from the actual job data certified on an annual basis.

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