

## North Carolina Appendix

### Key Subsidy Programs

Program	Annual Cost	Monitoring, Enforcement & Penalty Score*
Credit for Qualifying Expenses of a Production Company - refundable corporate income tax credits for film production; critics argue job creation claims have been exaggerated	\$7,153,242 (2009)	38/100
Job Development Investment Grants (JDIG) - grants funded by worker personal income tax withholding for firms which meet job-creation requirements	\$15,000,000 (2010)	95/100
One North Carolina Fund - "deal closing" grants for firms which meet wage requirements; funds can be used only for qualified expenses and local communities must commit matching funds	\$4,240,441 (2010)	98/100
Tax Credits for New and Expanding Businesses (Article 3J) - corporate income tax credits for firms which meet job creation wage and investment requirements; replacing William S. Lee credits	\$14,260,364 (2010)	70/100
William S. Lee Quality Jobs and Business Expansion Act (Article 3A) - controversial corporate income tax and other credits for businesses which meet job creation wage and investment requirements and engage in a qualified activity; no new recipients since 2007 but has significant ongoing fiscal impact	\$56,845,597 (2010)	77/100
<b>Average Monitoring, Enforcement &amp; Penalty Score for All Programs*</b>		<b>76/100</b>

\*Adjusted to reflect the program's performance standards score in *Money for Something*. See next page for unweighted scoring details.

<b>Money-Back Guarantees for Taxpayers Scoring Details for North Carolina Programs</b>		<i>Maximum possible score for category</i>	<i>Credit for qualifying expenses of a production company</i>	<i>Job Development Investment Grants (JDIG)</i>	<i>One North Carolina Fund</i>	<i>Tax Credits for New and Expanding Businesses (Article 3J)</i>	<i>William S. Lee Quality Jobs and Business Expansion Act (Article 3A)</i>
Reporting	Has a requirement that recipients report to agency on performance outcomes (20 pts)	20	20	20	20	20	20
Verification	Agency awarding subsidy verifies performance outcomes reported by recipient (20 pts)	20	20	20	20	0	0
Type of Penalties	Penalty takes the form of recapture (10 pts)	10	0	10	10	10	10
	Penalty takes the form of rescission or program is performance based (5 pts)	5	5	5	5	5	5
	Penalty takes the form of recalibration (5 pts)	5	0	5	0	0	0
Scope of Penalties	Mandatory penalties for failure to meet performance requirements with no exceptions* (20 pts) Mandatory penalties for failure to meet performance requirements with some exceptions (15 pts) Discretionary penalties for failure to meet performance requirements (10 pts)	20	20	20	20	15	15
Online Disclosure of Enforcement Practices	Online publication of statistics on use of penalties (10 pts)	10	0	10	10	0	0
	Online publication of names of companies found to be non-compliant (5 pts)	5	0	5	5	0	0
	Online publication of names of companies penalized and dollar amounts (5 pts)	5	0	5	5	0	0
Total unweighted score		100	65	100	95	50	50
<b>TOTAL SCORE adjusted to reflect the program's performance standards score in <i>Money for Something</i></b>		<b>100</b>	<b>38</b>	<b>95</b>	<b>98</b>	<b>70</b>	<b>77</b>

\*Programs deemed performance based automatically receive points in this category.  
 For details on the programs see Appendix 4 in [www.goodjobsfirst.org/moneyback](http://www.goodjobsfirst.org/moneyback).