Public Programs Which Help Private Enterprises Meet Air and Water Pollution Control Regulations

Robert L. Vertrees
South Dakota State University

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Purpose.--Two purposes are served by this newsletter. A wide range of public programs are identified and classified which provide assistance to private enterprises in South Dakota faced with air and water pollution control regulations. And managers of these enterprises can learn where to obtain detailed information about such programs. Managers of small enterprises should particularly find this newsletter useful. They normally do not have the staff to maintain up-to-date information about the diverse programs introduced herein.

Classification.--The outline which follows classifies similar types of programs which are presently authorized by federal or South Dakota laws to help private entities meet air and water pollution control regulations. It is important to recognize that some of these authorized programs are not currently supported by any appropriated funds or are supported only by limited funds.

I. Assistance provided directly to individual private enterprises or groups of private enterprises.
   A. Federal Assistance in finding technical means to meet air and water pollution control regulations.
      1. Provided to various types of enterprises by the Department of Housing and Urban Development, Economic Development Administration, Farmers Home Administration, and Small Business Administration.
      2. Provided for the control and disposal of agriculturally related wastes by the Soil Conservation Service to cooperators with local Conservation Districts.
   B. Federal grants or loans which apply to the actual construction of new facilities or to the actual improvement of existing facilities.
      1. Provided in support of facilities built by various types of producers by the Department of Housing and Urban Development, Economic Development Administration, Farmers Home Administration, and Small Business Administration.
      2. Provided in support of facilities built to control pollution from agriculturally related activities by the Rural Environmental Conservation Program administered by the Agricultural Stabilization and Conservation Service.
   C. South Dakota grants to livestock enterprises.
      1. Grants which apply to the construction of new water pollution control facilities are administered by the Department of Environmental Protection.
   D. Exemptions from the payment of certain federal corporation income taxes administered by the Internal Revenue Service.
      1. Accelerated depreciation is available for new industrial pollution control facilities used in connection with an industrial plant built and operated before January 1, 1969.
      2. Tax credits can be applied to the same type of facilities which are able to obtain the accelerated depreciation.
E. Exemptions from the payment of certain property taxes administered by counties within South Dakota.

1. South Dakota law allows reductions for five years in the taxable value of new nonresidential structures, or additions thereto, which are added to real property and which have a value of at least $30,000. Certain types of pollution control facilities qualify for this exemption.

II. Assistance provided indirectly to private enterprises which emit wastewaters to municipal water pollution control works.

A. Federal grants for the construction of these municipal works are administered by the Department of Housing and Urban Development, Economic Development Administration, Environmental Protection Agency, and Farmers Home Administration.

B. State grants which supplement federal grants (provided in particular by the Environmental Protection Agency) are administered by the Department of Environmental Protection.

III. Assistance provided to private enterprises because the construction of new or improved facilities can be financed by tax-free revenue bonds issued by municipalities.

A. Federal income tax laws administered by the Internal Revenue Service authorize bondholders to obtain tax-free municipal bonds for industrial development purposes including the financing of air and water pollution control facilities. (Industrial facilities can thereby be financed at lower interest rates.)

B. South Dakota law authorizes municipalities to issue revenue bonds for certain industrial development purposes including the financing of air and water pollution control facilities. (The facilities are owned by a municipality and leased to a private enterprise. The private enterprise pays no property taxes on the facilities, but makes payments used to retire the revenue bonds.)

Additional Information.--Details of specific programs can be obtained from separate federal or state agencies referred to in the outline. In addition, information can be obtained from persons, agencies, and organizations which are likely to keep abreast of these kinds of assistance programs. These include:

(1) the South Dakota Industrial Development Expansion Agency, (2) the South Dakota State Planning Bureau, (3) Multi-Jurisdictional Planning and Development Districts, (4) County Extension Agents, (5) the Greater South Dakota Association, and (6) associations of specific types of private enterprises.

Robert L. Vertrees, Assistant Professor