

2024 INCENTIVES

\$50 MILLION NUCLEAR ENERGY SUPPLY CHAIN INVESTMENT FUND IN THE STATE'S BUDGET



NUCLEAR ENERGY SUPPLY CHAIN INVESTMENT FUND

TENNESSEE

Proposed by Governor Bill Lee during his 2023 State of the State address, the fund will establish a nuclear development and manufacturing ecosystem built for the future of Tennessee by providing grant assistance to support nuclear power-related businesses that choose to relocate or expand in the state.

TNECD WILL EVALUATE PROJECTS FOR FUNDING THAT

Manufacture components for nuclear energy testing and future nuclear power generation

Design, develop, and build small modular reactors and advanced reactors

Research and test new technology in nuclear fission and fusion

Store and transport elements of the nuclear life cycle

TNECD WILL EVALUATE EACH COMPANY ON A CASE-BY-CASE BASIS USING THE FOLLOWING CRITERIA

Company's mission and what it will be producing to expand Tennessee's nuclear ecosystem

Number of jobs the company will create

Amount of capital investment the company will make

Average employee wage the project will provide

TAX INCENTIVES

TNECD works alongside companies and the Tennessee Department of Revenue to ensure that all available tax credits and exemptions that a project is eligible for are applied to the company. A company may be eligible for one or more of the following tax credits and exemptions and may also be eligible for additional credits and exemptions based on the project specifics.

STANDARD JOB TAX CREDIT

50% offset of F&E taxes

Any unused credit may be carried forward for up to 25 years or until used

Assumes the company will create the net new positions and capital investment over a three (3) year investment period

INDUSTRIAL MACHINERY CREDIT

50% offset of F&E taxes

1% credit for the purchase of qualified industrial machinery. Computer and telecommunications equipment purchased in making the required capital investment for job tax credit

Any unused credit may be carried forward for up to 15-25 years or until used

Assumes the company will create the capital investment over a three (3) year investment period

ENHANCED JOB TAX CREDIT

100% offset of F&E taxes

This is an annual credit for three (3) consecutive years

This credit does not have a carry forward and is a use it or lose it credit

SALES AND USE TAX EXEMPTION

A state and local sales and use tax exemption on qualified industrial machinery for manufacturers.

FAQs

What can funding through the Nuclear Energy Supply Chain Investment Fund be used for?

- Eligible expenses are limited to property improvements, building construction, and other costs associated with real property investment.
-

How is the funding dispersed?

- Funding comes in the form of a reimbursement grant. Once a contract has been executed, companies can begin submitting receipts for reimbursement as soon as costs are incurred for eligible expenses.
-

How are projects evaluated for funding?

- To vet each new company and technology, TNECD partners with Oak Ridge National Lab, the Tennessee Valley Authority, and other experts in the nuclear sector to verify a company's suitability.
-

How does a company apply for funding?

- To apply, an interested company can contact one of the following TNECD team members for an introductory conversation and project overview discussion.
- Callie Cook: Callie.Cook@TN.Gov
- Gary Human: Gary.Human@TN.Gov
- Braden Stover: Braden.Stover@TN.Gov

INCENTIVES