

FIRST REGULAR SESSION

SENATE BILL NO. 139

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR CROWELL.

Read 1st time January 19, 2011, and ordered printed.

TERRY L. SPIELER, Secretary.

0563S.011

AN ACT

To repeal sections 32.105, 32.110, 32.111, 32.112, 32.115, 99.1205, 100.286, 100.297, 100.850, 135.015, 135.020, 135.090, 135.110, 135.305, 135.327, 135.352, 135.460, 135.484, 135.490, 135.535, 135.545, 135.546, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.680, 135.700, 135.750, 135.766, 135.967, 135.1150, 143.119, 143.471, 148.030, 148.400, 208.770, 253.550, 253.559, 320.093, 348.430, 348.432, 348.434, 348.505, 375.774, 376.745, 376.975, 447.708, 620.495, 620.1039, 620.1881, and 660.055, RSMo, and to enact in lieu thereof fifty-one new sections relating to subjecting tax credit programs to appropriations.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 32.105, 32.110, 32.111, 32.112, 32.115, 99.1205, 2 100.286, 100.297, 100.850, 135.015, 135.020, 135.090, 135.110, 135.305, 135.327, 3 135.352, 135.460, 135.484, 135.490, 135.535, 135.545, 135.546, 135.550, 135.562, 4 135.575, 135.600, 135.630, 135.647, 135.679, 135.680, 135.700, 135.750, 135.766, 5 135.967, 135.1150, 143.119, 143.471, 148.030, 148.400, 208.770, 253.550, 253.559, 6 320.093, 348.430, 348.432, 348.434, 348.505, 375.774, 376.745, 376.975, 447.708, 7 620.495, 620.1039, 620.1881, and 660.055, RSMo, are repealed and fifty-one new 8 sections enacted in lieu thereof, to be known as sections 32.105, 32.110, 32.111, 9 32.112, 32.115, 99.1205, 100.286, 100.297, 100.850, 135.015, 135.020, 135.090, 10 135.110, 135.305, 135.327, 135.352, 135.460, 135.484, 135.490, 135.535, 135.550, 11 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.680, 135.700, 135.750, 12 135.821, 135.967, 135.1150, 143.119, 143.471, 148.030, 148.400, 208.770, 253.550, 13 253.559, 348.430, 348.432, 348.434, 348.505, 375.774, 376.745, 376.975, 447.708, 14 620.495, 620.1881, and 660.055, to read as follows:

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

38 commission is equal to or less than the following percentages of the median
 39 family income for the geographic area in which the residential unit is located, or
 40 the median family income for the state of Missouri, whichever is larger:

	Percent of State or Geographic Area Family
Size of Household	Median Income
44 One Person	70%
45 Two Persons	80%
46 Three Persons	90%
47 Four Persons	100%
48 Five Persons	108%
49 Six Persons	116%
50 Seven Persons	124%
51 Eight Persons	132%

52 (3) "Business firm", person, firm, a partner in a firm, corporation or a
 53 shareholder in an S corporation doing business in the state of Missouri and
 54 subject to the state income tax imposed by the provisions of chapter 143, RSMo,
 55 including any charitable organization that is exempt from federal income tax and
 56 whose Missouri unrelated business taxable income, if any, would be subject to the
 57 state income tax imposed under such chapter, or a corporation subject to the
 58 annual corporation franchise tax imposed by the provisions of chapter 147, RSMo,
 59 or an insurance company paying an annual tax on its gross premium receipts in
 60 this state, or other financial institution paying taxes to the state of Missouri or
 61 any political subdivision of this state pursuant to the provisions of chapter 148,
 62 RSMo, or an express company which pays an annual tax on its gross receipts in
 63 this state;

64 (4) "Commission", the Missouri housing development commission;

65 (5) "Community services", any type of counseling and advice, emergency
 66 assistance or medical care furnished to individuals or groups in the state of
 67 Missouri or transportation services at below-cost rates as provided in sections
 68 208.250 to 208.275, RSMo;

69 (6) "Crime prevention", any activity which aids in the reduction of crime
 70 in the state of Missouri;

71 (7) "Defense industry contractor", a person, corporation or other entity
 72 which will be or has been negatively impacted as a result of its status as a prime
 73 contractor of the Department of Defense or as a second or third tier contractor.
 74 A "second tier contractor" means a person, corporation or other entity which

75 contracts to perform manufacturing, maintenance or repair services for a prime
76 contractor of the Department of Defense, and a "third tier contractor" means a
77 person, corporation or other entity which contracts with a person, corporation or
78 other entity which contracts with a prime contractor of the Department of
79 Defense;

80 (8) "Doing business", among other methods of doing business in the state
81 of Missouri, a partner in a firm or a shareholder in an S corporation shall be
82 deemed to be doing business in the state of Missouri if such firm or S corporation,
83 as the case may be, is doing business in the state of Missouri;

84 (9) "Economic development", the acquisition, renovation, improvement, or
85 the furnishing or equipping of existing buildings and real estate in distressed or
86 blighted areas of the state when such acquisition, renovation, improvement, or
87 the furnishing or equipping of the business development projects will result in the
88 creation or retention of jobs within the state. Only neighborhood organizations,
89 as defined in subdivision (13) of this section, may apply to conduct economic
90 development projects. Prior to the approval of an economic development project,
91 the neighborhood organization shall enter into a contractual agreement with the
92 department of economic development. Credits approved for economic development
93 projects may not exceed six million dollars from within any one fiscal year's
94 allocation. Neighborhood assistance program tax credits for economic
95 development projects and affordable housing assistance as defined in section
96 32.111 may be transferred, sold or assigned by a notarized endorsement thereof
97 naming the transferee. **Other provisions of law to the contrary**
98 **notwithstanding, no tax credits shall be authorized under the**
99 **provisions of this subdivision after June 30, 2012, unless an**
100 **appropriation is made pursuant to the provisions of section 135.821. In**
101 **any fiscal year for which an appropriation is made pursuant to the**
102 **provisions of section 135.821, no more than the amount of tax credits so**
103 **appropriated shall be authorized. There is hereby created in the state**
104 **treasury the "Development Tax Credit Program Fund", which shall**
105 **consist of money appropriated under this subdivision and section**
106 **135.821. The state treasurer shall be custodian of the fund and may**
107 **approve disbursements from the fund in accordance with sections**
108 **30.170 and 30.180. Upon appropriation, money in the fund shall be used**
109 **solely for the administration of this subdivision and sections 32.100 to**
110 **32.125. Notwithstanding the provisions of section 33.080 to the**
111 **contrary, any moneys remaining in the fund for tax credits which have**

112 **been authorized but not yet redeemed at the end of the fiscal year shall**
113 **not revert to the credit of the general revenue fund. Any moneys**
114 **remaining in the fund at the end of the fiscal year for any tax credits**
115 **which remain unauthorized at the end of the fiscal year shall revert to**
116 **the credit of the general revenue fund. Provisions of section 32.057 to**
117 **the contrary notwithstanding, the department of revenue shall notify**
118 **the director of the department upon redemption of each tax credit**
119 **authorized under the provisions of this subdivision. Upon such**
120 **notification, an amount equal to the tax credits redeemed shall be**
121 **transferred from the fund created in this subdivision to the general**
122 **revenue fund. In the event the department determines that any tax**
123 **credit authorized under this subdivision is precluded from being**
124 **redeemed due to contractual agreement entered into by the department**
125 **and the tax credit applicant or is otherwise precluded by law from**
126 **being redeemed, an amount equal to such tax credit shall be**
127 **transferred from the fund created in this subdivision to the general**
128 **revenue fund. The state treasurer shall invest moneys in the fund in**
129 **the same manner as other funds are invested. Any interest and moneys**
130 **earned on such investments shall be credited to the general revenue**
131 **fund at the end of each fiscal year;**

132 (10) "Education", any type of scholastic instruction or scholarship
133 assistance to an individual who resides in the state of Missouri that enables the
134 individual to prepare himself or herself for better opportunities or community
135 awareness activities rendered by a statewide organization established for the
136 purpose of archeological education and preservation;

137 (11) "Homeless assistance pilot project", the program established pursuant
138 to section 32.117;

139 (12) "Job training", any type of instruction to an individual who resides
140 in the state of Missouri that enables the individual to acquire vocational skills so
141 that the individual can become employable or be able to seek a higher grade of
142 employment;

143 (13) "Neighborhood organization", any organization performing community
144 services or economic development activities in the state of Missouri and:

145 (a) Holding a ruling from the Internal Revenue Service of the United
146 States Department of the Treasury that the organization is exempt from income
147 taxation pursuant to the provisions of the Internal Revenue Code; or

148 (b) Incorporated in the state of Missouri as a not-for-profit corporation

149 pursuant to the provisions of chapter 355, RSMo; or

150 (c) Designated as a community development corporation by the United
151 States government pursuant to the provisions of Title VII of the Economic
152 Opportunity Act of 1964;

153 (14) "Physical revitalization", furnishing financial assistance, labor,
154 material, or technical advice to aid in the physical improvement or rehabilitation
155 of any part or all of a neighborhood area;

156 (15) "S corporation", a corporation described in Section 1361(a)(1) of the
157 United States Internal Revenue Code and not subject to the taxes imposed by
158 section 143.071, RSMo, by reason of section 143.471, RSMo;

159 (16) "Workfare renovation project", any project initiated pursuant to
160 sections 215.340 to 215.355, RSMo.

32.110. 1. Any business firm which engages in the activities of providing
2 physical revitalization, economic development, job training or education for
3 individuals, community services, or crime prevention in the state of Missouri
4 shall receive a tax credit as provided in section 32.115 if the director of the
5 department of economic development annually approves the proposal of the
6 business firm; except that, no proposal shall be approved which does not have the
7 endorsement of the agency of local government within the area in which the
8 business firm is engaging in such activities which has adopted an overall
9 community or neighborhood development plan that the proposal is consistent with
10 such plan. The proposal shall set forth the program to be conducted, the
11 neighborhood area to be served, why the program is needed, the estimated
12 amount to be contributed to the program and the plans for implementing the
13 program. If, in the opinion of the director of the department of economic
14 development, a business firm's contribution can more consistently with the
15 purposes of sections 32.100 to 32.125 be made through contributions to a
16 neighborhood organization as defined in subdivision (13) of section 32.105, tax
17 credits may be allowed as provided in section 32.115. The director of the
18 department of economic development is hereby authorized to promulgate rules
19 and regulations for establishing criteria for evaluating such proposals by business
20 firms for approval or disapproval and for establishing priorities for approval or
21 disapproval of such proposals by business firms with the assistance and approval
22 of the director of the department of revenue. The total amount of tax credit
23 granted for programs approved pursuant to sections 32.100 to 32.125 shall not
24 exceed fourteen million dollars in fiscal year 1999 and twenty-six million dollars
25 in fiscal year 2000, and any subsequent fiscal year, except as otherwise provided

26 for proposals approved pursuant to section 32.111, 32.112 or 32.117. All tax
27 credits authorized pursuant to the provisions of sections 32.100 to 32.125 may be
28 used as a state match to secure additional federal funding.

29 **2. Other provisions of law to the contrary notwithstanding, no**
30 **tax credits shall be authorized under the provisions of this section after**
31 **June 30, 2012, unless an appropriation is made pursuant to the**
32 **provisions of section 135.821. In any fiscal year for which an**
33 **appropriation is made pursuant to the provisions of section 135.821, no**
34 **more than the amount of tax credits so appropriated shall be**
35 **authorized.**

36 **3. There is hereby created in the state treasury the**
37 **"Neighborhood Assistance Tax Credit Program Fund", which shall**
38 **consist of money appropriated under this section and section**
39 **135.821. The state treasurer shall be custodian of the fund and may**
40 **approve disbursements from the fund in accordance with sections**
41 **30.170 and 30.180. Upon appropriation, money in the fund shall be used**
42 **solely for the administration of this section and sections 32.100 to**
43 **32.125. Notwithstanding the provisions of section 33.080 to the**
44 **contrary, any moneys remaining in the fund for tax credits which have**
45 **been authorized but not yet redeemed at the end of the fiscal year shall**
46 **not revert to the credit of the general revenue fund. Any moneys**
47 **remaining in the fund at the end of the fiscal year for any tax credits**
48 **which remain unauthorized at the end of the fiscal year shall revert to**
49 **the credit of the general revenue fund. Provisions of section 32.057 to**
50 **the contrary notwithstanding, the department of revenue shall notify**
51 **the director of the department upon redemption of each tax credit**
52 **authorized under the provisions of this section. Upon such notification,**
53 **an amount equal to the tax credits redeemed shall be transferred from**
54 **the fund created in this section to the general revenue fund. In the**
55 **event the department determines that any tax credit authorized under**
56 **this section is precluded from being redeemed due to contractual**
57 **agreement entered into by the department and the tax credit applicant**
58 **or is otherwise precluded by law from being redeemed, an amount**
59 **equal to such tax credit shall be transferred from the fund created in**
60 **this section to the general revenue fund. The state treasurer shall**
61 **invest moneys in the fund in the same manner as other funds are**
62 **invested. Any interest and moneys earned on such investments shall be**

63 **credited to the general revenue fund at the end of each fiscal year.**

32.111. 1. Any business firm which engages in providing affordable
2 housing assistance activities or market rate housing in distressed communities
3 as defined in section 135.530, RSMo, in the state of Missouri [shall] **may,**
4 **subject to the limitations provided under subsection 2 of this section**
5 **and subsection 3 of section 32.115,** receive a tax credit as provided in section
6 32.115 if the commission or its delegate approves a proposal submitted by one or
7 more business firms for the provision of affordable housing units or market rate
8 housing in distressed communities or in accordance with the requirements of
9 participation in the workfare renovation project in sections 215.340 to 215.355,
10 RSMo. The proposal shall set forth the program of affordable housing to be
11 conducted, the location and number of affordable housing units, the neighborhood
12 area to be served, why the program is needed, the time period for which
13 affordable housing units shall be provided, the estimated amount to be invested
14 in the program, plans for implementing the program and a list of the business
15 firms proposing to provide affordable housing assistance activities which are part
16 of the proposal. The same type of information shall be provided in proposals for
17 market rate housing in distressed communities. In the case of rental units of
18 affordable housing, but not market rate housing in distressed communities, all
19 proposals approved by the commission shall require a land use restriction
20 agreement stating the provision of affordable housing on such property for a time
21 period deemed reasonable by the commission. In the case of owner-occupied units
22 of affordable housing, all proposals approved by the commission shall require a
23 land use restriction agreement for a time period deemed reasonable by the
24 commission requiring any subsequent owner, except a lender with a security
25 interest in the property, to be an owner occupant whose income at the time of
26 acquisition is at or below the level described in section 32.105, and further
27 requiring the acquisition price to any subsequent owner shall not exceed by more
28 than a five percent annual appreciation the acquisition price to the original,
29 eligible owner at the time tax credits are first claimed. The land use restriction
30 agreement shall constitute a lien as described in subdivision (4) of subsection 3
31 of section 32.115. The restriction shall be approved by the property owner and
32 shall be binding on any subsequent owner of the property unless otherwise
33 approved by the commission. In approving a proposal, the commission may
34 authorize the use of tax credits by one or more of the business firms listed in the
35 proposal and shall establish specific requirements regarding the degree of
36 completion of affordable housing assistance activities or market rate housing

37 activities in distressed communities necessary to be eligible for tax credits
38 provided pursuant to this section. If, in the opinion of the commission or its
39 delegate, a business firm's investment can more consistently with the purposes
40 of this section be made through a neighborhood organization, tax credits may be
41 allowed as provided in this section. The commission may approve requests for
42 multiyear credit commitments provided eligibility is maintained. The commission
43 or its delegate is hereby authorized to promulgate rules and regulations for
44 establishing criteria for evaluating such proposals by business firms for approval
45 or disapproval, for establishing housing priorities for approval or disapproval of
46 such proposals by business firms, and for the certification of eligibility for tax
47 credits authorized pursuant to this section. The decision of the commission or its
48 delegate to approve or disapprove a proposal pursuant to this section shall be in
49 writing, and if approved, the maximum credit allowable to the business firm shall
50 be stated. A copy of the decision of the commission or its delegate shall be
51 transmitted to the director of revenue and to the governor. A copy of the
52 certification approved by the commission and a statement of the total amount of
53 credits approved by the commission, the amount of credits previously taken by
54 the taxpayer and the amount being claimed for the current tax year shall be filed
55 in a manner and form designated by the director of revenue for any tax year in
56 which a tax credit is being claimed.

57 **2. Business firms shall file, with the commission, an application**
58 **for tax credits authorized under this section on a form provided by the**
59 **commission. In the event the amount of claims exceed the amount of**
60 **credits available under the provisions of section 32.115, the commission**
61 **shall award the credits on a first-to-file, first-to-receive basis.**

32.112. Any business firm which makes a contribution to a neighborhood
2 organization, a significant part of whose activities consist of affordable housing
3 assistance activities or market rate housing in distressed communities as defined
4 in section 135.530, RSMo, in the state of Missouri, [shall] **may, subject to the**
5 **limitations provided under subsection 4 of section 32.115,** receive a tax
6 credit as provided in section 32.115 if the commission approves a proposal
7 submitted by one or more business firms for the general operating assistance of
8 such neighborhood organization. The proposal shall set forth the activities of the
9 neighborhood organization, including the affordable housing assistance activities
10 or market rate housing in distressed communities, the neighborhood area to be
11 served, why the activities are needed, the estimated amount to be contributed to
12 the neighborhood organization, and a list of the business firms proposing to make

13 the contributions. The commission is hereby authorized to promulgate rules and
14 regulations pursuant to section 536.024, RSMo, for establishing criteria for
15 evaluating such proposals by business firms for approval or disapproval, and for
16 the certification of eligibility for tax credits authorized pursuant to this
17 section. The decision of the commission to approve or disapprove a proposal
18 pursuant to this section shall be in writing and, if approved, the maximum credit
19 allowable to the business firm shall be stated. A copy of the decision of the
20 commission shall be transmitted to the director of revenue and to the governor.
21 A copy of the certification approved by the commission and a statement of the
22 total amount of credits approved, the amount of credits previously taken by the
23 taxpayer and the amount being claimed for the current tax year shall be filed in
24 a manner and form designated by the director of revenue for any tax year in
25 which a tax credit is being claimed.

32.115. 1. The department of revenue shall grant a tax credit, to be
2 applied in the following order until used, against:

3 (1) The annual tax on gross premium receipts of insurance companies in
4 chapter 148, RSMo;

5 (2) The tax on banks determined pursuant to subdivision (2) of subsection
6 2 of section 148.030, RSMo;

7 (3) The tax on banks determined in subdivision (1) of subsection 2 of
8 section 148.030, RSMo;

9 (4) The tax on other financial institutions in chapter 148, RSMo;

10 (5) The corporation franchise tax in chapter 147, RSMo;

11 (6) The state income tax in chapter 143, RSMo; and

12 (7) The annual tax on gross receipts of express companies in chapter 153,
13 RSMo.

14 2. For proposals approved pursuant to section 32.110:

15 (1) The amount of the tax credit shall not exceed fifty percent of the total
16 amount contributed during the taxable year by the business firm or, in the case
17 of a financial institution, where applicable, during the relevant income period in
18 programs approved pursuant to section 32.110;

19 (2) Except as provided in subsection 2 or 5 of this section, a tax credit of
20 up to seventy percent may be allowed for contributions to programs where
21 activities fall within the scope of special program priorities as defined with the
22 approval of the governor in regulations promulgated by the director of the
23 department of economic development;

24 (3) Except as provided in subsection 2 or 5 of this section, the tax credit

25 allowed for contributions to programs located in any community shall be equal to
26 seventy percent of the total amount contributed where such community is a city,
27 town or village which has fifteen thousand or less inhabitants as of the last
28 decennial census and is located in a county which is either located in:

29 (a) An area that is not part of a standard metropolitan statistical area;

30 (b) A standard metropolitan statistical area but such county has only one
31 city, town or village which has more than fifteen thousand inhabitants; or

32 (c) A standard metropolitan statistical area and a substantial number of
33 persons in such county derive their income from agriculture. Such community
34 may also be in an unincorporated area in such county as provided in subdivision
35 (1), (2) or (3) of this subsection. Except in no case shall the total economic benefit
36 of the combined federal and state tax savings to the taxpayer exceed the amount
37 contributed by the taxpayer during the tax year;

38 (4) Such tax credit allocation, equal to seventy percent of the total amount
39 contributed, shall not exceed four million dollars in fiscal year 1999 and six
40 million dollars in fiscal year 2000 and any subsequent fiscal year. When the
41 maximum dollar limit on the seventy percent tax credit allocation is committed,
42 the tax credit allocation for such programs shall then be equal to fifty percent
43 credit of the total amount contributed. Regulations establishing special program
44 priorities are to be promulgated during the first month of each fiscal year and at
45 such times during the year as the public interest dictates. Such credit shall not
46 exceed two hundred and fifty thousand dollars annually except as provided in
47 subdivision (5) of this subsection. No tax credit shall be approved for any bank,
48 bank and trust company, insurance company, trust company, national bank,
49 savings association, or building and loan association for activities that are a part
50 of its normal course of business. Any tax credit not used in the period the
51 contribution was made may be carried over the next five succeeding calendar or
52 fiscal years until the full credit has been claimed. Except as otherwise provided
53 for proposals approved pursuant to section 32.111, 32.112 or 32.117, in no event
54 shall the total amount of all other tax credits allowed pursuant to sections 32.100
55 to 32.125 exceed thirty-two million dollars in any one fiscal year, of which six
56 million shall be credits allowed pursuant to section 135.460, RSMo. If six million
57 dollars in credits are not approved, then the remaining credits may be used for
58 programs approved pursuant to sections 32.100 to 32.125. **Other provisions of**
59 **law to the contrary notwithstanding, no tax credits shall be authorized**
60 **under the provisions of sections 32.110 or 135.460 after June 30, 2012,**
61 **unless an appropriation is made pursuant to the provisions of section**

62 135.821. In any fiscal year for which an appropriation is made to the
63 fund created under this section pursuant to the provisions of section
64 135.821, no more than the amount appropriated shall be
65 authorized. There is hereby created in the state treasury the "Youth
66 Opportunities Tax Credit Program Fund", which shall consist of money
67 appropriated under this section and section 135.821. The state
68 treasurer shall be custodian of the fund and may approve
69 disbursements from the fund in accordance with sections 30.170 and
70 30.180. Upon appropriation, money in the fund shall be used solely for
71 the administration of this section, section 135.460 and sections 620.110
72 to 620.1103. Notwithstanding the provisions of section 33.080 to the
73 contrary, any moneys remaining in the fund for tax credits which have
74 been authorized but not yet redeemed at the end of the fiscal year shall
75 not revert to the credit of the general revenue fund. Any moneys
76 remaining in the fund at the end of the fiscal year for any tax credits
77 which remain unauthorized at the end of the fiscal year shall revert to
78 the credit of the general revenue fund. Provisions of section 32.057 to
79 the contrary notwithstanding, the department of revenue shall notify
80 the director of the department and the state treasurer upon redemption
81 of each tax credit authorized under the provisions of this section. Upon
82 such notification, an amount equal to the tax credits redeemed shall be
83 transferred from the fund created in this section to the general revenue
84 fund. In the event the department determines that any tax credit
85 authorized under this section is precluded from being redeemed due to
86 contractual agreement entered into by the department and the tax
87 credit applicant or is otherwise precluded by law from being redeemed,
88 the department shall notify the state treasurer and an amount equal to
89 such tax credit shall be transferred from the fund created in this
90 section to the general revenue fund. The state treasurer shall invest
91 moneys in the fund in the same manner as other funds are
92 invested. Any interest and moneys earned on such investments shall be
93 credited to the general revenue fund at the end of each fiscal year.

94 (5) The credit may exceed two hundred fifty thousand dollars annually
95 and shall not be limited if community services, crime prevention, education, job
96 training, physical revitalization or economic development, as defined by section
97 32.105, is rendered in an area defined by federal or state law as an impoverished,
98 economically distressed, or blighted area or as a neighborhood experiencing

99 problems endangering its existence as a viable and stable neighborhood, or if the
100 community services, crime prevention, education, job training, physical
101 revitalization or economic development is limited to impoverished persons.

102 3. For proposals approved pursuant to section 32.111:

103 (1) The amount of the tax credit shall not exceed fifty-five percent of the
104 total amount invested in affordable housing assistance activities or market rate
105 housing in distressed communities as defined in section 135.530, RSMo, by a
106 business firm. Whenever such investment is made in the form of an equity
107 investment or a loan, as opposed to a donation alone, tax credits may be claimed
108 only where the loan or equity investment is accompanied by a donation which is
109 eligible for federal income tax charitable deduction, and where the total value of
110 the tax credits herein plus the value of the federal income tax charitable
111 deduction is less than or equal to the value of the donation. Any tax credit not
112 used in the period for which the credit was approved may be carried over the next
113 ten succeeding calendar or fiscal years until the full credit has been allowed. If
114 the affordable housing units or market rate housing units in distressed
115 communities for which a tax is claimed are within a larger structure, parts of
116 which are not the subject of a tax credit claim, then expenditures applicable to
117 the entire structure shall be reduced on a prorated basis in proportion to the ratio
118 of the number of square feet devoted to the affordable housing units or market
119 rate housing units in distressed communities, for purposes of determining the
120 amount of the tax credit. The total amount of tax credit granted for programs
121 approved pursuant to section 32.111 for the fiscal year beginning July 1, 1991,
122 shall not exceed two million dollars, to be increased by no more than two million
123 dollars each succeeding fiscal year, until the total tax credits that may be
124 approved reaches ten million dollars in any fiscal year. **No tax credits shall**
125 **be authorized under the provisions of section 32.111 after June 30, 2012,**
126 **unless an appropriation is made pursuant to the provisions of section**
127 **135.821. In any fiscal year for which an appropriation is made pursuant**
128 **to the provisions of section 135.821, no more than the amount of tax**
129 **credits so appropriated shall be authorized;**

130 (2) For any year during the compliance period indicated in the land use
131 restriction agreement, the owner of the affordable housing rental units for which
132 a credit is being claimed shall certify to the commission that all tenants renting
133 claimed units are income eligible for affordable housing units and that the rentals
134 for each claimed unit are in compliance with the provisions of sections 32.100 to
135 32.125. The commission is authorized, in its discretion, to audit the records and

136 accounts of the owner to verify such certification;

137 (3) In the case of owner-occupied affordable housing units, the qualifying
138 owner occupant shall, before the end of the first year in which credits are
139 claimed, certify to the commission that the occupant is income eligible during the
140 preceding two years, and at the time of the initial purchase contract, but not
141 thereafter. The qualifying owner occupant shall further certify to the commission,
142 before the end of the first year in which credits are claimed, that during the
143 compliance period indicated in the land use restriction agreement, the cost of the
144 affordable housing unit to the occupant for the claimed unit can reasonably be
145 projected to be in compliance with the provisions of sections 32.100 to
146 32.125. Any succeeding owner occupant acquiring the affordable housing unit
147 during the compliance period indicated in the land use restriction agreement
148 shall make the same certification;

149 (4) If at any time during the compliance period the commission determines
150 a project for which a proposal has been approved is not in compliance with the
151 applicable provisions of sections 32.100 to 32.125 or rules promulgated therefor,
152 the commission may within one hundred fifty days of notice to the owner either
153 seek injunctive enforcement action against the owner, or seek legal damages
154 against the owner representing the value of the tax credits, or foreclose on the
155 lien in the land use restriction agreement, selling the project at a public sale, and
156 paying to the owner the proceeds of the sale, less the costs of the sale and less the
157 value of all tax credits allowed herein. The commission shall remit to the director
158 of revenue the portion of the legal damages collected or the sale proceeds
159 representing the value of the tax credits. However, except in the event of
160 intentional fraud by the taxpayer, the proposal's certificate of eligibility for tax
161 credits shall not be revoked.

162 4. For proposals approved pursuant to section 32.112, the amount of the
163 tax credit shall not exceed fifty-five percent of the total amount contributed to a
164 neighborhood organization by business firms. Any tax credit not used in the
165 period for which the credit was approved may be carried over the next ten
166 succeeding calendar or fiscal years until the full credit has been allowed. The
167 total amount of tax credit granted for programs approved pursuant to section
168 32.112 shall not exceed one million dollars for each fiscal year. **No tax credits**
169 **shall be authorized under the provisions of section 32.112 after June 30,**
170 **2012, unless an appropriation is made pursuant to the provisions of**
171 **section 135.821. In any fiscal year for which an appropriation is made**
172 **pursuant to the provisions of section 135.821, no more than the amount**

173 of tax credits so appropriated shall be authorized.

174 5. The total amount of tax credits used for market rate housing in
175 distressed communities pursuant to sections 32.100 to 32.125 shall not exceed
176 thirty percent of the total amount of all tax credits authorized pursuant to
177 sections 32.111 and 32.112.

99.1205. 1. This section shall be known and may be cited as the
2 "Distressed Areas Land Assemblage Tax Credit Act".

3 2. As used in this section, the following terms mean:

4 (1) "Acquisition costs", the purchase price for the eligible parcel, costs of
5 environmental assessments, closing costs, real estate brokerage fees, reasonable
6 demolition costs of vacant structures, and reasonable maintenance costs incurred
7 to maintain an acquired eligible parcel for a period of five years after the
8 acquisition of such eligible parcel. Acquisition costs shall not include costs for
9 title insurance and survey, attorney's fees, relocation costs, fines, or bills from a
10 municipality;

11 (2) "Applicant", any person, firm, partnership, trust, limited liability
12 company, or corporation which has:

13 (a) Incurred, within an eligible project area, acquisition costs for the
14 acquisition of land sufficient to satisfy the requirements under subdivision (8) of
15 this subsection; and

16 (b) Been appointed or selected, pursuant to a redevelopment agreement
17 by a municipal authority, as a redeveloper or similar designation, under an
18 economic incentive law, to redevelop an urban renewal area or a redevelopment
19 area that includes all of an eligible project area or whose redevelopment plan or
20 redevelopment area, which encompasses all of an eligible project area, has been
21 approved or adopted under an economic incentive law. In addition to being
22 designated the redeveloper, the applicant shall have been designated to receive
23 economic incentives only after the municipal authority has considered the amount
24 of the tax credits in adopting such economic incentives as provided in subsection
25 8 of this section. The redevelopment agreement shall provide that:

26 a. The funds generated through the use or sale of the tax credits issued
27 under this section shall be used to redevelop the eligible project area;

28 b. No more than seventy-five percent of the urban renewal area identified
29 in the urban renewal plan or the redevelopment area identified in the
30 redevelopment plan may be redeveloped by the applicant; and

31 c. The remainder of the urban renewal area or the redevelopment area
32 shall be redeveloped by co-redevelopers or redevelopers to whom the applicant

33 has assigned its redevelopment rights and obligations under the urban renewal
34 plan or the redevelopment plan;

35 (3) "Certificate", a tax credit certificate issued under this section;

36 (4) "Condemnation proceedings", any action taken by, or on behalf of, an
37 applicant to initiate an action in a court of competent jurisdiction to use the
38 power of eminent domain to acquire a parcel within the eligible project
39 area. Condemnation proceedings shall include any and all actions taken after the
40 submission of a notice of intended acquisition to an owner of a parcel within the
41 eligible project area by a municipal authority or any other person or entity under
42 section 523.250, RSMo;

43 (5) "Department", the Missouri department of economic development;

44 (6) "Economic incentive laws", any provision of Missouri law pursuant to
45 which economic incentives are provided to redevelopers of a parcel or parcels to
46 redevelop the land, such as tax abatement or payments in lieu of taxes, or
47 redevelopment plans or redevelopment projects approved or adopted which
48 include the use of economic incentives to redevelop the land. Economic incentive
49 laws include, but are not limited to, the land clearance for redevelopment
50 authority law under sections 99.300 to 99.660, the real property tax increment
51 allocation redevelopment act under sections 99.800 to 99.865, the Missouri
52 downtown and rural economic stimulus act under sections 99.915 to 99.1060, and
53 the downtown revitalization preservation program under sections 99.1080 to
54 99.1092;

55 (7) "Eligible parcel", a parcel:

56 (a) Which is located within an eligible project area;

57 (b) Which is to be redeveloped;

58 (c) On which the applicant has not commenced construction prior to
59 November 28, 2007;

60 (d) Which has been acquired without the commencement of any
61 condemnation proceedings with respect to such parcel brought by or on behalf of
62 the applicant. Any parcel acquired by the applicant from a municipal authority
63 shall not constitute an eligible parcel; and

64 (e) On which all outstanding taxes, fines, and bills levied by municipal
65 governments that were levied by the municipality during the time period that the
66 applicant held title to the eligible parcel have been paid in full;

67 (8) "Eligible project area", an area which shall have satisfied the following
68 requirements:

69 (a) The eligible project area shall consist of at least seventy-five acres and

70 may include parcels within its boundaries that do not constitute an eligible
71 parcel;

72 (b) At least eighty percent of the eligible project area shall be located
73 within a Missouri qualified census tract area, as designated by the United States
74 Department of Housing and Urban Development under 26 U.S.C. Section 42, or
75 within a distressed community as that term is defined in section 135.530, RSMo;

76 (c) The eligible parcels acquired by the applicant within the eligible
77 project area shall total at least fifty acres, which may consist of contiguous and
78 noncontiguous parcels;

79 (d) The average number of parcels per acre in an eligible project area
80 shall be four or more;

81 (e) Less than five percent of the acreage within the boundaries of the
82 eligible project area shall consist of owner-occupied residences which the
83 applicant has identified for acquisition under the urban renewal plan or the
84 redevelopment plan pursuant to which the applicant was appointed or selected
85 as the redeveloper or by which the person or entity was qualified as an applicant
86 under this section on the date of the approval or adoption of such plan;

87 (9) "Interest costs", interest, loan fees, and closing costs. Interest costs
88 shall not include attorney's fees;

89 (10) "Maintenance costs", costs of boarding up and securing vacant
90 structures, costs of removing trash, and costs of cutting grass and weeds;

91 (11) "Municipal authority", any city, town, village, county, public body
92 corporate and politic, political subdivision, or land trust of this state established
93 and authorized to own land within the state;

94 (12) "Municipality", any city, town, village, or county;

95 (13) "Parcel", a single lot or tract of land, and the improvements thereon,
96 owned by, or recorded as the property of, one or more persons or entities;

97 (14) "Redeveloped", the process of undertaking and carrying out a
98 redevelopment plan or urban renewal plan pursuant to which the conditions
99 which provided the basis for an eligible project area to be included in a
100 redevelopment plan or urban renewal plan are to be reduced or eliminated by
101 redevelopment or rehabilitation; and

102 (15) "Redevelopment agreement", the redevelopment agreement or similar
103 agreement into which the applicant entered with a municipal authority and which
104 is the agreement for the implementation of the urban renewal plan or
105 redevelopment plan pursuant to which the applicant was appointed or selected
106 as the redeveloper or by which the person or entity was qualified as an applicant

107 under this section; and such appointment or selection shall have been approved
108 by an ordinance of the governing body of the municipality, or municipalities, or
109 in the case of any city not within a county, the board of aldermen, in which the
110 eligible project area is located. The redevelopment agreement shall include a
111 time line for redevelopment of the eligible project area. The redevelopment
112 agreement shall state that the named developer shall be subject to the provisions
113 of chapter 290, RSMo.

114 3. Any applicant shall be entitled to a tax credit against the taxes
115 imposed under chapters 143, 147, and 148, RSMo, except for sections 143.191 to
116 143.265, RSMo, in an amount equal to fifty percent of the acquisition costs, and
117 one hundred percent of the interest costs incurred for a period of five years after
118 the acquisition of an eligible parcel. No tax credits shall be issued under this
119 section until after January 1, 2008.

120 4. If the amount of such tax credit exceeds the total tax liability for the
121 year in which the applicant is entitled to receive a tax credit, the amount that
122 exceeds the state tax liability may be carried forward for credit against the taxes
123 imposed under chapters 143, 147, and 148, RSMo, for the succeeding six years,
124 or until the full credit is used, whichever occurs first. The applicant shall not be
125 entitled to a tax credit for taxes imposed under sections 143.191 to 143.265,
126 RSMo. Applicants entitled to receive such tax credits may transfer, sell, or assign
127 the tax credits. Tax credits granted to a partnership, a limited liability company
128 taxed as a partnership, or multiple owners of property shall be passed through
129 to the partners, members, or owners respectively pro rata or pursuant to an
130 executed agreement among the partners, members, or owners documenting an
131 alternate distribution method.

132 5. A purchaser, transferee, or assignee of the tax credits authorized under
133 this section may use acquired tax credits to offset up to one hundred percent of
134 the tax liabilities otherwise imposed under chapters 143, 147, and 148, RSMo,
135 except for sections 143.191 to 143.265, RSMo. A seller, transferor, or assignor
136 shall perfect such transfer by notifying the department in writing within thirty
137 calendar days following the effective date of the transfer and shall provide any
138 information as may be required by the department to administer and carry out
139 the provisions of this section.

140 6. To claim tax credits authorized under this section, an applicant shall
141 submit to the department an application for a certificate. An applicant shall
142 identify the boundaries of the eligible project area in the application. The
143 department shall verify that the applicant has submitted a valid application in

144 the form and format required by the department. The department shall verify
145 that the municipal authority held the requisite hearings and gave the requisite
146 notices for such hearings in accordance with the applicable economic incentive
147 act, and municipal ordinances. On an annual basis, an applicant may file for the
148 tax credit for the acquisition costs, and for the tax credit for the interest costs,
149 subject to the limitations of this section. If an applicant applying for the tax
150 credit meets the criteria required under this section, the department shall issue
151 a certificate in the appropriate amount. If an applicant receives a tax credit for
152 maintenance costs as a part of the applicant's acquisition costs, the department
153 shall post on its Internet web site the amount and type of maintenance costs and
154 a description of the redevelopment project for which the applicant received a tax
155 credit within thirty days after the department issues the certificate to the
156 applicant.

157 7. The total aggregate amount of tax credits authorized under this section
158 shall not exceed ninety-five million dollars. At no time shall the annual amount
159 of the tax credits issued under this section exceed twenty million dollars. **No tax**
160 **credits shall be authorized under the provisions of this section after**
161 **June 30, 2012, unless an appropriation is made pursuant to the**
162 **provisions of section 135.821. In any fiscal year for which an**
163 **appropriation is made to the fund created under this section pursuant**
164 **to the provisions of section 135.821, no more than the amount**
165 **appropriated shall be authorized.** If the tax credits that are to be issued
166 under this section exceed, in any year, the [twenty million dollar] limitation
167 **provided under this subsection**, the department shall either:

168 (1) Issue **all available** tax credits to the applicant [in the amount of
169 twenty million dollars], if there is only one applicant entitled to receive tax
170 credits in that year; or

171 (2) Issue the tax credits on a pro rata basis to all applicants entitled to
172 receive tax credits in that year. Any amount of tax credits, which an applicant
173 is, or applicants are, entitled to receive on an annual basis and are not issued due
174 to the [twenty million dollar] limitation **provided under this section**, shall be
175 carried forward for the benefit of the applicant or applicants to subsequent years.
176 No tax credits provided under this section shall be authorized after [August 28]
177 **June 30, 2013.** Any tax credits which have been authorized on or before [August
178 28] **June 30, 2013**, but not issued, may be issued, subject to the limitations
179 provided under this subsection, until all such authorized tax credits have been
180 issued.

181 8. There is hereby created in the state treasury the "Distressed
182 Areas Land Assemblage Tax Credit Program Fund", which shall consist
183 of money appropriated under this section and section 135.821. The
184 state treasurer shall be custodian of the fund and may approve
185 disbursements from the fund in accordance with sections 30.170 and
186 30.180. Upon appropriation, money in the fund shall be used solely for
187 the administration of this section. Notwithstanding the provisions of
188 section 33.080 to the contrary, any moneys remaining in the fund for
189 tax credits which have been authorized but not yet redeemed at the end
190 of the fiscal year shall not revert to the credit of the general revenue
191 fund. Any moneys remaining in the fund at the end of the fiscal year
192 for any tax credits which remain unauthorized at the end of the fiscal
193 year shall revert to the credit of the general revenue fund. Provisions
194 of section 32.057 to the contrary notwithstanding, the department of
195 revenue shall notify the director of the department and the state
196 treasurer upon redemption of each tax credit authorized under the
197 provisions of this section. Upon such notification, an amount equal to
198 the tax credits redeemed shall be transferred from the fund created in
199 this section to the general revenue fund. In the event the department
200 determines that any tax credit authorized under this section is
201 precluded from being redeemed due to contractual agreement entered
202 into by the department and the tax credit applicant or is otherwise
203 precluded by law from being redeemed, the department shall notify the
204 state treasurer and an amount equal to such tax credit shall be
205 transferred from the fund created in this section to the general revenue
206 fund. The state treasurer shall invest moneys in the fund in the same
207 manner as other funds are invested. Any interest and moneys earned
208 on such investments shall be credited to the general revenue fund at
209 the end of each fiscal year.

210 9. Upon issuance of any tax credits pursuant to this section, the
211 department shall report to the municipal authority the applicant's name and
212 address, the parcel numbers of the eligible parcels for which the tax credits were
213 issued, the itemized acquisition costs and interest costs for which tax credits were
214 issued, and the total value of the tax credits issued. The municipal authority and
215 the state shall not consider the amount of the tax credits as an applicant's cost,
216 but shall include the tax credits in any sources and uses and cost benefit analysis
217 reviewed or created for the purpose of awarding other economic incentives. The

218 amount of the tax credits shall not be considered an applicant's cost in the
219 evaluation of the amount of any award of any other economic incentives, but shall
220 be considered in measuring the reasonableness of the rate of return to the
221 applicant with respect to such award of other economic incentives. The municipal
222 authority shall provide the report to any relevant commission, board, or entity
223 responsible for the evaluation and recommendation or approval of other economic
224 incentives to assist in the redevelopment of the eligible project area. Tax credits
225 authorized under this section shall constitute redevelopment tax credits, as such
226 term is defined under section 135.800 RSMo, and shall be subject to all provisions
227 applicable to redevelopment tax credits provided under sections 135.800 to
228 135.830 RSMo.

229 [9.] 10. The department may promulgate rules to implement the
230 provisions of this section. Any rule or portion of a rule, as that term is defined
231 in section 536.010, RSMo, that is created under the authority delegated in this
232 section shall become effective only if it complies with and is subject to all of the
233 provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This
234 section and chapter 536, RSMo, are nonseverable and if any of the powers vested
235 with the general assembly pursuant to chapter 536, RSMo, to review, to delay the
236 effective date, or to disapprove and annul a rule are subsequently held
237 unconstitutional, then the grant of rulemaking authority and any rule proposed
238 or adopted after August 28, 2007, shall be invalid and void.

100.286. 1. Within the discretion of the board, the development and
2 reserve fund, the infrastructure development fund or the export finance fund may
3 be pledged to secure the payment of any bonds or notes issued by the board, or
4 to secure the payment of any loan made by the board or a participating lender
5 which loan:

- 6 (1) Is requested to finance any project or export trade activity;
- 7 (2) Is requested by a borrower who is demonstrated to be financially
8 responsible;
- 9 (3) Can reasonably be expected to provide a benefit to the economy of this
10 state;
- 11 (4) Is otherwise secured by a mortgage or deed of trust on real or personal
12 property or other security satisfactory to the board; provided that loans to finance
13 export trade activities may be secured by export accounts receivable or
14 inventories of exportable goods satisfactory to the board;
- 15 (5) Does not exceed five million dollars;
- 16 (6) Does not have a term longer than five years if such loan is made to

17 finance export trade activities; and

18 (7) Is, when used to finance export trade activities, made to small or
19 medium size businesses or agricultural businesses, as may be defined by the
20 board.

21 2. The board shall prescribe standards for the evaluation of the financial
22 condition, business history, and qualifications of each borrower and the terms and
23 conditions of loans which may be secured, and may require each application to
24 include a financial report and evaluation by an independent certified public
25 accounting firm, in addition to such examination and evaluation as may be
26 conducted by any participating lender.

27 3. Each application for a loan secured by the development and reserve
28 fund, the infrastructure development fund or the export finance fund shall be
29 reviewed in the first instance by any participating lender to whom the application
30 was submitted. If satisfied that the standards prescribed by the board are met
31 and that the loan is otherwise eligible to be secured by the development and
32 reserve fund, the infrastructure development fund or the export finance fund, the
33 participating lender shall certify the same and forward the application for final
34 approval to the board.

35 4. The securing of any loans by the development and reserve fund, the
36 infrastructure development fund or the export finance fund shall be conditioned
37 upon approval of the application by the board, and receipt of an annual reserve
38 participation fee, as prescribed by the board, submitted by or on behalf of the
39 borrower.

40 5. The securing of any loan by the export finance fund for export trade
41 activities shall be conditioned upon the board's compliance with any applicable
42 treaties and international agreements, such as the general agreement on tariffs
43 and trade and the subsidies code, to which the United States is then a party.

44 6. Any taxpayer, including any charitable organization that is exempt
45 from federal income tax and whose Missouri unrelated business taxable income,
46 if any, would be subject to the state income tax imposed under chapter 143,
47 RSMo, may, subject to the limitations provided under subsection 8 of this section,
48 receive a tax credit against any tax otherwise due under the provisions of chapter
49 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.261,
50 RSMo, chapter 147, RSMo, or chapter 148, RSMo, in the amount of fifty percent
51 of any amount contributed in money or property by the taxpayer to the
52 development and reserve fund, the infrastructure development fund or the export
53 finance fund during the taxpayer's tax year, provided, however, the total tax

54 credits awarded in any calendar year beginning after January 1, 1994, shall not
55 be the greater of ten million dollars or five percent of the average growth in
56 general revenue receipts in the preceding three fiscal years. This limit may be
57 exceeded only upon joint agreement by the commissioner of administration, the
58 director of the department of economic development, and the director of the
59 department of revenue that such action is essential to ensure retention or
60 attraction of investment in Missouri. If the board receives, as a contribution, real
61 property, the contributor at such contributor's own expense shall have two
62 independent appraisals conducted by appraisers certified by the Master Appraisal
63 Institute. Both appraisals shall be submitted to the board, and the tax credit
64 certified by the board to the contributor shall be based upon the value of the
65 lower of the two appraisals. The board shall not certify the tax credit until the
66 property is deeded to the board. Such credit shall not apply to reserve
67 participation fees paid by borrowers under sections 100.250 to 100.297. The
68 portion of earned tax credits which exceeds the taxpayer's tax liability may be
69 carried forward for up to five years.

70 7. Notwithstanding any provision of law to the contrary, any taxpayer
71 may sell, assign, exchange, convey or otherwise transfer tax credits allowed in
72 subsection 6 of this section under the terms and conditions prescribed in
73 subdivisions (1) and (2) of this subsection. Such taxpayer, hereinafter the
74 assignor for the purpose of this subsection, may sell, assign, exchange or
75 otherwise transfer earned tax credits:

76 (1) For no less than seventy-five percent of the par value of such credits;
77 and

78 (2) In an amount not to exceed one hundred percent of annual earned
79 credits. The taxpayer acquiring earned credits, hereinafter the assignee for the
80 purpose of this subsection, may use the acquired credits to offset up to one
81 hundred percent of the tax liabilities otherwise imposed by chapter 143, RSMo,
82 excluding withholding tax imposed by sections 143.191 to 143.261, RSMo, chapter
83 147, RSMo, or chapter 148, RSMo. Unused credits in the hands of the assignee
84 may be carried forward for up to five years, provided all such credits shall be
85 claimed within ten years following the tax years in which the contribution was
86 made. The assignor shall enter into a written agreement with the assignee
87 establishing the terms and conditions of the agreement and shall perfect such
88 transfer by notifying the board in writing within thirty calendar days following
89 the effective day of the transfer and shall provide any information as may be
90 required by the board to administer and carry out the provisions of this

91 section. Notwithstanding any other provision of law to the contrary, the amount
92 received by the assignor of such tax credit shall be taxable as income of the
93 assignor, and the excess of the par value of such credit over the amount paid by
94 the assignee for such credit shall be taxable as income of the assignee.

95 8. Provisions of subsections 1 to 7 of this section to the contrary
96 notwithstanding, no more than ten million dollars in tax credits provided under
97 this section, may be authorized or approved annually **prior to June 30, 2012.**
98 **No tax credits shall be authorized under the provisions of this section**
99 **after June 30, 2012, unless an appropriation is made pursuant to the**
100 **provisions of section 135.821. In any fiscal year for which an**
101 **appropriation is made to the fund created under this section pursuant**
102 **to the provisions of section 135.821, no more than the amount**
103 **appropriated shall be authorized. The provisions of this section shall**
104 **not be construed to limit or in any way impair a recipient's ability to**
105 **redeem tax credits or an administering agency's ability to issue tax**
106 **credits authorized prior to July 1, 2012.** [The limitation on tax credit
107 authorization and approval provided under this subsection may be exceeded only
108 upon mutual agreement, evidenced by a signed and properly notarized letter, by
109 the commissioner of the office of administration, the director of the department
110 of economic development, and the director of the department of revenue that such
111 action is essential to ensure retention or attraction of investment in Missouri
112 provided, however, that in no case shall more than twenty-five million dollars in
113 tax credits be authorized or approved during such year.] Taxpayers shall file,
114 with the board, an application for tax credits authorized under this section on a
115 form provided by the board. **In the event the amount of claims exceed the**
116 **amount of tax credits available under the provisions of this subsection,**
117 **the board shall award the credits on a first-to-file, first-to-receive**
118 **basis.** The provisions of this subsection shall not be construed to limit or in any
119 way impair the ability of the board to authorize tax credits for issuance for
120 projects authorized or approved, by a vote of the board, on or before the thirtieth
121 day following the effective date of this act, or a taxpayer's ability to redeem such
122 tax credits.

123 9. **There is hereby created in the state treasury the "Missouri**
124 **Development Finance Board Infrastructure Development Contribution**
125 **Tax Credit Program Fund", which shall consist of money appropriated**
126 **under this section and section 135.821. The state treasurer shall be**
127 **custodian of the fund and may approve disbursements from the fund in**

128 accordance with sections 30.170 and 30.180. Upon appropriation, money
129 in the fund shall be used solely for the administration of this
130 section. Notwithstanding the provisions of section 33.080 to the
131 contrary, any moneys remaining in the fund for tax credits which have
132 been authorized but not yet redeemed at the end of the fiscal year shall
133 not revert to the credit of the general revenue fund. Any moneys
134 remaining in the fund at the end of the fiscal year for any tax credits
135 which remain unauthorized at the end of the fiscal year shall revert to
136 the credit of the general revenue fund. Provisions of section 32.057 to
137 the contrary notwithstanding, the department of revenue shall notify
138 the director of the department and the state treasurer upon redemption
139 of each tax credit authorized under the provisions of this section. Upon
140 such notification, an amount equal to the tax credits redeemed shall be
141 transferred from the fund created in this section to the general revenue
142 fund. In the event the department determines that any tax credit
143 authorized under this section is precluded from being redeemed due to
144 contractual agreement entered into by the department and the tax
145 credit applicant or is otherwise precluded by law from being redeemed,
146 the department shall notify the state treasurer and an amount equal to
147 such tax credit shall be transferred from the fund created in this
148 section to the general revenue fund. The state treasurer shall invest
149 moneys in the fund in the same manner as other funds are
150 invested. Any interest and moneys earned on such investments shall be
151 credited to the general revenue fund at the end of each fiscal year.

100.297. 1. The board may authorize a tax credit, as described in this
2 section, to the owner of any revenue bonds or notes issued by the board pursuant
3 to the provisions of sections 100.250 to 100.297, for infrastructure facilities as
4 defined in subdivision (9) of section 100.255, if, prior to the issuance of such
5 bonds or notes, the board determines that:

6 (1) The availability of such tax credit is a material inducement to the
7 undertaking of the project in the state of Missouri and to the sale of the bonds or
8 notes;

9 (2) The loan with respect to the project is adequately secured by a first
10 deed of trust or mortgage or comparable lien, or other security satisfactory to the
11 board.

12 2. Upon making the determinations specified in subsection 1 of this
13 section, the board may declare that each owner of an issue of revenue bonds or

14 notes shall be entitled, in lieu of any other deduction with respect to such bonds
15 or notes, to a tax credit against any tax otherwise due by such owner pursuant
16 to the provisions of chapter 143, RSMo, excluding withholding tax imposed by
17 sections 143.191 to 143.261, RSMo, chapter 147, RSMo, or chapter 148, RSMo, in
18 the amount of one hundred percent of the unpaid principal of and unpaid interest
19 on such bonds or notes held by such owner in the taxable year of such owner
20 following the calendar year of the default of the loan by the borrower with respect
21 to the project. The occurrence of a default shall be governed by documents
22 authorizing the issuance of the bonds. The tax credit allowed pursuant to this
23 section shall be available to the original owners of the bonds or notes or any
24 subsequent owner or owners thereof. Once an owner is entitled to a claim, any
25 such tax credits shall be transferable as provided in subsection 7 of section
26 100.286. Notwithstanding any provision of Missouri law to the contrary, any
27 portion of the tax credit to which any owner of a revenue bond or note is entitled
28 pursuant to this section which exceeds the total income tax liability of such owner
29 of a revenue bond or note shall be carried forward and allowed as a credit against
30 any future taxes imposed on such owner within the next ten years pursuant to
31 the provisions of chapter 143, RSMo, excluding withholding tax imposed by
32 sections 143.191 to 143.261, RSMo, chapter 147, RSMo, or chapter 148,
33 RSMo. The eligibility of the owner of any revenue bond or note issued pursuant
34 to the provisions of sections 100.250 to 100.297 for the tax credit provided by this
35 section shall be expressly stated on the face of each such bond or note. The tax
36 credit allowed pursuant to this section shall also be available to any financial
37 institution or guarantor which executes any credit facility as security for bonds
38 issued pursuant to this section to the same extent as if such financial institution
39 or guarantor was an owner of the bonds or notes, provided however, in such case
40 the tax credits provided by this section shall be available immediately following
41 any default of the loan by the borrower with respect to the project. In addition
42 to reimbursing the financial institution or guarantor for claims relating to unpaid
43 principal and interest, such claim may include payment of any unpaid fees
44 imposed by such financial institution or guarantor for use of the credit facility.

45 3. The aggregate principal amount of revenue bonds or notes outstanding
46 at any time with respect to which the tax credit provided in this section shall be
47 available shall not exceed fifty million dollars. **Provisions of this section to**
48 **the contrary notwithstanding, for all fiscal years beginning on or after**
49 **July 1, 2012, no revenue bonds or notes shall be issued under the**
50 **provisions of sections 100.250 to 100.297, unless an appropriation is**

51 made pursuant to the provisions of section 135.821. In any fiscal year
52 for which an appropriation is made to the fund created under this
53 section pursuant to the provisions of section 135.821, no more than the
54 amount appropriated shall be issued in the form of revenue bonds or
55 notes.

56 4. There is hereby created in the state treasury the "Missouri
57 Development Finance Bond Guarantee Tax Credit Program Fund",
58 which shall consist of money appropriated under this section and
59 section 135.821. The state treasurer shall be custodian of the fund and
60 may approve disbursements from the fund in accordance with sections
61 30.170 and 30.180. Upon appropriation, money in the fund shall be used
62 solely for the administration of this section. Notwithstanding the
63 provisions of section 33.080 to the contrary, any moneys remaining in
64 the fund for tax credits which have been authorized but not yet
65 redeemed at the end of the fiscal year shall not revert to the credit of
66 the general revenue fund. Any moneys remaining in the fund at the
67 end of the fiscal year for any tax credits which remain unauthorized at
68 the end of the fiscal year shall revert to the credit of the general
69 revenue fund. Provisions of section 32.057 to the contrary
70 notwithstanding, the department of revenue shall notify the director of
71 the department and the state treasurer upon redemption of each tax
72 credit authorized under the provisions of this section. Upon such
73 notification, an amount equal to the tax credits redeemed shall be
74 transferred from the fund created in this section to the general revenue
75 fund. In the event the department determines that any tax credit
76 authorized under this section is precluded from being redeemed due to
77 contractual agreement entered into by the department and the tax
78 credit applicant or is otherwise precluded by law from being redeemed,
79 the department shall notify the state treasurer and an amount equal to
80 such tax credit shall be transferred from the fund created in this
81 section to the general revenue fund. The state treasurer shall invest
82 moneys in the fund in the same manner as other funds are
83 invested. Any interest and moneys earned on such investments shall be
84 credited to the general revenue fund at the end of each fiscal year.

100.850. 1. The approved company shall remit to the board a job
2 development assessment fee, not to exceed five percent of the gross wages of each
3 eligible employee whose job was created as a result of the economic development

4 project, or not to exceed ten percent if the economic development project is located
5 within a distressed community as defined in section 135.530, RSMo, for the
6 purpose of retiring bonds which fund the economic development project.

7 2. Any approved company remitting an assessment as provided in
8 subsection 1 of this section shall make its payroll books and records available to
9 the board at such reasonable times as the board shall request and shall file with
10 the board documentation respecting the assessment as the board may require.

11 3. Any assessment remitted pursuant to subsection 1 of this section shall
12 cease on the date the bonds are retired.

13 4. Any approved company which has paid an assessment for debt
14 reduction shall be allowed a tax credit equal to the amount of the
15 assessment. The tax credit may be claimed against taxes otherwise imposed by
16 chapters 143 and 148, RSMo, except withholding taxes imposed under the
17 provisions of sections 143.191 to 143.265, RSMo, which were incurred during the
18 tax period in which the assessment was made.

19 5. In no event shall the aggregate amount of tax credits authorized by
20 subsection 4 of this section exceed twenty-five million dollars annually. Of such
21 amount, nine hundred fifty thousand dollars shall be reserved for an approved
22 project for a world headquarters of a business whose primary function is tax
23 return preparation that is located in any home rule city with more than four
24 hundred thousand inhabitants and located in more than one county, which
25 amount reserved shall end in the year of the final maturity of the certificates
26 issued for such approved project. **Provisions of this section to the contrary
27 notwithstanding, no tax credits provided under sections 100.700 to
28 100.850 shall be authorized for projects approved after June 30, 2012,
29 unless an appropriation is made pursuant to the provisions of section
30 135.821. In any fiscal year for which an appropriation is made to the
31 fund created under this section pursuant to the provisions of section
32 135.821, no more than the amount appropriated shall be
33 authorized. The provisions of this section shall not be construed to
34 limit or in any way impair a recipient's ability to redeem tax credits or
35 an administering agency's ability to issue tax credits authorized prior
36 to July 1, 2012.**

37 6. **There is hereby created in the state treasury the "BUILD Tax
38 Credit Program Fund", which shall consist of money appropriated
39 under this section and section 135.821. The state treasurer shall be
40 custodian of the fund and may approve disbursements from the fund in**

41 accordance with sections 30.170 and 30.180. Upon appropriation, money
42 in the fund shall be used solely for the administration of sections
43 100.700 to 100.850. Notwithstanding the provisions of section 33.080 to
44 the contrary, any moneys remaining in the fund for tax credits which
45 have been authorized but not yet redeemed at the end of the fiscal year
46 shall not revert to the credit of the general revenue fund. Any moneys
47 remaining in the fund at the end of the fiscal year for any tax credits
48 which remain unauthorized at the end of the fiscal year shall revert to
49 the credit of the general revenue fund. Provisions of section 32.057 to
50 the contrary notwithstanding, the department of revenue shall notify
51 the director of the department and the state treasurer upon redemption
52 of each tax credit authorized under the provisions of this section. Upon
53 such notification, an amount equal to the tax credits redeemed shall be
54 transferred from the fund created in this section to the general revenue
55 fund. In the event the department determines that any tax credit
56 authorized under this section is precluded from being redeemed due to
57 contractual agreement entered into by the department and the tax
58 credit applicant or is otherwise precluded by law from being redeemed,
59 the department shall notify the state treasurer and an amount equal to
60 such tax credit shall be transferred from the fund created in this
61 section to the general revenue fund. The state treasurer shall invest
62 moneys in the fund in the same manner as other funds are
63 invested. Any interest and moneys earned on such investments shall be
64 credited to the general revenue fund at the end of each fiscal year.

65 7. The director of revenue shall issue a refund to the approved company
66 to the extent that the amount of credits allowed in subsection 4 of this section
67 exceeds the amount of the approved company's income tax.

135.015. 1. For all claims filed on or before August 28, 2011,
2 procedural matters related to filing a claim under sections 135.010 to 135.030,
3 including refunds, deficiencies, interest, contents of returns, limitations, and
4 penalties shall be determined pursuant to sections 143.481 to 143.996 applicable
5 to the income tax. The credit regarding the property taxes of a calendar year may
6 only be claimed on a return for the calendar year or for a claimant's return for a
7 fiscal year that includes the end of the calendar year.

8 2. For all claims filed after August 28, 2011, such claims shall be
9 filed on or before the first day of March of each tax year.

135.020. 1. For all claims filed on or before August 28, 2011, a

2 credit for property taxes shall be allowed for the amount provided in section
3 135.030. If the amount allowable as a credit exceeds the income tax reduced by
4 other credits, then the excess shall be considered an overpayment of the income
5 tax.

6 **2. For all claims filed after August 28, 2011, the director of the**
7 **department of revenue shall review all applications for claims provided**
8 **under the provisions of sections 135.010 to 135.030, and no later than**
9 **the first day of April of each year, submit to the budget committee of**
10 **the house of representatives and the appropriations committee of the**
11 **senate, a request for appropriation in an amount sufficient to provide**
12 **all eligible applicants a refund for property taxes in the amount**
13 **provided in section 135.030. To the extent that an appropriation**
14 **provided under this section is insufficient to provide refunds to all**
15 **eligible applicants in the amount provided under section 135.030, the**
16 **director of the department of revenue shall determine the**
17 **apportionment percentage by dividing the amount appropriated for the**
18 **fiscal year as provided under this section, by the total amount of all**
19 **eligible claims for a refund as provided under section 135.030. After**
20 **determining the apportionment percentage, the director shall adjust**
21 **the amount of refund for each eligible applicant by multiplying the**
22 **amount of the refund provided under section 135.030 by the**
23 **apportionment percentage. If no appropriation is made by the general**
24 **assembly for any fiscal year, then no refund shall be available in such**
25 **fiscal year.**

26 **3. There is hereby created in the state treasury the "Property**
27 **Tax Credit Fund", which shall consist of money appropriated under this**
28 **section and section 135.821. The state treasurer shall be custodian of**
29 **the fund and may approve disbursements from the fund in accordance**
30 **with sections 30.170 and 30.180. Upon appropriation, money in the fund**
31 **shall be used solely for the administration of sections 135.010 to**
32 **135.030. Notwithstanding the provisions of section 33.080 to the**
33 **contrary, any moneys remaining in the fund for tax credits which have**
34 **been authorized but not yet redeemed at the end of the fiscal year shall**
35 **not revert to the credit of the general revenue fund. Any moneys**
36 **remaining in the fund at the end of the fiscal year for any tax credits**
37 **which remain unauthorized at the end of the fiscal year shall revert to**
38 **the credit of the general revenue fund. Provisions of section 32.057 to**

39 the contrary notwithstanding, the department of revenue shall notify
40 the director of the department and the state treasurer upon redemption
41 of each tax credit authorized under the provisions of this section. Upon
42 such notification, an amount equal to the tax credits redeemed shall be
43 transferred from the fund created in this section to the general revenue
44 fund. In the event the department determines that any tax credit
45 authorized under this section is precluded from being redeemed due to
46 contractual agreement entered into by the department and the tax
47 credit applicant or is otherwise precluded by law from being redeemed,
48 the department shall notify the state treasurer and an amount equal to
49 such tax credit shall be transferred from the fund created in this
50 section to the general revenue fund. The state treasurer shall invest
51 moneys in the fund in the same manner as other funds are
52 invested. Any interest and moneys earned on such investments shall be
53 credited to the general revenue fund at the end of each fiscal year.

135.090. 1. As used in this section, the following terms mean:

2 (1) "Homestead", the dwelling in Missouri owned by the surviving spouse
3 and not exceeding five acres of land surrounding it as is reasonably necessary for
4 use of the dwelling as a home. As used in this section, "homestead" shall not
5 include any dwelling which is occupied by more than two families;

6 (2) "Public safety officer", any firefighter, police officer, capitol police
7 officer, parole officer, probation officer, correctional employee, water patrol officer,
8 park ranger, conservation officer, commercial motor enforcement officer,
9 emergency medical technician, first responder, or highway patrolman employed
10 by the state of Missouri or a political subdivision thereof who is killed in the line
11 of duty, unless the death was the result of the officer's own misconduct or abuse
12 of alcohol or drugs;

13 (3) "Surviving spouse", a spouse, who has not remarried, of a public safety
14 officer.

15 2. For all tax years beginning on or after January 1, 2008, a surviving
16 spouse [shall] **may, subject to the limitations provided under subsection**
17 **3 of this section**, be allowed a credit against the tax otherwise due under
18 chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to
19 143.265, RSMo, in an amount equal to the total amount of the property taxes on
20 the surviving spouse's homestead paid during the tax year for which the credit
21 is claimed. A surviving spouse may claim the credit authorized under this section
22 for each tax year beginning the year of death of the public safety officer spouse

23 until the tax year in which the surviving spouse remarries. No credit shall be
24 allowed for the tax year in which the surviving spouse remarries. If the amount
25 allowable as a credit exceeds the income tax reduced by other credits, then the
26 excess shall be considered an overpayment of the income tax.

27 **3. No tax credits shall be authorized under the provisions of this**
28 **section after June 30, 2012, unless an appropriation is made pursuant**
29 **to the provisions of section 135.821. In any fiscal year for which an**
30 **appropriation is made to the fund created under this section pursuant**
31 **to the provisions of section 135.821, no more than the amount**
32 **appropriated shall be authorized. The provisions of this section shall**
33 **not be construed to limit or in any way impair a recipient's ability to**
34 **redeem tax credits or an administering agency's ability to issue tax**
35 **credits authorized prior to July 1, 2012. Taxpayers shall file, with the**
36 **department of revenue, an application for tax credits authorized under**
37 **this section on a form provided by the department. In the event the**
38 **amount of claims exceed the amount of credits available under the**
39 **provisions of this section, the department of revenue shall award the**
40 **credits on a first-to-file, first-to-receive basis.**

41 **4. There is hereby created in the state treasury the "Public**
42 **Safety Officer Surviving Spouse Tax Credit Program Fund", which shall**
43 **consist of money appropriated under this section and section**
44 **135.821. The state treasurer shall be custodian of the fund and may**
45 **approve disbursements from the fund in accordance with sections**
46 **30.170 and 30.180. Upon appropriation, money in the fund shall be used**
47 **solely for the administration of this section. Notwithstanding the**
48 **provisions of section 33.080 to the contrary, any moneys remaining in**
49 **the fund for tax credits which have been authorized but not yet**
50 **redeemed at the end of the fiscal year shall not revert to the credit of**
51 **the general revenue fund. Any moneys remaining in the fund at the**
52 **end of the fiscal year for any tax credits which remain unauthorized at**
53 **the end of the fiscal year shall revert to the credit of the general**
54 **revenue fund. Provisions of section 32.057 to the contrary**
55 **notwithstanding, the department of revenue shall notify the director of**
56 **the department and the state treasurer upon redemption of each tax**
57 **credit authorized under the provisions of this section. Upon such**
58 **notification, an amount equal to the tax credits redeemed shall be**
59 **transferred from the fund created in this section to the general revenue**

60 **fund. In the event the department determines that any tax credit**
61 **authorized under this section is precluded from being redeemed due to**
62 **contractual agreement entered into by the department and the tax**
63 **credit applicant or is otherwise precluded by law from being redeemed,**
64 **the department shall notify the state treasurer and an amount equal to**
65 **such tax credit shall be transferred from the fund created in this**
66 **section to the general revenue fund. The state treasurer shall invest**
67 **moneys in the fund in the same manner as other funds are**
68 **invested. Any interest and moneys earned on such investments shall be**
69 **credited to the general revenue fund at the end of each fiscal year.**

70 5. The department of revenue shall promulgate rules to implement the
71 provisions of this section.

72 [4.] 6. Any rule or portion of a rule, as that term is defined in section
73 536.010, RSMo, that is created under the authority delegated in this section shall
74 become effective only if it complies with and is subject to all of the provisions of
75 chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and
76 chapter 536, RSMo, are nonseverable and if any of the powers vested with the
77 general assembly pursuant to chapter 536, RSMo, to review, to delay the effective
78 date, or to disapprove and annul a rule are subsequently held unconstitutional,
79 then the grant of rulemaking authority and any rule proposed or adopted after
80 August 28, 2007, shall be invalid and void.

81 [5.] 7. Pursuant to section 23.253, RSMo, of the Missouri sunset act:

82 (1) The provisions of the new program authorized under this section shall
83 automatically sunset six years after August 28, 2007, unless reauthorized by an
84 act of the general assembly; and

85 (2) If such program is reauthorized, the program authorized under this
86 section shall automatically sunset twelve years after the effective date of the
87 reauthorization of this section; and

88 (3) This section shall terminate on September first of the calendar year
89 immediately following the calendar year in which the program authorized under
90 this section is sunset.

135.110. 1. Any taxpayer who shall establish a new business facility shall
2 be allowed a credit, each year for ten years, in an amount determined pursuant
3 to subsection 2 or 3 of this section, whichever is applicable, against the tax
4 imposed by chapter 143, excluding withholding tax imposed by sections 143.191
5 to 143.265, or an insurance company which shall establish a new business facility
6 by satisfying the requirements in subdivision (7) of section 135.100 shall be

7 allowed a credit against the tax otherwise imposed by chapter 148, and in the
8 case of an insurance company exempt from the thirty percent employee
9 requirement of section 135.230, against any obligation imposed pursuant to
10 section 375.916, except that no taxpayer shall be entitled to multiple ten-year
11 periods for subsequent expansions at the same facility, except as otherwise
12 provided in this section. For the purpose of this section, the term "facility" shall
13 mean, and be limited to, the facility or facilities which are located on the same
14 site in which the new business facility is located, and in which the business
15 conducted at such facility or facilities is directly related to the business conducted
16 at the new business facility. Notwithstanding the provisions of this subsection,
17 a taxpayer may be entitled to an additional ten-year period if a new business
18 facility is expanded in the eighth, ninth or tenth year of the current ten-year
19 period or in subsequent years following the expiration of the ten-year period, if
20 the number of new business facility employees attributed to such expansion is at
21 least twenty-five and the amount of new business facility investment attributed
22 to such expansion is at least one million dollars. Credits may not be carried
23 forward but shall be claimed for the taxable year during which commencement
24 of commercial operations occurs at such new business facility, and for each of the
25 nine succeeding taxable years. A letter of intent, as provided for in section
26 135.258, must be filed with the department of economic development no later
27 than fifteen days prior to the commencement of commercial operations at the new
28 business facility. The initial application for claiming tax credits must be made
29 in the taxpayer's tax period immediately following the tax period in which
30 commencement of commercial operations began at the new business facility. This
31 provision shall have effect on all initial applications filed on or after August 28,
32 1992. No credit shall be allowed pursuant to this section unless the number of
33 new business facility employees engaged or maintained in employment at the new
34 business facility for the taxable year for which the credit is claimed equals or
35 exceeds two; except that the number of new business facility employees engaged
36 or maintained in employment by a revenue-producing enterprise other than a
37 revenue-producing enterprise defined in paragraphs (a) to (g) and (i) to (l) of
38 subdivision (11) of section 135.100 which establishes an office as defined in
39 subdivision (8) of section 135.100 shall equal or exceed twenty-five.

40 2. For tax periods beginning after August 28, 1991, in the case of a
41 taxpayer operating an existing business facility, the credit allowed by subsection
42 1 of this section shall offset the greater of:

43 (1) Some portion of the income tax otherwise imposed by chapter 143,

44 excluding withholding tax imposed by sections 143.191 to 143.265, or in the case
45 of an insurance company, the tax on the direct premiums, as defined in chapter
46 148, and in the case of an insurance company exempt from the thirty percent
47 employee requirement of section 135.230, against any obligation imposed
48 pursuant to section 375.916 with respect to such taxpayer's new business facility
49 income for the taxable year for which such credit is allowed; or

50 (2) Up to fifty percent or, in the case of an economic development project
51 located within a distressed community as defined in section 135.530, seventy-five
52 percent of the business income tax otherwise imposed by chapter 143, excluding
53 withholding tax imposed by sections 143.191 to 143.265, or in the case of an
54 insurance company, the tax on the direct premiums, as defined in chapter 148,
55 and in the case of an insurance company exempt from the thirty percent employee
56 requirement of section 135.230, against any obligation imposed pursuant to
57 section 375.916 if the business operates no other facilities in Missouri. In the
58 case of an existing business facility operating more than one facility in Missouri,
59 the credit allowed in subsection 1 of this section shall offset up to the greater of
60 the portion prescribed in subdivision (1) of this subsection or twenty-five percent
61 or, in the case of an economic development project located within a distressed
62 community as defined in section 135.530, thirty-five percent of the business' tax,
63 except that no taxpayer operating more than one facility in Missouri shall be
64 allowed to offset more than twenty-five percent or, in the case of an economic
65 development project located within a distressed community as defined in section
66 135.530, thirty-five percent of the taxpayer's business income tax in any tax
67 period under the method prescribed in this subdivision. Such credit shall be an
68 amount equal to the sum of one hundred dollars or, in the case of an economic
69 development project located within a distressed community as defined in section
70 135.530, one hundred fifty dollars for each new business facility employee plus
71 one hundred dollars or, in the case of an economic development project located
72 within a distressed community as defined in section 135.530, one hundred fifty
73 dollars for each one hundred thousand dollars, or major fraction thereof (which
74 shall be deemed to be fifty-one percent or more) in new business facility
75 investment. For the purpose of this section, tax credits earned by a taxpayer,
76 who establishes a new business facility because it satisfies the requirements of
77 paragraph (c) of subdivision (4) of section 135.100, shall offset the greater of the
78 portion prescribed in subdivision (1) of this subsection or up to fifty percent or,
79 in the case of an economic development project located within a distressed
80 community as defined in section 135.530, seventy-five percent of the business' tax

81 provided the business operates no other facilities in Missouri.

82 In the case of a business operating more than one facility in Missouri, the credit
83 allowed in subsection 1 of this section shall offset up to the greater of the portion
84 prescribed in subdivision (1) of this subsection or twenty-five percent or, in the
85 case of an economic development project located within a distressed community
86 as defined in section 135.530, thirty-five percent of the business' tax, except that
87 no taxpayer operating more than one facility in Missouri shall be allowed to offset
88 more than twenty-five percent or, in the case of an economic development project
89 located within a distressed community as defined in section 135.530, thirty-five
90 percent of the taxpayer's business income tax in any tax period under the method
91 prescribed in this subdivision.

92 3. For tax periods beginning after August 28, 1991, in the case of a
93 taxpayer not operating an existing business facility, the credit allowed by
94 subsection 1 of this section shall offset the greater of:

95 (1) Some portion of the income tax otherwise imposed by chapter 143,
96 excluding withholding tax imposed by sections 143.191 to 143.265, or in the case
97 of an insurance company, the tax on the direct premiums, as defined in chapter
98 148, and in the case of an insurance company exempt from the thirty percent
99 employee requirement of section 135.230, against any obligation imposed
100 pursuant to section 375.916 with respect to such taxpayer's new business facility
101 income for the taxable year for which such credit is allowed; or

102 (2) Up to one hundred percent of the business income tax otherwise
103 imposed by chapter 143, excluding withholding tax imposed by sections 143.191
104 to 143.265, or in the case of an insurance company, the tax on the direct
105 premiums, as defined in chapter 148, and in the case of an insurance company
106 exempt from the thirty percent employee requirement of section 135.230, against
107 any obligation imposed pursuant to section 375.916 if the business has no other
108 facilities operating in Missouri. In the case of a taxpayer not operating an
109 existing business and operating more than one facility in Missouri, the credit
110 allowed by subsection 1 of this section shall offset up to the greater of the portion
111 prescribed in subdivision (1) of this subsection or twenty-five percent or, in the
112 case of an economic development project located within a distressed community
113 as defined in section 135.530, thirty-five percent of the business' tax, except that
114 no taxpayer operating more than one facility in Missouri shall be allowed to offset
115 more than twenty-five percent or, in the case of an economic development project
116 located within a distressed community as defined in section 135.530, thirty-five
117 percent of the taxpayer's business income tax in any tax period under the method

118 prescribed in this subdivision. Such credit shall be an amount equal to the sum
119 of seventy-five dollars or, in the case of an economic development project located
120 within a distressed community as defined in section 135.530, one hundred
121 twenty-five dollars for each new business facility employee plus seventy-five
122 dollars or, in the case of an economic development project located within a
123 distressed community as defined in section 135.530, one hundred twenty-five
124 dollars for each one hundred thousand dollars, or major fraction thereof (which
125 shall be deemed to be fifty-one percent or more) in new business facility
126 investment.

127 4. The number of new business facility employees during any taxable year
128 shall be determined by dividing by twelve the sum of the number of individuals
129 employed on the last business day of each month of such taxable year. If the new
130 business facility is in operation for less than the entire taxable year, the number
131 of new business facility employees shall be determined by dividing the sum of the
132 number of individuals employed on the last business day of each full calendar
133 month during the portion of such taxable year during which the new business
134 facility was in operation by the number of full calendar months during such
135 period. For the purpose of computing the credit allowed by this section in the
136 case of a facility which qualifies as a new business facility because it qualifies as
137 a separate facility pursuant to subsection 6 of this section, and, in the case of a
138 new business facility which satisfies the requirements of paragraph (c) of
139 subdivision (4) of section 135.100, or subdivision (10) of section 135.100, the
140 number of new business facility employees at such facility shall be reduced by the
141 average number of individuals employed, computed as provided in this subsection,
142 at the facility during the taxable year immediately preceding the taxable year in
143 which such expansion, acquisition, or replacement occurred and shall further be
144 reduced by the number of individuals employed by the taxpayer or related
145 taxpayer that was subsequently transferred to the new business facility from
146 another Missouri facility and for which credits authorized in this section are not
147 being earned, whether such credits are earned because of an expansion,
148 acquisition, relocation or the establishment of a new facility.

149 5. For the purpose of computing the credit allowed by this section in the
150 case of a facility which qualifies as a new business facility because it qualifies as
151 a separate facility pursuant to subsection 6 of this section, and, in the case of a
152 new business facility which satisfies the requirements of paragraph (c) of
153 subdivision (4) of section 135.100 or subdivision (10) of section 135.100, the
154 amount of the taxpayer's new business facility investment in such facility shall

155 be reduced by the average amount, computed as provided in subdivision (7) of
156 section 135.100 for new business facility investment, of the investment of the
157 taxpayer, or related taxpayer immediately preceding such expansion or
158 replacement or at the time of acquisition. Furthermore, the amount of the
159 taxpayer's new business facility investment shall also be reduced by the amount
160 of investment employed by the taxpayer or related taxpayer which was
161 subsequently transferred to the new business facility from another Missouri
162 facility and for which credits authorized in this section are not being earned,
163 whether such credits are earned because of an expansion, acquisition, relocation
164 or the establishment of a new facility.

165 6. If a facility, which does not constitute a new business facility, is
166 expanded by the taxpayer, the expansion shall be considered a separate facility
167 eligible for the credit allowed by this section if:

168 (1) The taxpayer's new business facility investment in the expansion
169 during the tax period in which the credits allowed in this section are claimed
170 exceeds one hundred thousand dollars, or, if less, one hundred percent of the
171 investment in the original facility prior to expansion and if the number of new
172 business facility employees engaged or maintained in employment at the
173 expansion facility for the taxable year for which credit is claimed equals or
174 exceeds two, except that the number of new business facility employees engaged
175 or maintained in employment at the expansion facility for the taxable year for
176 which the credit is claimed equals or exceeds twenty-five if an office as defined
177 in subdivision (8) of section 135.100 is established by a revenue-producing
178 enterprise other than a revenue-producing enterprise defined in paragraphs (a)
179 to (g) and (i) to (l) of subdivision (11) of section 135.100 and the total number of
180 employees at the facility after the expansion is at least two greater than the total
181 number of employees before the expansion, except that the total number of
182 employees at the facility after the expansion is at least greater than the number
183 of employees before the expansion by twenty-five, if an office as defined in
184 subdivision (8) of section 135.100 is established by a revenue-producing enterprise
185 other than a revenue-producing enterprise defined in paragraphs (a) to (g) and
186 (i) to (l) of subdivision (11) of section 135.100; and

187 (2) The expansion otherwise constitutes a new business facility. The
188 taxpayer's investment in the expansion and in the original facility prior to
189 expansion shall be determined in the manner provided in subdivision (7) of
190 section 135.100.

191 7. No credit shall be allowed pursuant to this section to a public utility,

192 as such term is defined in section 386.020. Notwithstanding any provision of this
193 subsection to the contrary, motor carriers, barge lines or railroads engaged in
194 transporting property for hire, or any interexchange telecommunications company
195 or local exchange telecommunications company that establishes a new business
196 facility shall be eligible to qualify for credits allowed in this section.

197 8. For the purposes of the credit described in this section, in the case of
198 a corporation described in section 143.471 or partnership, in computing Missouri's
199 tax liability, this credit shall be allowed to the following:

200 (1) The shareholders of the corporation described in section 143.471;

201 (2) The partners of the partnership. This credit shall be apportioned to
202 the entities described in subdivisions (1) and (2) of this subsection in proportion
203 to their share of ownership on the last day of the taxpayer's tax period.

204 9. Notwithstanding any provision of law to the contrary, any
205 employee-owned engineering firm classified as SIC 8711, architectural firm as
206 classified SIC 8712, or accounting firm classified SIC 8721 establishing a new
207 business facility because it qualifies as a headquarters as defined in subsection
208 10 of this section, shall be allowed the credits described in subsection 11 of this
209 section under the same terms and conditions prescribed in sections 135.100 to
210 135.150; provided:

211 (1) Such facility maintains an average of at least five hundred new
212 business facility employees as defined in subdivision (5) of section 135.100 during
213 the taxpayer's tax period in which such credits are being claimed; and

214 (2) Such facility maintains an average of at least twenty million dollars
215 in new business facility investment as defined in subdivision (7) of section
216 135.100 during the taxpayer's tax period in which such credits are being claimed.

217 10. For the purpose of the credits allowed in subsection 9 of this section:

218 (1) "Employee-owned" means the business employees own directly or
219 indirectly, including through an employee stock ownership plan or trust at least:

220 (a) Seventy-five percent of the total business stock, if the taxpayer is a
221 corporation described in section 143.441; or

222 (b) One hundred percent of the interest in the business if the taxpayer is
223 a corporation described in section 143.471, a partnership, or a limited liability
224 company; and

225 (2) "Headquarters" means:

226 (a) The administrative management of at least three integrated facilities
227 operated by the taxpayer or related taxpayer; and

228 (b) The taxpayer's business has been headquartered in this state for more

229 than fifty years.

230 11. The tax credits allowed in subsection 9 of this section shall be the
231 greater of:

232 (1) Four hundred dollars for each new business facility employee as
233 computed in subsection 4 of this section and four percent of new business facility
234 investment as computed in subsection 5 of this section; or

235 (2) Five hundred dollars for each new business facility employee as
236 computed in subsection 4 of this section, and five hundred dollars of each one
237 hundred thousand dollars of new business facility investment as computed in
238 subsection 5 of this section.

239 12. For the purpose of the credit described in subsection 9 of this section,
240 in the case of a small corporation described in section 143.471, or a partnership,
241 or a limited liability company, the credits allowed in subsection 9 of this section
242 shall be apportioned in proportion to the share of ownership of each shareholder,
243 partner or stockholder on the last day of the taxpayer's tax period for which such
244 credits are being claimed.

245 13. For the purpose of the credit described in subsection 9 of this section,
246 tax credits earned, to the extent such credits exceed the taxpayer's Missouri tax
247 on taxable business income, shall constitute an overpayment of taxes and in such
248 case, be refunded to the taxpayer provided such refunds are used by the taxpayer
249 to purchase specified facility items. For the purpose of the refund as authorized
250 in this subsection, "specified facility items" means equipment, computers,
251 computer software, copiers, tenant finishing, furniture and fixtures installed and
252 in use at the new business facility during the taxpayer's taxable year. The
253 taxpayer shall perfect such refund by attesting in writing to the director, subject
254 to the penalties of perjury, the requirements prescribed in this subsection have
255 been met and submitting any other information the director may require.

256 14. Notwithstanding any provision of law to the contrary, any taxpayer
257 may sell, assign, exchange, convey or otherwise transfer tax credits allowed in
258 subsection 9 of this section under the terms and conditions prescribed in
259 subdivisions (1) and (2) of this subsection. Such taxpayer, referred to as the
260 assignor for the purpose of this subsection, may sell, assign, exchange or
261 otherwise transfer earned tax credits:

262 (1) For no less than seventy-five percent of the par value of such credits;
263 and

264 (2) In an amount not to exceed one hundred percent of such earned
265 credits. The taxpayer acquiring the earned credits referred to as the assignee for

266 the purpose of this subsection may use the acquired credits to offset up to one
267 hundred percent of the tax liabilities otherwise imposed by chapter 143, excluding
268 withholding tax imposed by sections 143.191 to 143.261, or chapter 148, or in the
269 case of an insurance company exempt from the thirty percent employee
270 requirement of section 135.230, against any obligation imposed pursuant to
271 section 375.916. Unused credits in the hands of the assignee may be carried
272 forward for up to five tax periods, provided all such credits shall be claimed
273 within ten tax periods following the tax period in which commencement of
274 commercial operations occurred at the new business facility. The assignor shall
275 enter into a written agreement with the assignee establishing the terms and
276 conditions of the agreement and shall perfect such transfer by notifying the
277 director in writing within thirty calendar days following the effective date of the
278 transfer and shall provide any information as may be required by the director to
279 administer and carry out the provisions of this subsection. Notwithstanding any
280 other provision of law to the contrary, the amount received by the assignor of
281 such tax credit shall be taxable as income of the assignor, and the difference
282 between the amount paid by the assignee and the par value of the credits shall
283 be taxable as income of the assignee.

284 **15. Other provisions of law to the contrary notwithstanding, no**
285 **tax credits shall be authorized under the provisions of this section after**
286 **June 30, 2012, unless an appropriation is made pursuant to the**
287 **provisions of section 135.821. In any fiscal year for which an**
288 **appropriation is made pursuant to the provisions of section 135.821, no**
289 **more than the amount of tax credits so appropriated shall be**
290 **authorized.**

291 **16. There is hereby created in the state treasury the "Business**
292 **Facility Tax Credit Fund", which shall consist of money appropriated**
293 **under this section and section 135.821. The state treasurer shall be**
294 **custodian of the fund and may approve disbursements from the fund in**
295 **accordance with sections 30.170 and 30.180. Upon appropriation, money**
296 **in the fund shall be used solely for the administration of sections**
297 **135.100 to 135.150 and section 135.258. Notwithstanding the provisions**
298 **of section 33.080 to the contrary, any moneys remaining in the fund for**
299 **tax credits which have been authorized but not yet redeemed at the end**
300 **of the fiscal year shall not revert to the credit of the general revenue**
301 **fund. Any moneys remaining in the fund at the end of the fiscal year**
302 **for any tax credits which remain unauthorized at the end of the fiscal**

303 year shall revert to the credit of the general revenue fund. Provisions
304 of section 32.057 to the contrary notwithstanding, the department of
305 revenue shall notify the director of the department upon redemption
306 of each tax credit authorized under the provisions of this section. Upon
307 such notification, an amount equal to the tax credits redeemed shall be
308 transferred from the fund created in this section to the general revenue
309 fund. In the event the department determines that any tax credit
310 authorized under this section is precluded from being redeemed due to
311 contractual agreement entered into by the department and the tax
312 credit applicant or is otherwise precluded by law from being redeemed,
313 an amount equal to such tax credit shall be transferred from the fund
314 created in this section to the general revenue fund. The state treasurer
315 shall invest moneys in the fund in the same manner as other funds are
316 invested. Any interest and moneys earned on such investments shall be
317 credited to the general revenue fund at the end of each fiscal year.

135.305. 1. A Missouri wood energy producer [shall] **may, subject to**
2 **the limitations provided under subsection 2 of this section,** be eligible for
3 a tax credit on taxes otherwise due under chapter 143, RSMo, except sections
4 143.191 to 143.261, RSMo, as a production incentive to produce processed wood
5 products in a qualified wood-producing facility using Missouri forest product
6 residue. The tax credit to the wood energy producer shall be five dollars per ton
7 of processed material. The credit may be claimed for a period of five years and
8 is to be a tax credit against the tax otherwise due. No new tax credits, provided
9 for under sections 135.300 to 135.311, shall be authorized after June 30, 2013.

10 **2. No tax credits shall be authorized under the provisions of this**
11 **section after June 30, 2012, unless an appropriation is made pursuant**
12 **to the provisions of section 135.821. In any fiscal year for which an**
13 **appropriation is made to the fund created under this section pursuant**
14 **to the provisions of section 135.821, no more than the amount**
15 **appropriated shall be authorized. Taxpayers shall file, with the**
16 **department of economic development, an application for tax credits**
17 **authorized under this section on a form provided by the department.**
18 **In the event the amount of claims exceed the amount of credits**
19 **available under the provisions of this section, the department of**
20 **economic development shall award the credits on a first-to-file, first-to-**
21 **receive basis.**

22 **3. There is hereby created in the state treasury the "Wood Energy**

23 **Tax Credit Program Fund", which shall consist of money appropriated**
24 **under this section and section 135.821. The state treasurer shall be**
25 **custodian of the fund and may approve disbursements from the fund in**
26 **accordance with sections 30.170 and 30.180. Upon appropriation, money**
27 **in the fund shall be used solely for the administration of this**
28 **section. Notwithstanding the provisions of section 33.080 to the**
29 **contrary, any moneys remaining in the fund for tax credits which have**
30 **been authorized but not yet redeemed at the end of the fiscal year shall**
31 **not revert to the credit of the general revenue fund. Any moneys**
32 **remaining in the fund at the end of the fiscal year for any tax credits**
33 **which remain unauthorized at the end of the fiscal year shall revert to**
34 **the credit of the general revenue fund. Provisions of section 32.057 to**
35 **the contrary notwithstanding, the department of revenue shall notify**
36 **the director of the department and the state treasurer upon redemption**
37 **of each tax credit authorized under the provisions of this section. Upon**
38 **such notification, an amount equal to the tax credits redeemed shall be**
39 **transferred from the fund created in this section to the general revenue**
40 **fund. In the event the department determines that any tax credit**
41 **authorized under this section is precluded from being redeemed due to**
42 **contractual agreement entered into by the department and the tax**
43 **credit applicant or is otherwise precluded by law from being redeemed,**
44 **the department shall notify the state treasurer and an amount equal to**
45 **such tax credit shall be transferred from the fund created in this**
46 **section to the general revenue fund. The state treasurer shall invest**
47 **moneys in the fund in the same manner as other funds are**
48 **invested. Any interest and moneys earned on such investments shall be**
49 **credited to the general revenue fund at the end of each fiscal year.**

135.327. 1. As used in this section, the following terms shall mean:

- 2 (1) "CASA", an entity which receives funding from the court-appointed
3 special advocate fund established under section 476.777, RSMo, including an
4 association based in this state, affiliated with a national association, organized
5 to provide support to entities receiving funding from the court-appointed special
6 advocate fund;
- 7 (2) "Child advocacy centers", the regional child assessment centers listed
8 in subsection 2 of section 210.001, RSMo;
- 9 (3) "Contribution", amount of donation to qualified agency;
- 10 (4) "Crisis care center", entities contracted with this state which provide

11 temporary care for children whose age ranges from birth through seventeen years
12 of age whose parents or guardian are experiencing an unexpected and unstable
13 or serious condition that requires immediate action resulting in short-term care,
14 usually three to five continuous, uninterrupted days, for children who may be at
15 risk for child abuse, neglect, or in an emergency situation;

16 (5) "Department", the department of revenue;

17 (6) "Director", the director of the department of revenue;

18 (7) "Qualified agency", CASA, child advocacy centers, or a crisis care
19 center;

20 (8) "Tax liability", the tax due under chapter 143, RSMo, other than taxes
21 withheld under sections 143.191 to 143.265, RSMo.

22 2. Any person residing in this state who legally adopts a special needs
23 child on or after January 1, 1988, and before January 1, 2000, shall be eligible to
24 receive a tax credit of up to ten thousand dollars for nonrecurring adoption
25 expenses for each child adopted that may be applied to taxes due under chapter
26 143, RSMo. Any business entity providing funds to an employee to enable that
27 employee to legally adopt a special needs child shall be eligible to receive a tax
28 credit of up to ten thousand dollars for nonrecurring adoption expenses for each
29 child adopted that may be applied to taxes due under such business entity's state
30 tax liability, except that only one ten thousand dollar credit is available for each
31 special needs child that is adopted.

32 3. Any person residing in this state who proceeds in good faith with the
33 adoption of a special needs child on or after January 1, 2000, shall be eligible to
34 receive a tax credit of up to ten thousand dollars for nonrecurring adoption
35 expenses for each child that may be applied to taxes due under chapter 143,
36 RSMo; provided, however, that beginning on or after July 1, 2004, two million
37 dollars of the tax credits allowed shall be allocated for the adoption of special
38 needs children who are residents or wards of residents of this state at the time
39 the adoption is initiated. Any business entity providing funds to an employee to
40 enable that employee to proceed in good faith with the adoption of a special needs
41 child shall be eligible to receive a tax credit of up to ten thousand dollars for
42 nonrecurring adoption expenses for each child that may be applied to taxes due
43 under such business entity's state tax liability, except that only one ten thousand
44 dollar credit is available for each special needs child that is adopted.

45 4. Individuals and business entities may claim a tax credit for their total
46 nonrecurring adoption expenses in each year that the expenses are incurred. A
47 claim for fifty percent of the credit shall be allowed when the child is placed in

48 the home. A claim for the remaining fifty percent shall be allowed when the
49 adoption is final. The total of these tax credits shall not exceed the maximum
50 limit of ten thousand dollars per child. The cumulative amount of tax credits
51 which may be claimed by taxpayers claiming the credit for nonrecurring adoption
52 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million
53 dollars. The cumulative amount of tax credits that may be claimed by taxpayers
54 claiming the credit for nonrecurring adoption expenses shall not be more than
55 four million dollars but may be increased by appropriation in any fiscal year
56 beginning on or after July 1, 2004; provided, however, that by December
57 thirty-first following each July, if less than two million dollars in credits have
58 been issued for adoption of special needs children who are not residents or wards
59 of residents of this state at the time the adoption is initiated, the remaining
60 amount of the cap shall be available for the adoption of special needs children
61 who are residents or wards of residents of this state at the time the adoption is
62 initiated. **Other provisions of law to the contrary notwithstanding, no**
63 **tax credits shall be authorized under the provisions of this section after**
64 **June 30, 2012, unless an appropriation is made pursuant to the**
65 **provisions of section 135.821. In any fiscal year for which an**
66 **appropriation is made to the fund created under this section pursuant**
67 **to the provisions of section 135.821, no more than the amount**
68 **appropriated shall be authorized. If, by December thirty-first of any**
69 **year after June 30, 2012, less than half of the appropriation, provided**
70 **under section 135.821, for tax credits provided under this section have**
71 **been issued for adoptions of special needs children who are not**
72 **residents or wards of residents of this state at the time the adoption is**
73 **initiated, the remaining amount shall be available for the adoption of**
74 **special needs children who are residents or wards of residents of this**
75 **state at the time the adoption is initiated.** For all fiscal years beginning on
76 or after July 1, 2006, applications to claim the adoption tax credit for special
77 needs children who are residents or wards of residents of this state at the time
78 the adoption is initiated shall be filed between July first and April fifteenth of
79 each fiscal year. For all fiscal years beginning on or after July 1, 2006,
80 applications to claim the adoption tax credit for special needs children who are
81 not residents or wards of residents of this state at the time the adoption is
82 initiated shall be filed between July first and December thirty-first of each fiscal
83 year.

84 5. Notwithstanding any provision of law to the contrary, any individual

85 or business entity may assign, transfer or sell tax credits allowed in this
86 section. Any sale of tax credits claimed pursuant to this section shall be at a
87 discount rate of seventy-five percent or greater of the amount sold.

88 6. The director of revenue shall establish a procedure by which, for each
89 fiscal year, the cumulative amount of tax credits authorized in this section is
90 equally apportioned among all taxpayers within the two categories specified in
91 subsection 3 of this section claiming the credit in that fiscal year. To the
92 maximum extent possible, the director of revenue shall establish the procedure
93 described in this subsection in such a manner as to ensure that taxpayers within
94 each category can claim all the tax credits possible up to the cumulative amount
95 of tax credits available for the fiscal year.

96 7. For all tax years beginning on or after January 1, 2006, a tax credit
97 may be claimed in an amount equal to up to fifty percent of a verified
98 contribution to a qualified agency and shall be named the children in crisis tax
99 credit. The minimum amount of any tax credit issued shall not be less than fifty
100 dollars and shall be applied to taxes due under chapter 143, RSMo, excluding
101 sections 143.191 to 143.265, RSMo. A contribution verification shall be issued to
102 the taxpayer by the agency receiving the contribution. Such contribution
103 verification shall include the taxpayer's name, Social Security number, amount
104 of tax credit, amount of contribution, the name and address of the agency
105 receiving the credit, and the date the contribution was made. The tax credit
106 provided under this subsection shall be initially filed for the year in which the
107 verified contribution is made.

108 8. The cumulative amount of the tax credits redeemed shall not exceed the
109 unclaimed portion of the resident adoption category allocation as described in this
110 section. The director of revenue shall determine the unclaimed portion
111 available. The amount available shall be equally divided among the three
112 qualified agencies: CASA, child advocacy centers, or crisis care centers to be used
113 towards tax credits issued. In the event tax credits claimed under one agency do
114 not total the allocated amount for that agency, the unused portion for that agency
115 will be made available to the remaining agencies equally. In the event the total
116 amount of tax credits claimed for any one agency exceeds the amount available
117 for that agency, the amount redeemed shall and will be apportioned equally to all
118 eligible taxpayers claiming the credit under that agency. After all children in
119 crisis tax credits have been claimed, any remaining unclaimed portion of the
120 reserved allocation for adoptions of special needs children who are residents or
121 wards of residents of this state shall then be made available for adoption tax

122 credit claims of special needs children who are not residents or wards of residents
123 of this state at the time the adoption is initiated.

124 9. Prior to December thirty-first of each year, the entities listed under the
125 definition of qualified agency shall apply to the department of social services in
126 order to verify their qualified agency status. Upon a determination that the
127 agency is eligible to be a qualified agency, the department of social services shall
128 provide a letter of eligibility to such agency. No later than February first of each
129 year, the department of social services shall provide a list of qualified agencies
130 to the department of revenue. All tax credit applications to claim the children in
131 crisis tax credit shall be filed between July first and April fifteenth of each fiscal
132 year. A taxpayer shall apply for the children in crisis tax credit by attaching a
133 copy of the contribution verification provided by a qualified agency to such
134 taxpayer's income tax return.

135 10. The tax credits provided under this section shall be subject to the
136 provisions of section 135.333.

137 11. (1) In the event a credit denial, due to lack of available funds, causes
138 a balance-due notice to be generated by the department of revenue, or any other
139 redeeming agency, the taxpayer will not be held liable for any penalty or interest,
140 provided the balance is paid, or approved payment arrangements have been
141 made, within sixty days from the notice of denial.

142 (2) In the event the balance is not paid within sixty days from the notice
143 of denial, the remaining balance shall be due and payable under the provisions
144 of chapter 143, RSMo.

145 12. The director shall calculate the level of appropriation necessary to
146 issue all tax credits for nonresident special needs adoptions applied for under this
147 section and provide such calculation to the speaker of the house of
148 representatives, the president pro tempore of the senate, and the director of the
149 division of budget and planning in the office of administration by January
150 thirty-first of each year.

151 13. **There is hereby created in the state treasury the "Special**
152 **Needs Adoption and Children in Crisis Tax Credit Program Fund",**
153 **which shall consist of money appropriated under this section and**
154 **section 135.821. The state treasurer shall be custodian of the fund and**
155 **may approve disbursements from the fund in accordance with sections**
156 **30.170 and 30.180. Upon appropriation, money in the fund shall be used**
157 **solely for the administration of sections 135.325 to 135.339.**
158 **Notwithstanding the provisions of section 33.080 to the contrary, any**

159 moneys remaining in the fund for tax credits which have been
160 authorized but not yet redeemed at the end of the fiscal year shall not
161 revert to the credit of the general revenue fund. Any moneys
162 remaining in the fund at the end of the fiscal year for any tax credits
163 which remain unauthorized at the end of the fiscal year shall revert to
164 the credit of the general revenue fund. Provisions of section 32.057 to
165 the contrary notwithstanding, the department of revenue shall notify
166 the director of the department and the state treasurer upon redemption
167 of each tax credit authorized under the provisions of this section. Upon
168 such notification, an amount equal to the tax credits redeemed shall be
169 transferred from the fund created in this section to the general revenue
170 fund. In the event the department determines that any tax credit
171 authorized under this section is precluded from being redeemed due to
172 contractual agreement entered into by the department and the tax
173 credit applicant or is otherwise precluded by law from being redeemed,
174 the department shall notify the state treasurer and an amount equal to
175 such tax credit shall be transferred from the fund created in this
176 section to the general revenue fund. The state treasurer shall invest
177 moneys in the fund in the same manner as other funds are
178 invested. Any interest and moneys earned on such investments shall be
179 credited to the general revenue fund at the end of each fiscal year.

180 14. The department may promulgate such rules or regulations as are
181 necessary to administer the provisions of this section. Any rule or portion of a
182 rule, as that term is defined in section 536.010, RSMo, that is created under the
183 authority delegated in this section shall become effective only if it complies with
184 and is subject to all of the provisions of chapter 536, RSMo, and, if applicable,
185 section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable
186 and if any of the powers vested with the general assembly pursuant to chapter
187 536, RSMo, to review, to delay the effective date, or to disapprove and annul a
188 rule are subsequently held unconstitutional, then the grant of rulemaking
189 authority and any rule proposed or adopted after August 28, 2006, shall be
190 invalid and void.

191 [14.] 15. Pursuant to section 23.253, RSMo, of the Missouri sunset act:

192 (1) The provisions of the new program authorized under subsections 7 to
193 12 of this section shall automatically sunset six years after August 28, 2006,
194 unless reauthorized by an act of the general assembly; and

195 (2) If such program is reauthorized, the program authorized under this

196 section shall automatically sunset twelve years after the effective date of the
197 reauthorization of this section; and

198 (3) This section shall terminate on September first of the calendar year
199 immediately following the calendar year in which the program authorized under
200 this section is sunset.

135.352. 1. A taxpayer owning an interest in a qualified Missouri project
2 [shall] **may**, subject to the limitations provided under the provisions of
3 subsection 3 of this section, be allowed a state tax credit, whether or not allowed
4 a federal tax credit, to be termed the Missouri low-income housing tax credit, if
5 the commission issues an eligibility statement for that project.

6 2. For qualified Missouri projects placed in service after January 1, 1997,
7 the Missouri low-income housing tax credit available to a project shall be such
8 amount as the commission shall determine is necessary to ensure the feasibility
9 of the project, up to an amount equal to the federal low-income housing tax credit
10 for a qualified Missouri project, for a federal tax period, and such amount shall
11 be subtracted from the amount of state tax otherwise due for the same tax period.

12 3. No more than six million dollars in tax credits shall be authorized each
13 fiscal year for projects financed through tax-exempt bond issuance. **No tax**
14 **credits shall be authorized under the provisions of sections 135.350 to**
15 **135.363 after June 30, 2012, unless an appropriation is made pursuant**
16 **to the provisions of section 135.821. In any fiscal year for which an**
17 **appropriation is made to the fund created under this section pursuant**
18 **to the provisions of section 135.821, no more than the amount**
19 **appropriated shall be authorized. The provisions of this section shall**
20 **not be construed to limit or in any way impair a recipient's ability to**
21 **redeem tax credits or an administering agency's ability to issue tax**
22 **credits authorized prior to July 1, 2012.**

23 4. The Missouri low-income housing tax credit shall be taken against the
24 taxes and in the order specified pursuant to section 32.115, RSMo. The credit
25 authorized by this section shall not be refundable. Any amount of credit that
26 exceeds the tax due for a taxpayer's taxable year may be carried back to any of
27 the taxpayer's three prior taxable years or carried forward to any of the
28 taxpayer's five subsequent taxable years.

29 5. All or any portion of Missouri tax credits issued in accordance with the
30 provisions of sections 135.350 to 135.362 may be allocated to parties who are
31 eligible pursuant to the provisions of subsection 1 of this section. Beginning
32 January 1, 1995, for qualified projects which began on or after January 1, 1994,

33 an owner of a qualified Missouri project shall certify to the director the amount
34 of credit allocated to each taxpayer. The owner of the project shall provide to the
35 director appropriate information so that the low-income housing tax credit can be
36 properly allocated.

37 6. In the event that recapture of Missouri low-income housing tax credits
38 is required pursuant to subsection 2 of section 135.355, any statement submitted
39 to the director as provided in this section shall include the proportion of the state
40 credit required to be recaptured, the identity of each taxpayer subject to the
41 recapture and the amount of credit previously allocated to such taxpayer.

42 7. **There is hereby created in the state treasury the "Low-Income**
43 **Housing Tax Credit Program Fund", which shall consist of money**
44 **appropriated under this section and section 135.821. The state**
45 **treasurer shall be custodian of the fund and may approve**
46 **disbursements from the fund in accordance with sections 30.170 and**
47 **30.180. Upon appropriation, money in the fund shall be used solely for**
48 **the administration of sections 135.350 to 135.363. Notwithstanding the**
49 **provisions of section 33.080 to the contrary, any moneys remaining in**
50 **the fund for tax credits which have been authorized but not yet**
51 **redeemed at the end of the fiscal year shall not revert to the credit of**
52 **the general revenue fund. Any moneys remaining in the fund at the**
53 **end of the fiscal year for any tax credits which remain unauthorized at**
54 **the end of the fiscal year shall revert to the credit of the general**
55 **revenue fund. Provisions of section 32.057 to the contrary**
56 **notwithstanding, the department of revenue shall notify the director of**
57 **the department and the state treasurer upon redemption of each tax**
58 **credit authorized under the provisions of this section. Upon such**
59 **notification, an amount equal to the tax credits redeemed shall be**
60 **transferred from the fund created in this section to the general revenue**
61 **fund. In the event the department determines that any tax credit**
62 **authorized under this section is precluded from being redeemed due to**
63 **contractual agreement entered into by the department and the tax**
64 **credit applicant or is otherwise precluded by law from being redeemed,**
65 **the department shall notify the state treasurer and an amount equal to**
66 **such tax credit shall be transferred from the fund created in this**
67 **section to the general revenue fund. The state treasurer shall invest**
68 **moneys in the fund in the same manner as other funds are**
69 **invested. Any interest and moneys earned on such investments shall be**

70 **credited to the general revenue fund at the end of each fiscal year.**

71 8. The director of the department may promulgate rules and regulations
72 necessary to administer the provisions of this section. No rule or portion of a rule
73 promulgated pursuant to the authority of this section shall become effective
74 unless it has been promulgated pursuant to the provisions of section 536.024,
75 RSMo.

 135.460. 1. This section and sections 620.1100 and 620.1103, RSMo, shall
2 be known and may be cited as the "Youth Opportunities and Violence Prevention
3 Act".

4 2. As used in this section, the term "taxpayer" shall include corporations
5 as defined in section 143.441 or 143.471, RSMo, any charitable organization
6 which is exempt from federal income tax and whose Missouri unrelated business
7 taxable income, if any, would be subject to the state income tax imposed under
8 chapter 143, RSMo, and individuals, individual proprietorships and partnerships.

9 3. A taxpayer [shall] **may, subject to the limitations provided under**
10 **subsection 2 of section 32.115**, be allowed a tax credit against the tax
11 otherwise due pursuant to chapter 143, RSMo, excluding withholding tax imposed
12 by sections 143.191 to 143.265, RSMo, chapter 147, RSMo, chapter 148, RSMo, or
13 chapter 153, RSMo, in an amount equal to thirty percent for property
14 contributions and fifty percent for monetary contributions of the amount such
15 taxpayer contributed to the programs described in subsection 5 of this section, not
16 to exceed two hundred thousand dollars per taxable year, per taxpayer; except as
17 otherwise provided in subdivision (5) of subsection 5 of this section. The
18 department of economic development shall prescribe the method for claiming the
19 tax credits allowed in this section. No rule or portion of a rule promulgated
20 under the authority of this section shall become effective unless it has been
21 promulgated pursuant to the provisions of chapter 536, RSMo. All rulemaking
22 authority delegated prior to June 27, 1997, is of no force and effect and repealed;
23 however, nothing in this section shall be interpreted to repeal or affect the
24 validity of any rule filed or adopted prior to June 27, 1997, if such rule complied
25 with the provisions of chapter 536, RSMo. The provisions of this section and
26 chapter 536, RSMo, are nonseverable and if any of the powers vested with the
27 general assembly pursuant to chapter 536, RSMo, including the ability to review,
28 to delay the effective date, or to disapprove and annul a rule or portion of a rule,
29 are subsequently held unconstitutional, then the purported grant of rulemaking
30 authority and any rule so proposed and contained in the order of rulemaking
31 shall be invalid and void.

32 4. The tax credits allowed by this section shall be claimed by the taxpayer
33 to offset the taxes that become due in the taxpayer's tax period in which the
34 contribution was made. Any tax credit not used in such tax period may be carried
35 over the next five succeeding tax periods.

36 5. The tax credit allowed by this section may only be claimed for monetary
37 or property contributions to public or private programs authorized to participate
38 pursuant to this section by the department of economic development and may be
39 claimed for the development, establishment, implementation, operation, and
40 expansion of the following activities and programs:

41 (1) An adopt-a-school program. Components of the adopt-a-school
42 program shall include donations for school activities, seminars, and functions;
43 school-business employment programs; and the donation of property and
44 equipment of the corporation to the school;

45 (2) Expansion of programs to encourage school dropouts to reenter and
46 complete high school or to complete a graduate equivalency degree program;

47 (3) Employment programs. Such programs shall initially, but not
48 exclusively, target unemployed youth living in poverty and youth living in areas
49 with a high incidence of crime;

50 (4) New or existing youth clubs or associations;

51 (5) Employment/internship/apprenticeship programs in business or trades
52 for persons less than twenty years of age, in which case the tax credit claimed
53 pursuant to this section shall be equal to one-half of the amount paid to the
54 intern or apprentice in that tax year, except that such credit shall not exceed ten
55 thousand dollars per person;

56 (6) Mentor and role model programs;

57 (7) Drug and alcohol abuse prevention training programs for youth;

58 (8) Donation of property or equipment of the taxpayer to schools, including
59 schools which primarily educate children who have been expelled from other
60 schools, or donation of the same to municipalities, or not-for-profit corporations
61 or other not-for-profit organizations which offer programs dedicated to youth
62 violence prevention as authorized by the department;

63 (9) Not-for-profit, private or public youth activity centers;

64 (10) Nonviolent conflict resolution and mediation programs;

65 (11) Youth outreach and counseling programs.

66 6. Any program authorized in subsection 5 of this section shall, at least
67 annually, submit a report to the department of economic development outlining
68 the purpose and objectives of such program, the number of youth served, the

69 specific activities provided pursuant to such program, the duration of such
70 program and recorded youth attendance where applicable.

71 7. The department of economic development shall, at least annually
72 submit a report to the Missouri general assembly listing the organizations
73 participating, services offered and the number of youth served as the result of the
74 implementation of this section.

75 8. The tax credit allowed by this section shall apply to all taxable years
76 beginning after December 31, 1995.

77 9. For the purposes of the credits described in this section, in the case of
78 a corporation described in section 143.471, RSMo, partnership, limited liability
79 company described in section 347.015, RSMo, cooperative, marketing enterprise,
80 or partnership, in computing Missouri's tax liability, such credits shall be allowed
81 to the following:

82 (1) The shareholders of the corporation described in section 143.471,
83 RSMo;

84 (2) The partners of the partnership;

85 (3) The members of the limited liability company; and

86 (4) Individual members of the cooperative or marketing enterprise. Such
87 credits shall be apportioned to the entities described in subdivisions (1) and (2)
88 of this subsection in proportion to their share of ownership on the last day of the
89 taxpayer's tax period.

135.484. 1. Beginning January 1, 2000, tax credits shall be allowed
2 pursuant to section 135.481 in an amount not to exceed sixteen million dollars
3 per year. Of this total amount of tax credits in any given year, eight million
4 dollars shall be set aside for projects in areas described in subdivision (6) of
5 section 135.478 and eight million dollars for projects in areas described in
6 subdivision (10) of section 135.478. The maximum tax credit for a project
7 consisting of multiple-unit qualifying residences in a distressed community shall
8 not exceed three million dollars. **Provisions of law to the contrary**
9 **notwithstanding, no tax credits shall be authorized under the**
10 **provisions of sections 135.475 to 135.487 after June 30, 2012, unless an**
11 **appropriation is made pursuant to the provisions of section 135.821. In**
12 **any fiscal year for which an appropriation is made to the fund created**
13 **under this section pursuant to the provisions of section 135.821, no**
14 **more than the amount appropriated shall be authorized. Of the total**
15 **amount of appropriation to the fund created under this section for each**
16 **fiscal year, fifty percent shall be set aside for projects in areas**

17 **described in subdivision (6) of section 135.478 and fifty percent for**
18 **projects in areas described in subdivision (10) of section 135.478.**

19 2. Any amount of credit which exceeds the tax liability of a taxpayer for
20 the tax year in which the credit is first claimed may be carried back to any of the
21 taxpayer's three prior tax years and carried forward to any of the taxpayer's five
22 subsequent tax years. A certificate of tax credit issued to a taxpayer by the
23 department may be assigned, transferred, sold or otherwise conveyed. Whenever
24 a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a
25 notarized endorsement shall be filed with the department specifying the name
26 and address of the new owner of the tax credit and the value of the credit.

27 3. The tax credits allowed pursuant to sections 135.475 to 135.487 may
28 not be claimed in addition to any other state tax credits, with the exception of the
29 historic structures rehabilitation tax credit authorized pursuant to sections
30 253.545 to 253.559, RSMo, which insofar as sections 135.475 to 135.487 are
31 concerned may be claimed only in conjunction with the tax credit allowed
32 pursuant to subsection 4 of section 135.481. In order for a taxpayer eligible for
33 the historic structures rehabilitation tax credit to claim the tax credit allowed
34 pursuant to subsection 4 of section 135.481, the taxpayer must comply with the
35 requirements of sections 253.545 to 253.559, RSMo, and in such cases, the
36 amount of the tax credit pursuant to subsection 4 of section 135.481 shall be
37 limited to the lesser of twenty percent of the taxpayer's eligible costs or forty
38 thousand dollars.

39 4. **There is hereby created in the state treasury the**
40 **"Neighborhood Preservation Tax Credit Program Fund", which shall**
41 **consist of money appropriated under this section and section**
42 **135.821. The state treasurer shall be custodian of the fund and may**
43 **approve disbursements from the fund in accordance with sections**
44 **30.170 and 30.180. Upon appropriation, money in the fund shall be used**
45 **solely for the administration of sections 135.475 to**
46 **135.487. Notwithstanding the provisions of section 33.080 to the**
47 **contrary, any moneys remaining in the fund for tax credits which have**
48 **been authorized but not yet redeemed at the end of the fiscal year shall**
49 **not revert to the credit of the general revenue fund. Any moneys**
50 **remaining in the fund at the end of the fiscal year for any tax credits**
51 **which remain unauthorized at the end of the fiscal year shall revert to**
52 **the credit of the general revenue fund. Provisions of section 32.057 to**
53 **the contrary notwithstanding, the department of revenue shall notify**

54 **the director of the department and the state treasurer upon redemption**
55 **of each tax credit authorized under the provisions of this section. Upon**
56 **such notification, an amount equal to the tax credits redeemed shall be**
57 **transferred from the fund created in this section to the general revenue**
58 **fund. In the event the department determines that any tax credit**
59 **authorized under this section is precluded from being redeemed due to**
60 **contractual agreement entered into by the department and the tax**
61 **credit applicant or is otherwise precluded by law from being redeemed,**
62 **the department shall notify the state treasurer and an amount equal to**
63 **such tax credit shall be transferred from the fund created in this**
64 **section to the general revenue fund. The state treasurer shall invest**
65 **moneys in the fund in the same manner as other funds are**
66 **invested. Any interest and moneys earned on such investments shall be**
67 **credited to the general revenue fund at the end of each fiscal year.**

135.490. 1. In order to encourage and foster community improvement, an
2 eligible small business, as defined in Section 44 of the Internal Revenue Code,
3 **[shall] may, subject to the limitations provided under subsection 5 of**
4 **this section,** be allowed a credit not to exceed five thousand dollars against the
5 tax otherwise due pursuant to chapter 143, RSMo, not including sections 143.191
6 to 143.265, RSMo, in an amount equal to fifty percent of all eligible access
7 expenditures exceeding the monetary cap provided by Section 44 of the Internal
8 Revenue Code. For purposes of this section, "eligible access expenditures" means
9 amounts paid or incurred by the taxpayer in order to comply with applicable
10 access requirements provided by the Americans With Disabilities Act of 1990, as
11 further defined in Section 44 of the Internal Revenue Code and federal rulings
12 interpreting Section 44 of the Internal Revenue Code.

13 2. The tax credit allowed by this section shall be claimed by the taxpayer
14 at the time such taxpayer files a return. Any amount of tax credit which exceeds
15 the tax due shall be carried over to any subsequent taxable year, but shall not be
16 refunded and shall not be transferable.

17 3. The director of the department of economic development and the
18 director of the department of revenue shall jointly administer the tax credit
19 authorized by this section. Both the director of the department of economic
20 development and the director of the department of revenue are authorized to
21 promulgate rules and regulations necessary to administer the provisions of this
22 section. No rule or portion of a rule promulgated pursuant to the authority of
23 this section shall become effective unless it has been promulgated pursuant to the

24 provisions of chapter 536, RSMo.

25 4. The provisions of this section shall become effective on January 1, 2000,
26 and shall apply to all taxable years beginning after December 31, 1999.

27 5. **Provisions of law to the contrary notwithstanding, no tax**
28 **credits shall be authorized under the provisions of this section after**
29 **June 30, 2012, unless an appropriation is made pursuant to the**
30 **provisions of section 135.821. In any fiscal year for which an**
31 **appropriation is made to the fund created under this section pursuant**
32 **to the provisions of section 135.821, no more than the amount**
33 **appropriated shall be authorized. Small businesses shall file, with the**
34 **department of economic development, an application for tax credits**
35 **authorized under this section on a form provided by the department.**
36 **In the event the amount of claims exceed the amount of credits**
37 **available under the provisions of this section, the department of**
38 **economic development shall award the credits on a first-to-file, first-to-**
39 **receive basis.**

40 6. There is hereby created in the state treasury the "Disabled
41 Access-Small Business Tax Credit Program Fund", which shall consist
42 of money appropriated under this section and section 135.821. The
43 state treasurer shall be custodian of the fund and may approve
44 disbursements from the fund in accordance with sections 30.170 and
45 30.180. Upon appropriation, money in the fund shall be used solely for
46 the administration of this section. Notwithstanding the provisions of
47 section 33.080 to the contrary, any moneys remaining in the fund for
48 tax credits which have been authorized but not yet redeemed at the end
49 of the fiscal year shall not revert to the credit of the general revenue
50 fund. Any moneys remaining in the fund at the end of the fiscal year
51 for any tax credits which remain unauthorized at the end of the fiscal
52 year shall revert to the credit of the general revenue fund. Provisions
53 of section 32.057 to the contrary notwithstanding, the department of
54 revenue shall notify the director of the department and the state
55 treasurer upon redemption of each tax credit authorized under the
56 provisions of this section. Upon such notification, an amount equal to
57 the tax credits redeemed shall be transferred from the fund created in
58 this section to the general revenue fund. In the event the department
59 determines that any tax credit authorized under this section is
60 precluded from being redeemed due to contractual agreement entered

61 into by the department and the tax credit applicant or is otherwise
62 precluded by law from being redeemed, the department shall notify the
63 state treasurer and an amount equal to such tax credit shall be
64 transferred from the fund created in this section to the general revenue
65 fund. The state treasurer shall invest moneys in the fund in the same
66 manner as other funds are invested. Any interest and moneys earned
67 on such investments shall be credited to the general revenue fund at
68 the end of each fiscal year.

135.535. 1. A corporation, limited liability corporation, partnership or
2 sole proprietorship, which moves its operations from outside Missouri or outside
3 a distressed community into a distressed community, or which commences
4 operations in a distressed community on or after January 1, 1999, and in either
5 case has more than seventy-five percent of its employees at the facility in the
6 distressed community, and which has fewer than one hundred employees for
7 whom payroll taxes are paid, and which is a manufacturing, biomedical, medical
8 devices, scientific research, animal research, computer software design or
9 development, computer programming, including Internet, web hosting, and other
10 information technology, wireless or wired or other telecommunications or a
11 professional firm [shall] **may, subject to the limitations provided under**
12 **subsection 7 of this section**, receive a forty percent credit against income
13 taxes owed pursuant to chapter 143, 147 or 148, RSMo, other than taxes withheld
14 pursuant to sections 143.191 to 143.265, RSMo, for each of the three years after
15 such move, if approved by the department of economic development, which shall
16 issue a certificate of eligibility if the department determines that the taxpayer is
17 eligible for such credit. The maximum amount of credits per taxpayer set forth
18 in this subsection shall not exceed one hundred twenty-five thousand dollars for
19 each of the three years for which the credit is claimed. The department of
20 economic development, by means of rule or regulation promulgated pursuant to
21 the provisions of chapter 536, RSMo, shall assign appropriate North American
22 Industry Classification System numbers to the companies which are eligible for
23 the tax credits provided for in this section. Such three-year credits shall be
24 awarded only one time to any company which moves its operations from outside
25 of Missouri or outside of a distressed community into a distressed community or
26 to a company which commences operations within a distressed community. A
27 taxpayer shall file an application for certification of the tax credits for the first
28 year in which credits are claimed and for each of the two succeeding taxable years
29 for which credits are claimed.

30 2. Employees of such facilities physically working and earning wages for
31 that work within a distressed community whose employers have been approved
32 for tax credits pursuant to subsection 1 of this section by the department of
33 economic development for whom payroll taxes are paid shall also be eligible to
34 receive a tax credit against individual income tax, imposed pursuant to chapter
35 143, RSMo, equal to one and one-half percent of their gross salary paid at such
36 facility earned for each of the three years that the facility receives the tax credit
37 provided by this section, so long as they were qualified employees of such
38 entity. The employer shall calculate the amount of such credit and shall report
39 the amount to the employee and the department of revenue.

40 3. A tax credit against income taxes owed pursuant to chapter 143, 147
41 or 148, RSMo, other than the taxes withheld pursuant to sections 143.191 to
42 143.265, RSMo, in lieu of the credit against income taxes as provided in
43 subsection 1 of this section, may be taken by such an entity in a distressed
44 community in an amount of forty percent of the amount of funds expended for
45 computer equipment and its maintenance, medical laboratories and equipment,
46 research laboratory equipment, manufacturing equipment, fiber optic equipment,
47 high speed telecommunications, wiring or software development expense up to a
48 maximum of seventy-five thousand dollars in tax credits for such equipment or
49 expense per year per entity and for each of three years after commencement in
50 or moving operations into a distressed community.

51 4. A corporation, partnership or sole partnership, which has no more than
52 one hundred employees for whom payroll taxes are paid, which is already located
53 in a distressed community and which expends funds for such equipment pursuant
54 to subsection 3 of this section in an amount exceeding its average of the prior two
55 years for such equipment, shall be eligible to receive a tax credit against income
56 taxes owed pursuant to chapters 143, 147 and 148, RSMo, in an amount equal to
57 the lesser of seventy-five thousand dollars or twenty-five percent of the funds
58 expended for such additional equipment per such entity. Tax credits allowed
59 pursuant to this subsection or subsection 1 of this section may be carried back to
60 any of the three prior tax years and carried forward to any of the five tax years.

61 5. An existing corporation, partnership or sole proprietorship that is
62 located within a distressed community and that relocates employees from another
63 facility outside of the distressed community to its facility within the distressed
64 community, and an existing business located within a distressed community that
65 hires new employees for that facility may both be eligible for the tax credits
66 allowed by subsections 1 and 3 of this section. To be eligible for such tax credits,

67 such a business, during one of its tax years, shall employ within a distressed
68 community at least twice as many employees as were employed at the beginning
69 of that tax year. A business hiring employees shall have no more than one
70 hundred employees before the addition of the new employees. This subsection
71 shall only apply to a business which is a manufacturing, biomedical, medical
72 devices, scientific research, animal research, computer software design or
73 development, computer programming or telecommunications business, or a
74 professional firm.

75 6. Tax credits shall be approved for applicants meeting the requirements
76 of this section in the order that such applications are received. Certificates of tax
77 credits issued in accordance with this section may be transferred, sold or assigned
78 by notarized endorsement which names the transferee.

79 7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this
80 section shall be for an amount of no more than ten million dollars for each year
81 beginning in 1999. To the extent there are available tax credits remaining under
82 the ten million dollar cap provided in this section, up to one hundred thousand
83 dollars in the remaining credits shall first be used for tax credits authorized
84 under section 135.562. The total maximum credit for all entities already located
85 in distressed communities and claiming credits pursuant to subsection 4 of this
86 section shall be seven hundred and fifty thousand dollars. The department of
87 economic development in approving taxpayers for the credit as provided for in
88 subsection 6 of this section shall use information provided by the department of
89 revenue regarding taxes paid in the previous year, or projected taxes for those
90 entities newly established in the state, as the method of determining when this
91 maximum will be reached and shall maintain a record of the order of
92 approval. Any tax credit not used in the period for which the credit was approved
93 may be carried over until the full credit has been allowed. **Provisions of law
94 to the contrary notwithstanding, no tax credits shall be authorized
95 under the provisions of this section after June 30, 2012, unless an
96 appropriation is made pursuant to the provisions of section 135.821. In
97 any fiscal year for which an appropriation is made to the fund created
98 under this section pursuant to the provisions of section 135.821, no
99 more than the amount appropriated shall be authorized.**

100 8. A Missouri employer relocating into a distressed community and having
101 employees covered by a collective bargaining agreement at the facility from which
102 it is relocating shall not be eligible for the credits in subsection 1, 3, 4 or 5 of this
103 section, and its employees shall not be eligible for the credit in subsection 2 of

104 this section if the relocation violates or terminates a collective bargaining
105 agreement covering employees at the facility, unless the affected collective
106 bargaining unit concurs with the move.

107 9. Notwithstanding any provision of law to the contrary, no taxpayer shall
108 earn the tax credits allowed in this section and the tax credits otherwise allowed
109 in section 135.110, or the tax credits, exemptions, and refund otherwise allowed
110 in sections 135.200, 135.220, 135.225 and 135.245, respectively, for the same
111 business for the same tax period.

112 **10. There is hereby created in the state treasury the "Rebuilding**
113 **Communities Tax Credit Program Fund", which shall consist of money**
114 **appropriated under this section and section 135.821. The state**
115 **treasurer shall be custodian of the fund and may approve**
116 **disbursements from the fund in accordance with sections 30.170 and**
117 **30.180. Upon appropriation, money in the fund shall be used solely for**
118 **the administration of this section. Notwithstanding the provisions of**
119 **section 33.080 to the contrary, any moneys remaining in the fund for**
120 **tax credits which have been authorized but not yet redeemed at the end**
121 **of the fiscal year shall not revert to the credit of the general revenue**
122 **fund. Any moneys remaining in the fund at the end of the fiscal year**
123 **for any tax credits which remain unauthorized at the end of the fiscal**
124 **year shall revert to the credit of the general revenue fund. Provisions**
125 **of section 32.057 to the contrary notwithstanding, the department of**
126 **revenue shall notify the director of the department and the state**
127 **treasurer upon redemption of each tax credit authorized under the**
128 **provisions of this section. Upon such notification, an amount equal to**
129 **the tax credits redeemed shall be transferred from the fund created in**
130 **this section to the general revenue fund. In the event the department**
131 **determines that any tax credit authorized under this section is**
132 **precluded from being redeemed due to contractual agreement entered**
133 **into by the department and the tax credit applicant or is otherwise**
134 **precluded by law from being redeemed, the department shall notify the**
135 **state treasurer and an amount equal to such tax credit shall be**
136 **transferred from the fund created in this section to the general revenue**
137 **fund. The state treasurer shall invest moneys in the fund in the same**
138 **manner as other funds are invested. Any interest and moneys earned**
139 **on such investments shall be credited to the general revenue fund at**
140 **the end of each fiscal year.**

135.550. 1. As used in this section, the following terms shall mean:

2 (1) "Contribution", a donation of cash, stock, bonds or other marketable
3 securities, or real property;

4 (2) "Shelter for victims of domestic violence", a facility located in this state
5 which meets the definition of a shelter for victims of domestic violence pursuant
6 to section 455.200, RSMo, and which meets the requirements of section 455.220,
7 RSMo;

8 (3) "State tax liability", in the case of a business taxpayer, any liability
9 incurred by such taxpayer pursuant to the provisions of chapter 143, RSMo,
10 chapter 147, RSMo, chapter 148, RSMo, and chapter 153, RSMo, exclusive of the
11 provisions relating to the withholding of tax as provided for in sections 143.191
12 to 143.265, RSMo, and related provisions, and in the case of an individual
13 taxpayer, any liability incurred by such taxpayer pursuant to the provisions of
14 chapter 143, RSMo;

15 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a
16 shareholder in an S corporation doing business in the state of Missouri and
17 subject to the state income tax imposed by the provisions of chapter 143, RSMo,
18 or a corporation subject to the annual corporation franchise tax imposed by the
19 provisions of chapter 147, RSMo, including any charitable organization which is
20 exempt from federal income tax and whose Missouri unrelated business taxable
21 income, if any, would be subject to the state income tax imposed under chapter
22 143, RSMo, or an insurance company paying an annual tax on its gross premium
23 receipts in this state, or other financial institution paying taxes to the state of
24 Missouri or any political subdivision of this state pursuant to the provisions of
25 chapter 148, RSMo, or an express company which pays an annual tax on its gross
26 receipts in this state pursuant to chapter 153, RSMo, or an individual subject to
27 the state income tax imposed by the provisions of chapter 143, RSMo.

28 2. A taxpayer [shall] **may, subject to the limitations provided under**
29 **subsection 6 of this section**, be allowed to claim a tax credit against the
30 taxpayer's state tax liability, in an amount equal to fifty percent of the amount
31 such taxpayer contributed to a shelter for victims of domestic violence.

32 3. The amount of the tax credit claimed shall not exceed the amount of the
33 taxpayer's state tax liability for the taxable year that the credit is claimed, and
34 such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand
35 dollars per taxable year. However, any tax credit that cannot be claimed in the
36 taxable year the contribution was made may be carried over to the next four
37 succeeding taxable years until the full credit has been claimed.

38 4. Except for any excess credit which is carried over pursuant to
39 subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit
40 unless the total amount of such taxpayer's contribution or contributions to a
41 shelter or shelters for victims of domestic violence in such taxpayer's taxable year
42 has a value of at least one hundred dollars.

43 5. The director of the department of social services shall determine, at
44 least annually, which facilities in this state may be classified as shelters for
45 victims of domestic violence. The director of the department of social services
46 may require of a facility seeking to be classified as a shelter for victims of
47 domestic violence whatever information is reasonably necessary to make such a
48 determination. The director of the department of social services shall classify a
49 facility as a shelter for victims of domestic violence if such facility meets the
50 definition set forth in subsection 1 of this section.

51 6. The director of the department of social services shall establish a
52 procedure by which a taxpayer can determine if a facility has been classified as
53 a shelter for victims of domestic violence, and by which such taxpayer can then
54 contribute to such shelter for victims of domestic violence and claim a tax
55 credit. Shelters for victims of domestic violence shall be permitted to decline a
56 contribution from a taxpayer. The cumulative amount of tax credits which may
57 be claimed by all the taxpayers contributing to shelters for victims of domestic
58 violence in any one fiscal year shall not exceed two million dollars. **No tax**
59 **credits shall be authorized under the provisions of this section after**
60 **June 30, 2012, unless an appropriation is made pursuant to the**
61 **provisions of section 135.821. In any fiscal year for which an**
62 **appropriation is made to the fund created under this section pursuant**
63 **to the provisions of section 135.821, no more than the amount**
64 **appropriated shall be authorized.**

65 7. The director of the department of social services shall establish a
66 procedure by which, from the beginning of the fiscal year until some point in time
67 later in the fiscal year to be determined by the director of the department of
68 social services, the cumulative amount of tax credits are equally apportioned
69 among all facilities classified as shelters for victims of domestic violence. If a
70 shelter for victims of domestic violence fails to use all, or some percentage to be
71 determined by the director of the department of social services, of its apportioned
72 tax credits during this predetermined period of time, the director of the
73 department of social services may reapportion these unused tax credits to those
74 shelters for victims of domestic violence that have used all, or some percentage

75 to be determined by the director of the department of social services, of their
76 apportioned tax credits during this predetermined period of time. The director
77 of the department of social services may establish more than one period of time
78 and reapportion more than once during each fiscal year. To the maximum extent
79 possible, the director of the department of social services shall establish the
80 procedure described in this subsection in such a manner as to ensure that
81 taxpayers can claim all the tax credits possible up to the cumulative amount of
82 tax credits available for the fiscal year.

83 8. There is hereby created in the state treasury the "Domestic
84 Violence Shelter Tax Credit Program Fund", which shall consist of
85 money appropriated under this section and section 135.821. The state
86 treasurer shall be custodian of the fund and may approve
87 disbursements from the fund in accordance with sections 30.170 and
88 30.180. Upon appropriation, money in the fund shall be used solely for
89 the administration of this section. Notwithstanding the provisions of
90 section 33.080 to the contrary, any moneys remaining in the fund for
91 tax credits which have been authorized but not yet redeemed at the end
92 of the fiscal year shall not revert to the credit of the general revenue
93 fund. Any moneys remaining in the fund at the end of the fiscal year
94 for any tax credits which remain unauthorized at the end of the fiscal
95 year shall revert to the credit of the general revenue fund. Provisions
96 of section 32.057 to the contrary notwithstanding, the department of
97 revenue shall notify the director of the department and the state
98 treasurer upon redemption of each tax credit authorized under the
99 provisions of this section. Upon such notification, an amount equal to
100 the tax credits redeemed shall be transferred from the fund created in
101 this section to the general revenue fund. In the event the department
102 determines that any tax credit authorized under this section is
103 precluded from being redeemed due to contractual agreement entered
104 into by the department and the tax credit applicant or is otherwise
105 precluded by law from being redeemed, the department shall notify the
106 state treasurer and an amount equal to such tax credit shall be
107 transferred from the fund created in this section to the general revenue
108 fund. The state treasurer shall invest moneys in the fund in the same
109 manner as other funds are invested. Any interest and moneys earned
110 on such investments shall be credited to the general revenue fund at
111 the end of each fiscal year.

112 9. This section shall become effective January 1, 2000, and shall apply to
113 all tax years after December 31, 1999.

135.562. 1. If any taxpayer with a federal adjusted gross income of thirty
2 thousand dollars or less incurs costs for the purpose of making all or any portion
3 of such taxpayer's principal dwelling accessible to an individual with a disability
4 who permanently resides with the taxpayer, such taxpayer shall receive a tax
5 credit against such taxpayer's Missouri income tax liability in an amount equal
6 to the lesser of one hundred percent of such costs or two thousand five hundred
7 dollars per taxpayer, per tax year.

8 2. Any taxpayer with a federal adjusted gross income greater than thirty
9 thousand dollars but less than sixty thousand dollars who incurs costs for the
10 purpose of making all or any portion of such taxpayer's principal dwelling
11 accessible to an individual with a disability who permanently resides with the
12 taxpayer [~~shall~~] **may, subject to the limitations provided under**
13 **subsection 10 of this section**, receive a tax credit against such taxpayer's
14 Missouri income tax liability in an amount equal to the lesser of fifty percent of
15 such costs or two thousand five hundred dollars per taxpayer per tax year. No
16 taxpayer shall be eligible to receive tax credits under this section in any tax year
17 immediately following a tax year in which such taxpayer received tax credits
18 under the provisions of this section.

19 3. Tax credits issued pursuant to this section may be refundable in an
20 amount not to exceed two thousand five hundred dollars per tax year.

21 4. Eligible costs for which the credit may be claimed include:

- 22 (1) Constructing entrance or exit ramps;
- 23 (2) Widening exterior or interior doorways;
- 24 (3) Widening hallways;
- 25 (4) Installing handrails or grab bars;
- 26 (5) Moving electrical outlets and switches;
- 27 (6) Installing stairway lifts;
- 28 (7) Installing or modifying fire alarms, smoke detectors, and other alerting
29 systems;
- 30 (8) Modifying hardware of doors; or
- 31 (9) Modifying bathrooms.

32 5. The tax credits allowed, including the maximum amount that may be
33 claimed, pursuant to this section shall be reduced by an amount sufficient to
34 offset any amount of such costs a taxpayer has already deducted from such
35 taxpayer's federal adjusted gross income or to the extent such taxpayer has

36 applied any other state or federal income tax credit to such costs.

37 6. A taxpayer shall claim a credit allowed by this section in the same
38 taxable year as the credit is issued, and at the time such taxpayer files his or her
39 Missouri income tax return; provided that such return is timely filed.

40 7. The department may, in consultation with the department of social
41 services, promulgate such rules or regulations as are necessary to administer the
42 provisions of this section. Any rule or portion of a rule, as that term is defined
43 in section 536.010, RSMo, that is created under the authority delegated in this
44 section shall become effective only if it complies with and is subject to all of the
45 provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This
46 section and chapter 536, RSMo, are nonseverable and if any of the powers vested
47 with the general assembly pursuant to chapter 536, RSMo, to review, to delay the
48 effective date or to disapprove and annul a rule are subsequently held
49 unconstitutional, then the grant of rulemaking authority and any rule proposed
50 or adopted after August 28, 2007, shall be invalid and void.

51 8. The provisions of this section shall apply to all tax years beginning on
52 or after January 1, 2008.

53 9. The provisions of this section shall expire December 31, 2013.

54 10. In no event shall the aggregate amount of all tax credits allowed
55 pursuant to this section exceed one hundred thousand dollars in any given fiscal
56 year. The tax credits issued pursuant to this section shall be on a first-come,
57 first-served filing basis. **Notwithstanding provisions of section 135.535 to**
58 **the contrary, no tax credits shall be authorized under the provisions of**
59 **this section after June 30, 2012, unless an appropriation is made**
60 **pursuant to the provisions of section 135.821. In any fiscal year for**
61 **which an appropriation is made to the fund created under this section**
62 **pursuant to the provisions of section 135.821, no more than the amount**
63 **appropriated shall be authorized.**

64 11. There is hereby created in the state treasury the "Residential
65 Dwelling Access Tax Credit Program Fund", which shall consist of
66 money appropriated under this section and section 135.821. The state
67 treasurer shall be custodian of the fund and may approve
68 disbursements from the fund in accordance with sections 30.170 and
69 30.180. Upon appropriation, money in the fund shall be used solely for
70 the administration of this section. Notwithstanding the provisions of
71 section 33.080 to the contrary, any moneys remaining in the fund for
72 tax credits which have been authorized but not yet redeemed at the end

73 of the fiscal year shall not revert to the credit of the general revenue
74 fund. Any moneys remaining in the fund at the end of the fiscal year
75 for any tax credits which remain unauthorized at the end of the fiscal
76 year shall revert to the credit of the general revenue fund. Provisions
77 of section 32.057 to the contrary notwithstanding, the department of
78 revenue shall notify the director of the department and the state
79 treasurer upon redemption of each tax credit authorized under the
80 provisions of this section. Upon such notification, an amount equal to
81 the tax credits redeemed shall be transferred from the fund created in
82 this section to the general revenue fund. In the event the department
83 determines that any tax credit authorized under this section is
84 precluded from being redeemed due to contractual agreement entered
85 into by the department and the tax credit applicant or is otherwise
86 precluded by law from being redeemed, the department shall notify the
87 state treasurer and an amount equal to such tax credit shall be
88 transferred from the fund created in this section to the general revenue
89 fund. The state treasurer shall invest moneys in the fund in the same
90 manner as other funds are invested. Any interest and moneys earned
91 on such investments shall be credited to the general revenue fund at
92 the end of each fiscal year.

135.575. 1. As used in this section, the following terms mean:

2 (1) "Missouri health care access fund", the fund created in section
3 191.1056, RSMo;

4 (2) "Tax credit", a credit against the tax otherwise due under chapter 143,
5 RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo;

6 (3) "Taxpayer", any individual subject to the tax imposed in chapter 143,
7 RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo.

8 2. The provisions of this section shall be subject to section 33.282,
9 RSMo. For all taxable years beginning on or after January 1, 2007, a taxpayer
10 shall be allowed a tax credit for donations in excess of one hundred dollars made
11 to the Missouri health care access fund. The tax credit shall be subject to annual
12 approval by the senate appropriations committee and the house budget
13 committee. The tax credit amount shall be equal to one-half of the total donation
14 made, but shall not exceed twenty-five thousand dollars per taxpayer claiming the
15 credit. If the amount of the tax credit issued exceeds the amount of the
16 taxpayer's state tax liability for the tax year for which the credit is claimed, the
17 difference shall not be refundable but may be carried forward to any of the

18 taxpayer's next four taxable years. No tax credit granted under this section shall
19 be transferred, sold, or assigned. The cumulative amount of tax credits which
20 may be issued under this section in any one fiscal year shall not exceed one
21 million dollars. **No tax credits shall be authorized under the provisions**
22 **of this section after June 30, 2012, unless an appropriation is made**
23 **pursuant to the provisions of section 135.821. In any fiscal year for**
24 **which an appropriation is made to the fund created under this section**
25 **pursuant to the provisions of section 135.821, no more than the amount**
26 **appropriated shall be authorized.**

27 3. There is hereby created in the state treasury the "Missouri
28 Health Care Access Fund Tax Credit Program Fund", which shall
29 consist of money appropriated under this section and section
30 135.821. The state treasurer shall be custodian of the fund and may
31 approve disbursements from the fund in accordance with sections
32 30.170 and 30.180. Upon appropriation, money in the fund shall be used
33 solely for the administration of this section. Notwithstanding the
34 provisions of section 33.080 to the contrary, any moneys remaining in
35 the fund for tax credits which have been authorized but not yet
36 redeemed at the end of the fiscal year shall not revert to the credit of
37 the general revenue fund. Any moneys remaining in the fund at the
38 end of the fiscal year for any tax credits which remain unauthorized at
39 the end of the fiscal year shall revert to the credit of the general
40 revenue fund. Provisions of section 32.057 to the contrary
41 notwithstanding, the department of revenue shall notify the director of
42 the department and the state treasurer upon redemption of each tax
43 credit authorized under the provisions of this section. Upon such
44 notification, an amount equal to the tax credits redeemed shall be
45 transferred from the fund created in this section to the general revenue
46 fund. In the event the department determines that any tax credit
47 authorized under this section is precluded from being redeemed due to
48 contractual agreement entered into by the department and the tax
49 credit applicant or is otherwise precluded by law from being redeemed,
50 the department shall notify the state treasurer and an amount equal to
51 such tax credit shall be transferred from the fund created in this
52 section to the general revenue fund. The state treasurer shall invest
53 moneys in the fund in the same manner as other funds are
54 invested. Any interest and moneys earned on such investments shall be

55 **credited to the general revenue fund at the end of each fiscal year.**

56 [3.] 4. The department of revenue may promulgate rules to implement
57 the provisions of this section. Any rule or portion of a rule, as that term is
58 defined in section 536.010, RSMo, that is created under the authority delegated
59 in this section shall become effective only if it complies with and is subject to all
60 of the provisions of chapter 536, RSMo, and, if applicable, section 536.028,
61 RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the
62 powers vested with the general assembly pursuant to chapter 536, RSMo, to
63 review, to delay the effective date, or to disapprove and annul a rule are
64 subsequently held unconstitutional, then the grant of rulemaking authority and
65 any rule proposed or adopted after August 28, 2007, shall be invalid and void.

66 [4.] 5. Pursuant to section 23.253, RSMo, of the Missouri sunset act:

67 (1) The provisions of the new program authorized under this section shall
68 automatically sunset six years after August 28, 2007, unless reauthorized by an
69 act of the general assembly; and

70 (2) If such program is reauthorized, the program authorized under this
71 section shall automatically sunset twelve years after the effective date of the
72 reauthorization of this section; and

73 (3) This section shall terminate on September first of the calendar year
74 immediately following the calendar year in which the program authorized under
75 this section is sunset.

135.600. 1. As used in this section, the following terms shall mean:

2 (1) "Contribution", a donation of cash, stock, bonds or other marketable
3 securities, or real property;

4 (2) "Maternity home", a residential facility located in this state
5 established for the purpose of providing housing and assistance to pregnant
6 women who are carrying their pregnancies to term, and which is exempt from
7 income taxation under the United States Internal Revenue Code;

8 (3) "State tax liability", in the case of a business taxpayer, any liability
9 incurred by such taxpayer pursuant to the provisions of chapter 143, RSMo,
10 chapter 147, RSMo, chapter 148, RSMo, and chapter 153, RSMo, exclusive of the
11 provisions relating to the withholding of tax as provided for in sections 143.191
12 to 143.265, RSMo, and related provisions, and in the case of an individual
13 taxpayer, any liability incurred by such taxpayer pursuant to the provisions of
14 chapter 143, RSMo;

15 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a
16 shareholder in an S corporation doing business in the state of Missouri and

17 subject to the state income tax imposed by the provisions of chapter 143, RSMo,
18 including any charitable organization which is exempt from federal income tax
19 and whose Missouri unrelated business taxable income, if any, would be subject
20 to the state income tax imposed under chapter 143, RSMo, or a corporation
21 subject to the annual corporation franchise tax imposed by the provisions of
22 chapter 147, RSMo, or an insurance company paying an annual tax on its gross
23 premium receipts in this state, or other financial institution paying taxes to the
24 state of Missouri or any political subdivision of this state pursuant to the
25 provisions of chapter 148, RSMo, or an express company which pays an annual
26 tax on its gross receipts in this state pursuant to chapter 153, RSMo, or an
27 individual subject to the state income tax imposed by the provisions of chapter
28 143, RSMo.

29 2. A taxpayer [shall] **may, subject to the limitations provided under**
30 **subsection 6 of this section**, be allowed to claim a tax credit against the
31 taxpayer's state tax liability, in an amount equal to fifty percent of the amount
32 such taxpayer contributed to a maternity home.

33 3. The amount of the tax credit claimed shall not exceed the amount of the
34 taxpayer's state tax liability for the taxable year that the credit is claimed, and
35 such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand
36 dollars per taxable year. However, any tax credit that cannot be claimed in the
37 taxable year the contribution was made may be carried over to the next four
38 succeeding taxable years until the full credit has been claimed.

39 4. Except for any excess credit which is carried over pursuant to
40 subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit
41 unless the total amount of such taxpayer's contribution or contributions to a
42 maternity home or homes in such taxpayer's taxable year has a value of at least
43 one hundred dollars.

44 5. The director of the department of social services shall determine, at
45 least annually, which facilities in this state may be classified as maternity
46 homes. The director of the department of social services may require of a facility
47 seeking to be classified as a maternity home whatever information is reasonably
48 necessary to make such a determination. The director of the department of social
49 services shall classify a facility as a maternity home if such facility meets the
50 definition set forth in subsection 1 of this section.

51 6. The director of the department of social services shall establish a
52 procedure by which a taxpayer can determine if a facility has been classified as
53 a maternity home, and by which such taxpayer can then contribute to such

54 maternity home and claim a tax credit. Maternity homes shall be permitted to
55 decline a contribution from a taxpayer. The cumulative amount of tax credits
56 which may be claimed by all the taxpayers contributing to maternity homes in
57 any one fiscal year shall not exceed two million dollars. **No tax credits shall**
58 **be authorized under the provisions of this section after June 30, 2012,**
59 **unless an appropriation is made pursuant to the provisions of section**
60 **135.821. In any fiscal year for which an appropriation is made to the**
61 **fund created under this section pursuant to the provisions of section**
62 **135.821, no more than the amount appropriated shall be authorized.**

63 7. There is hereby created in the state treasury the "Maternity
64 Home Tax Credit Program Fund", which shall consist of money
65 appropriated under this section and section 135.821. The state
66 treasurer shall be custodian of the fund and may approve
67 disbursements from the fund in accordance with sections 30.170 and
68 30.180. Upon appropriation, money in the fund shall be used solely for
69 the administration of this section. Notwithstanding the provisions of
70 section 33.080 to the contrary, any moneys remaining in the fund for
71 tax credits which have been authorized but not yet redeemed at the end
72 of the fiscal year shall not revert to the credit of the general revenue
73 fund. Any moneys remaining in the fund at the end of the fiscal year
74 for any tax credits which remain unauthorized at the end of the fiscal
75 year shall revert to the credit of the general revenue fund. Provisions
76 of section 32.057 to the contrary notwithstanding, the department of
77 revenue shall notify the director of the department and the state
78 treasurer upon redemption of each tax credit authorized under the
79 provisions of this section. Upon such notification, an amount equal to
80 the tax credits redeemed shall be transferred from the fund created in
81 this section to the general revenue fund. In the event the department
82 determines that any tax credit authorized under this section is
83 precluded from being redeemed due to contractual agreement entered
84 into by the department and the tax credit applicant or is otherwise
85 precluded by law from being redeemed, the department shall notify the
86 state treasurer and an amount equal to such tax credit shall be
87 transferred from the fund created in this section to the general revenue
88 fund. The state treasurer shall invest moneys in the fund in the same
89 manner as other funds are invested. Any interest and moneys earned
90 on such investments shall be credited to the general revenue fund at

91 **the end of each fiscal year.**

92 8. The director of the department of social services shall establish a
93 procedure by which, from the beginning of the fiscal year until some point in time
94 later in the fiscal year to be determined by the director of the department of
95 social services, the cumulative amount of tax credits are equally apportioned
96 among all facilities classified as maternity homes. If a maternity home fails to
97 use all, or some percentage to be determined by the director of the department of
98 social services, of its apportioned tax credits during this predetermined period of
99 time, the director of the department of social services may reapportion these
100 unused tax credits to those maternity homes that have used all, or some
101 percentage to be determined by the director of the department of social services,
102 of their apportioned tax credits during this predetermined period of time. The
103 director of the department of social services may establish more than one period
104 of time and reapportion more than once during each fiscal year. To the maximum
105 extent possible, the director of the department of social services shall establish
106 the procedure described in this subsection in such a manner as to ensure that
107 taxpayers can claim all the tax credits possible up to the cumulative amount of
108 tax credits available for the fiscal year.

109 [8.] 9. This section shall become effective January 1, 2000, and shall
110 apply to all tax years after December 31, 1999.

135.630. 1. As used in this section, the following terms mean:

- 2 (1) "Contribution", a donation of cash, stock, bonds, or other marketable
3 securities, or real property;
- 4 (2) "Director", the director of the department of social services;
- 5 (3) "Pregnancy resource center", a nonresidential facility located in this
6 state:
 - 7 (a) Established and operating primarily to provide assistance to women
8 with crisis pregnancies or unplanned pregnancies by offering pregnancy testing,
9 counseling, emotional and material support, and other similar services to
10 encourage and assist such women in carrying their pregnancies to term; and
 - 11 (b) Where childbirths are not performed; and
 - 12 (c) Which does not perform, induce, or refer for abortions and which does
13 not hold itself out as performing, inducing, or referring for abortions; and
 - 14 (d) Which provides direct client services at the facility, as opposed to
15 merely providing counseling or referral services by telephone; and
 - 16 (e) Which provides its services at no cost to its clients; and
 - 17 (f) When providing medical services, such medical services must be

18 performed in accordance with Missouri statute; and

19 (g) Which is exempt from income taxation pursuant to the Internal
20 Revenue Code of 1986, as amended;

21 (4) "State tax liability", in the case of a business taxpayer, any liability
22 incurred by such taxpayer pursuant to the provisions of chapters 143, 147, 148,
23 and 153, RSMo, excluding sections 143.191 to 143.265, RSMo, and related
24 provisions, and in the case of an individual taxpayer, any liability incurred by
25 such taxpayer pursuant to the provisions of chapter 143, RSMo, excluding
26 sections 143.191 to 143.265, RSMo, and related provisions;

27 (5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a
28 shareholder in an S corporation doing business in the state of Missouri and
29 subject to the state income tax imposed by the provisions of chapter 143, RSMo,
30 or a corporation subject to the annual corporation franchise tax imposed by the
31 provisions of chapter 147, RSMo, or an insurance company paying an annual tax
32 on its gross premium receipts in this state, or other financial institution paying
33 taxes to the state of Missouri or any political subdivision of this state pursuant
34 to the provisions of chapter 148, RSMo, or an express company which pays an
35 annual tax on its gross receipts in this state pursuant to chapter 153, RSMo, or
36 an individual subject to the state income tax imposed by the provisions of chapter
37 143, RSMo, or any charitable organization which is exempt from federal income
38 tax and whose Missouri unrelated business taxable income, if any, would be
39 subject to the state income tax imposed under chapter 143, RSMo.

40 2. For all tax years beginning on or after January 1, 2007, a taxpayer
41 **[shall] may, subject to the limitations provided under subsection 6 of**
42 **this section,** be allowed to claim a tax credit against the taxpayer's state tax
43 liability in an amount equal to fifty percent of the amount such taxpayer
44 contributed to a pregnancy resource center.

45 3. The amount of the tax credit claimed shall not exceed the amount of the
46 taxpayer's state tax liability for the taxable year for which the credit is claimed,
47 and such taxpayer shall not be allowed to claim a tax credit in excess of fifty
48 thousand dollars per taxable year. However, any tax credit that cannot be
49 claimed in the taxable year the contribution was made may be carried over to the
50 next four succeeding taxable years until the full credit has been claimed.

51 4. Except for any excess credit which is carried over pursuant to
52 subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit
53 unless the total amount of such taxpayer's contribution or contributions to a
54 pregnancy resource center or centers in such taxpayer's taxable year has a value

55 of at least one hundred dollars.

56 5. The director shall determine, at least annually, which facilities in this
57 state may be classified as pregnancy resource centers. The director may require
58 of a facility seeking to be classified as a pregnancy resource center whatever
59 information which is reasonably necessary to make such a determination. The
60 director shall classify a facility as a pregnancy resource center if such facility
61 meets the definition set forth in subsection 1 of this section.

62 6. The director shall establish a procedure by which a taxpayer can
63 determine if a facility has been classified as a pregnancy resource
64 center. Pregnancy resource centers shall be permitted to decline a contribution
65 from a taxpayer. The cumulative amount of tax credits which may be claimed by
66 all the taxpayers contributing to pregnancy resource centers in any one fiscal year
67 shall not exceed two million dollars. Tax credits shall be issued in the order
68 contributions are received. **No tax credits shall be authorized under the**
69 **provisions of this section after June 30, 2012, unless an appropriation**
70 **is made pursuant to the provisions of section 135.821. In any fiscal year**
71 **for which an appropriation is made to the fund created under this**
72 **section pursuant to the provisions of section 135.821, no more than the**
73 **amount appropriated shall be authorized.**

74 7. **There is hereby created in the state treasury the "Pregnancy**
75 **Resource Center Tax Credit Program Fund", which shall consist of**
76 **money appropriated under this section and section 135.821. The state**
77 **treasurer shall be custodian of the fund and may approve**
78 **disbursements from the fund in accordance with sections 30.170 and**
79 **30.180. Upon appropriation, money in the fund shall be used solely for**
80 **the administration of this section. Notwithstanding the provisions of**
81 **section 33.080 to the contrary, any moneys remaining in the fund for**
82 **tax credits which have been authorized but not yet redeemed at the end**
83 **of the fiscal year shall not revert to the credit of the general revenue**
84 **fund. Any moneys remaining in the fund at the end of the fiscal year**
85 **for any tax credits which remain unauthorized at the end of the fiscal**
86 **year shall revert to the credit of the general revenue fund. Provisions**
87 **of section 32.057 to the contrary notwithstanding, the department of**
88 **revenue shall notify the director of the department and the state**
89 **treasurer upon redemption of each tax credit authorized under the**
90 **provisions of this section. Upon such notification, an amount equal to**
91 **the tax credits redeemed shall be transferred from the fund created in**

92 **this section to the general revenue fund. In the event the department**
93 **determines that any tax credit authorized under this section is**
94 **precluded from being redeemed due to contractual agreement entered**
95 **into by the department and the tax credit applicant or is otherwise**
96 **precluded by law from being redeemed, the department shall notify the**
97 **state treasurer and an amount equal to such tax credit shall be**
98 **transferred from the fund created in this section to the general revenue**
99 **fund. The state treasurer shall invest moneys in the fund in the same**
100 **manner as other funds are invested. Any interest and moneys earned**
101 **on such investments shall be credited to the general revenue fund at**
102 **the end of each fiscal year.**

103 8. The director shall establish a procedure by which, from the beginning
104 of the fiscal year until some point in time later in the fiscal year to be determined
105 by the director, the cumulative amount of tax credits are equally apportioned
106 among all facilities classified as pregnancy resource centers. If a pregnancy
107 resource center fails to use all, or some percentage to be determined by the
108 director, of its apportioned tax credits during this predetermined period of time,
109 the director may reapportion these unused tax credits to those pregnancy
110 resource centers that have used all, or some percentage to be determined by the
111 director, of their apportioned tax credits during this predetermined period of
112 time. The director may establish more than one period of time and reapportion
113 more than once during each fiscal year. To the maximum extent possible, the
114 director shall establish the procedure described in this subsection in such a
115 manner as to ensure that taxpayers can claim all the tax credits possible up to
116 the cumulative amount of tax credits available for the fiscal year.

117 [8.] 9. Each pregnancy resource center shall provide information to the
118 director concerning the identity of each taxpayer making a contribution to the
119 pregnancy resource center who is claiming a tax credit pursuant to this section
120 and the amount of the contribution. The director shall provide the information
121 to the director of revenue. The director shall be subject to the confidentiality and
122 penalty provisions of section 32.057, RSMo, relating to the disclosure of tax
123 information.

124 [9.] 10. Notwithstanding any other law to the contrary, any tax credits
125 granted under this section may be assigned, transferred, sold, or otherwise
126 conveyed without consent or approval. Such taxpayer, hereinafter the assignor
127 for purposes of this section, may sell, assign, exchange, or otherwise transfer
128 earned tax credits:

129 (1) For no less than seventy-five percent of the par value of such credits;
130 and

131 (2) In an amount not to exceed one hundred percent of annual earned
132 credits.

133 [10.] 11. Pursuant to section 23.253, RSMo, of the Missouri sunset act:

134 (1) Any new program authorized under this section shall automatically
135 sunset six years after August 28, 2006, unless reauthorized by an act of the
136 general assembly; and

137 (2) If such program is reauthorized, the program authorized under this
138 section shall automatically sunset twelve years after the effective date of the
139 reauthorization of this section; and

140 (3) This section shall terminate on September first of the calendar year
141 immediately following the calendar year in which a program authorized under
142 this section is sunset.

135.647. 1. As used in this section, the following terms shall mean:

2 (1) "Local food pantry", any food pantry that is:

3 (a) Exempt from taxation under section 501(c)(3) of the Internal Revenue
4 Code of 1986, as amended; and

5 (b) Distributing emergency food supplies to Missouri low-income people
6 who would otherwise not have access to food supplies in the area in which the
7 taxpayer claiming the tax credit under this section resides;

8 (2) "Taxpayer", an individual, a firm, a partner in a firm, corporation, or
9 a shareholder in an S corporation doing business in this state and subject to the
10 state income tax imposed by chapter 143, RSMo, excluding withholding tax
11 imposed by sections 143.191 to 143.265, RSMo.

12 2. For all tax years beginning on or after January 1, 2007, any taxpayer
13 who donates cash or food, unless such food is donated after the food's expiration
14 date, to any local food pantry [shall] **may, subject to the limitations**
15 **provided under subsection 3 of this section**, be allowed a credit against the
16 tax otherwise due under chapter 143, RSMo, excluding withholding tax imposed
17 by sections 143.191 to 143.265, RSMo, in an amount equal to fifty percent of the
18 value of the donations made to the extent such amounts that have been
19 subtracted from federal adjusted gross income or federal taxable income are
20 added back in the determination of Missouri adjusted gross income or Missouri
21 taxable income before the credit can be claimed. Each taxpayer claiming a tax
22 credit under this section shall file an affidavit with the income tax return
23 verifying the amount of their contributions. The amount of the tax credit claimed

24 shall not exceed the amount of the taxpayer's state tax liability for the tax year
25 that the credit is claimed, and shall not exceed two thousand five hundred dollars
26 per taxpayer claiming the credit. Any amount of credit that the taxpayer is
27 prohibited by this section from claiming in a tax year shall not be refundable, but
28 may be carried forward to any of the taxpayer's three subsequent taxable years.
29 No tax credit granted under this section shall be transferred, sold, or assigned.
30 No taxpayer shall be eligible to receive a credit pursuant to this section if such
31 taxpayer employs persons who are not authorized to work in the United States
32 under federal law.

33 3. The cumulative amount of tax credits under this section which may be
34 allocated to all taxpayers contributing to a local food pantry in any one fiscal year
35 shall not exceed two million dollars. The director of revenue shall establish a
36 procedure by which the cumulative amount of tax credits is apportioned among
37 all taxpayers claiming the credit by April fifteenth of the fiscal year in which the
38 tax credit is claimed. To the maximum extent possible, the director of revenue
39 shall establish the procedure described in this subsection in such a manner as to
40 ensure that taxpayers can claim all the tax credits possible up to the cumulative
41 amount of tax credits available for the fiscal year. **No tax credits shall be**
42 **authorized under the provisions of this section after June 30, 2012,**
43 **unless an appropriation is made pursuant to the provisions of section**
44 **135.821. In any fiscal year for which an appropriation is made to the**
45 **fund created under this section pursuant to the provisions of section**
46 **135.821, no more than the amount appropriated shall be**
47 **authorized. The provisions of this section shall not be construed to**
48 **limit or in any way impair a recipient's ability to redeem tax credits or**
49 **an administering agency's ability to issue tax credits authorized prior**
50 **to July 1, 2012.**

51 4. There is hereby created in the state treasury the "Food Pantry
52 Tax Credit Program Fund", which shall consist of money appropriated
53 under this section and section 135.821. The state treasurer shall be
54 custodian of the fund and may approve disbursements from the fund in
55 accordance with sections 30.170 and 30.180. Upon appropriation, money
56 in the fund shall be used solely for the administration of this
57 section. Notwithstanding the provisions of section 33.080 to the
58 contrary, any moneys remaining in the fund for tax credits which have
59 been authorized but not yet redeemed at the end of the fiscal year shall
60 not revert to the credit of the general revenue fund. Any moneys

61 remaining in the fund at the end of the fiscal year for any tax credits
62 which remain unauthorized at the end of the fiscal year shall revert to
63 the credit of the general revenue fund. Provisions of section 32.057 to
64 the contrary notwithstanding, the department of revenue shall notify
65 the director of the department and the state treasurer upon redemption
66 of each tax credit authorized under the provisions of this section. Upon
67 such notification, an amount equal to the tax credits redeemed shall be
68 transferred from the fund created in this section to the general revenue
69 fund. In the event the department determines that any tax credit
70 authorized under this section is precluded from being redeemed due to
71 contractual agreement entered into by the department and the tax
72 credit applicant or is otherwise precluded by law from being redeemed,
73 the department shall notify the state treasurer and an amount equal to
74 such tax credit shall be transferred from the fund created in this
75 section to the general revenue fund. The state treasurer shall invest
76 moneys in the fund in the same manner as other funds are
77 invested. Any interest and moneys earned on such investments shall be
78 credited to the general revenue fund at the end of each fiscal year.

79 5. Any local food pantry may accept or reject any donation of food made
80 under this section for any reason. For purposes of this section, any donations of
81 food accepted by a local food pantry shall be valued at fair market value, or at
82 wholesale value if the taxpayer making the donation of food is a retail grocery
83 store, food broker, wholesaler, or restaurant.

84 [5.] 6. The department of revenue shall promulgate rules to implement
85 the provisions of this section. Any rule or portion of a rule, as that term is
86 defined in section 536.010, RSMo, that is created under the authority delegated
87 in this section shall become effective only if it complies with and is subject to all
88 of the provisions of chapter 536, RSMo, and, if applicable, section 536.028,
89 RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the
90 powers vested with the general assembly pursuant to chapter 536, RSMo, to
91 review, to delay the effective date, or to disapprove and annul a rule are
92 subsequently held unconstitutional, then the grant of rulemaking authority and
93 any rule proposed or adopted after August 28, 2007, shall be invalid and void.

94 [6.] 7. Under section 23.253, RSMo, of the Missouri sunset act:

95 (1) The provisions of the new program authorized under this section shall
96 automatically sunset four years after August 28, 2007, unless reauthorized by an
97 act of the general assembly; and

98 (2) If such program is reauthorized, the program authorized under this
99 section shall automatically sunset twelve years after the effective date of the
100 reauthorization of this section; and

101 (3) This section shall terminate on September first of the calendar year
102 immediately following the calendar year in which the program authorized under
103 this section is sunset.

135.679. 1. This section shall be known and may be cited as the
2 "Qualified Beef Tax Credit Act".

3 2. As used in this section, the following terms mean:

4 (1) "Agricultural property", any real and personal property, including but
5 not limited to buildings, structures, improvements, equipment, and livestock, that
6 is used in or is to be used in this state by residents of this state for:

7 (a) The operation of a farm or ranch; and

8 (b) Grazing, feeding, or the care of livestock;

9 (2) "Authority", the agricultural and small business development authority
10 established in chapter 348, RSMo;

11 (3) "Backgrounded", any additional weight at the time of the first
12 qualifying sale, before being finished, above the established baseline weight;

13 (4) "Baseline weight", the average weight in the immediate past three
14 years of all beef animals sold that are thirty months of age or younger,
15 categorized by sex. Baseline weight for qualified beef animals that are physically
16 out-of-state but whose ownership is retained by a resident of this state shall be
17 established by the average transfer weight in the immediate past three years of
18 all beef animals that are thirty months of age or younger and that are transferred
19 out-of-state but whose ownership is retained by a resident of this state,
20 categorized by sex. The established baseline weight shall be effective for a period
21 of three years. If the taxpayer is a qualifying beef animal producer with fewer
22 than three years of production, the baseline weight shall be established by the
23 available average weight in the immediate past year of all beef animals sold that
24 are thirty months of age or younger, categorized by sex. If the qualifying beef
25 animal producer has no previous production, the baseline weight shall be
26 established by the authority;

27 (5) "Finished", the period from backgrounded to harvest;

28 (6) "Qualifying beef animal", any beef animal that is certified by the
29 authority, that was born in this state after August 28, 2008, that was raised and
30 backgrounded or finished in this state by the taxpayer, excluding any beef animal
31 more than thirty months of age as verified by certified written birth records;

32 (7) "Qualifying sale", the first time a qualifying beef animal is sold in this
33 state after the qualifying beef animal is backgrounded, and a subsequent sale if
34 the weight of the qualifying beef animal at the time of the subsequent sale is
35 greater than the weight of the qualifying beef animal at the time of the first
36 qualifying sale of such beef animal;

37 (8) "Tax credit", a credit against the tax otherwise due under chapter 143,
38 RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo,
39 or otherwise due under chapter 147, RSMo;

40 (9) "Taxpayer", any individual or entity who:

41 (a) Is subject to the tax imposed in chapter 143, RSMo, excluding
42 withholding tax imposed by sections 143.191 to 143.265, RSMo, or the tax
43 imposed in chapter 147, RSMo;

44 (b) In the case of an individual, is a resident of this state as verified by
45 a 911 address or in the absence of a 911 system, a physical address; and

46 (c) Owns or rents agricultural property and principal place of business is
47 located in this state.

48 3. For all taxable years beginning on or after January 1, 2009, but ending
49 on or before December 31, 2016, a taxpayer [shall] **may, subject to the**
50 **limitations provided under subsection 4 of this section**, be allowed a tax
51 credit for the first qualifying sale and for a subsequent qualifying sale of all
52 qualifying beef animals. The tax credit amount for the first qualifying sale shall
53 be ten cents per pound, shall be based on the backgrounded weight of all
54 qualifying beef animals at the time of the first qualifying sale, and shall be
55 calculated as follows: the qualifying sale weight minus the baseline weight
56 multiplied by ten cents, as long as the qualifying sale weight is equal to or
57 greater than two hundred pounds above the baseline weight. The tax credit
58 amount for each subsequent qualifying sale shall be ten cents per pound, shall
59 be based on the backgrounded weight of all qualifying beef animals at the time
60 of the subsequent qualifying sale, and shall be calculated as follows: the
61 qualifying sale weight minus the baseline weight multiplied by ten cents, as long
62 as the qualifying sale weight is equal to or greater than two hundred pounds
63 above the baseline weight. The authority may waive no more than twenty-five
64 percent of the two hundred pound weight gain requirement, but any such waiver
65 shall be based on a disaster declaration issued by the U. S. Department of
66 Agriculture.

67 4. The amount of the tax credit claimed shall not exceed the amount of the
68 taxpayer's state tax liability for the taxable year for which the credit is claimed.

69 No tax credit claimed under this section shall be refundable. The tax credit shall
70 be claimed in the taxable year in which the qualifying sale of the qualifying beef
71 occurred, but any amount of credit that the taxpayer is prohibited by this section
72 from claiming in a taxable year may be carried forward to any of the taxpayer's
73 five subsequent taxable years and carried backward to any of the taxpayer's three
74 previous taxable years. The amount of tax credits that may be issued to all
75 eligible applicants claiming tax credits authorized in this section in a fiscal year
76 shall not exceed three million dollars. Tax credits shall be issued on an
77 as-received application basis until the fiscal year limit is reached. Any credits
78 not issued in any fiscal year shall expire and shall not be issued in any
79 subsequent years. **No tax credits shall be authorized under the provisions**
80 **of this section after June 30, 2012, unless an appropriation is made**
81 **pursuant to the provisions of section 135.821. In any fiscal year for**
82 **which an appropriation is made to the fund created under this section**
83 **pursuant to the provisions of section 135.821, no more than the amount**
84 **appropriated shall be authorized. The provisions of this section shall**
85 **not be construed to limit or in any way impair a recipient's ability to**
86 **redeem tax credits or an administering agency's ability to issue tax**
87 **credits authorized prior to July 1, 2012.**

88 5. There is hereby created in the state treasury the "Qualified
89 Beef Tax Credit Program Fund", which shall consist of money
90 appropriated under this section and section 135.821. The state
91 treasurer shall be custodian of the fund and may approve
92 disbursements from the fund in accordance with sections 30.170 and
93 30.180. Upon appropriation, money in the fund shall be used solely for
94 the administration of this section. Notwithstanding the provisions of
95 section 33.080 to the contrary, any moneys remaining in the fund for
96 tax credits which have been authorized but not yet redeemed at the end
97 of the fiscal year shall not revert to the credit of the general revenue
98 fund. Any moneys remaining in the fund at the end of the fiscal year
99 for any tax credits which remain unauthorized at the end of the fiscal
100 year shall revert to the credit of the general revenue fund. Provisions
101 of section 32.057 to the contrary notwithstanding, the department of
102 revenue shall notify the director of the department and the state
103 treasurer upon redemption of each tax credit authorized under the
104 provisions of this section. Upon such notification, an amount equal to
105 the tax credits redeemed shall be transferred from the fund created in

106 **this section to the general revenue fund. In the event the department**
107 **determines that any tax credit authorized under this section is**
108 **precluded from being redeemed due to contractual agreement entered**
109 **into by the department and the tax credit applicant or is otherwise**
110 **precluded by law from being redeemed, the department shall notify the**
111 **state treasurer and an amount equal to such tax credit shall be**
112 **transferred from the fund created in this section to the general revenue**
113 **fund. The state treasurer shall invest moneys in the fund in the same**
114 **manner as other funds are invested. Any interest and moneys earned**
115 **on such investments shall be credited to the general revenue fund at**
116 **the end of each fiscal year.**

117 **6.** To claim the tax credit allowed under this section, the taxpayer shall
118 submit to the authority an application for the tax credit on a form provided by the
119 authority and any application fee imposed by the authority. The application shall
120 be filed with the authority at the end of each calendar year in which a qualified
121 sale was made and for which a tax credit is claimed under this section. The
122 application shall include any certified documentation and information required
123 by the authority. All required information obtained by the authority shall be
124 confidential and not disclosed except by court order, subpoena, or as otherwise
125 provided by law. If the taxpayer and the qualified sale meet all criteria required
126 by this section and approval is granted by the authority, the authority shall issue
127 a tax credit certificate in the appropriate amount. Tax credit certificates issued
128 under this section may be assigned, transferred, sold, or otherwise conveyed, and
129 the new owner of the tax credit certificate shall have the same rights in the tax
130 credit as the original taxpayer. Whenever a tax credit certificate is assigned,
131 transferred, sold or otherwise conveyed, a notarized endorsement shall be filed
132 with the authority specifying the name and address of the new owner of the tax
133 credit certificate or the value of the tax credit.

134 **[6.] 7.** Any information provided under this section shall be confidential
135 information, to be shared with no one except state and federal animal health
136 officials, except as provided in subsection 5 of this section.

137 **[7.] 8.** The authority may promulgate rules to implement the provisions
138 of this section. Any rule or portion of a rule, as that term is defined in section
139 536.010, RSMo, that is created under the authority delegated in this section shall
140 become effective only if it complies with and is subject to all of the provisions of
141 chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and
142 chapter 536, RSMo, are nonseverable and if any of the powers vested with the

143 general assembly pursuant to chapter 536, RSMo, to review, to delay the effective
144 date, or to disapprove and annul a rule are subsequently held unconstitutional,
145 then the grant of rulemaking authority and any rule proposed or adopted after
146 August 28, 2007, shall be invalid and void.

147 [8.] 9. This section shall not be subject to the Missouri sunset act,
148 sections 23.250 to 23.298, RSMo.

135.680. 1. As used in this section, the following terms shall mean:

2 (1) "Adjusted purchase price", the product of:

3 (a) The amount paid to the issuer of a qualified equity investment for such
4 qualified equity investment; and

5 (b) The following fraction:

6 a. The numerator shall be the dollar amount of qualified low-income
7 community investments held by the issuer in this state as of the credit allowance
8 date during the applicable tax year; and

9 b. The denominator shall be the total dollar amount of qualified
10 low-income community investments held by the issuer in all states as of the credit
11 allowance date during the applicable tax year;

12 c. For purposes of calculating the amount of qualified low-income
13 community investments held by an issuer, an investment shall be considered held
14 by an issuer even if the investment has been sold or repaid; provided that the
15 issuer reinvests an amount equal to the capital returned to or recovered by the
16 issuer from the original investment, exclusive of any profits realized, in another
17 qualified low-income community investment within twelve months of the receipt
18 of such capital. An issuer shall not be required to reinvest capital returned from
19 qualified low-income community investments after the sixth anniversary of the
20 issuance of the qualified equity investment, the proceeds of which were used to
21 make the qualified low-income community investment, and the qualified
22 low-income community investment shall be considered held by the issuer through
23 the seventh anniversary of the qualified equity investment's issuance;

24 (2) "Applicable percentage", zero percent for each of the first two credit
25 allowance dates, seven percent for the third credit allowance date, and eight
26 percent for the next four credit allowance dates;

27 (3) "Credit allowance date", with respect to any qualified equity
28 investment:

29 (a) The date on which such investment is initially made; and

30 (b) Each of the six anniversary dates of such date thereafter;

31 (4) "Long-term debt security", any debt instrument issued by a qualified

32 community development entity, at par value or a premium, with an original
33 maturity date of at least seven years from the date of its issuance, with no
34 acceleration of repayment, amortization, or prepayment features prior to its
35 original maturity date, and with no distribution, payment, or interest features
36 related to the profitability of the qualified community development entity or the
37 performance of the qualified community development entity's investment
38 portfolio. The foregoing shall in no way limit the holder's ability to accelerate
39 payments on the debt instrument in situations where the issuer has defaulted on
40 covenants designed to ensure compliance with this section or Section 45D of the
41 Internal Revenue Code of 1986, as amended;

42 (5) "Qualified active low-income community business", the meaning given
43 such term in Section 45D of the Internal Revenue Code of 1986, as amended;
44 provided that any business that derives or projects to derive fifteen percent or
45 more of its annual revenue from the rental or sale of real estate shall not be
46 considered to be a qualified active low-income community business;

47 (6) "Qualified community development entity", the meaning given such
48 term in Section 45D of the Internal Revenue Code of 1986, as amended; provided
49 that such entity has entered into an allocation agreement with the Community
50 Development Financial Institutions Fund of the U.S. Treasury Department with
51 respect to credits authorized by Section 45D of the Internal Revenue Code of
52 1986, as amended, which includes the state of Missouri within the service area
53 set forth in such allocation agreement;

54 (7) "Qualified equity investment", any equity investment in, or long-term
55 debt security issued by, a qualified community development entity that:

56 (a) Is acquired after September 4, 2007, at its original issuance solely in
57 exchange for cash;

58 (b) Has at least eighty-five percent of its cash purchase price used by the
59 issuer to make qualified low-income community investments; and

60 (c) Is designated by the issuer as a qualified equity investment under this
61 subdivision and is certified by the department of economic development as not
62 exceeding the limitation contained in subsection 2 of this section. This term shall
63 include any qualified equity investment that does not meet the provisions of
64 paragraph (a) of this subdivision if such investment was a qualified equity
65 investment in the hands of a prior holder;

66 (8) "Qualified low-income community investment", any capital or equity
67 investment in, or loan to, any qualified active low-income community
68 business. With respect to any one qualified active low-income community

69 business, the maximum amount of qualified low-income community investments
70 made in such business, on a collective basis with all of its affiliates, that may be
71 used from the calculation of any numerator described in subparagraph a. of
72 paragraph (b) of subdivision (1) of this subsection shall be ten million dollars
73 whether issued to one or several qualified community development entities;

74 (9) "Tax credit", a credit against the tax otherwise due under chapter 143,
75 RSMo, excluding withholding tax imposed in sections 143.191 to 143.265, RSMo,
76 or otherwise due under section 375.916, RSMo, or chapter 147, 148, or 153, RSMo;

77 (10) "Taxpayer", any individual or entity subject to the tax imposed in
78 chapter 143, RSMo, excluding withholding tax imposed in sections 143.191 to
79 143.265, RSMo, or the tax imposed in section 375.916, RSMo, or chapter 147, 148,
80 or 153, RSMo.

81 2. A taxpayer that makes a qualified equity investment earns a vested
82 right to tax credits under this section. On each credit allowance date of such
83 qualified equity investment the taxpayer, or subsequent holder of the qualified
84 equity investment, shall be entitled to a tax credit during the taxable year
85 including such credit allowance date. The tax credit amount shall be equal to the
86 applicable percentage of the adjusted purchase price paid to the issuer of such
87 qualified equity investment. The amount of the tax credit claimed shall not
88 exceed the amount of the taxpayer's state tax liability for the tax year for which
89 the tax credit is claimed. No tax credit claimed under this section shall be
90 refundable or transferable. Tax credits earned by a partnership, limited liability
91 company, S-corporation, or other pass-through entity may be allocated to the
92 partners, members, or shareholders of such entity for their direct use in
93 accordance with the provisions of any agreement among such partners, members,
94 or shareholders. Any amount of tax credit that the taxpayer is prohibited by this
95 section from claiming in a taxable year may be carried forward to any of the
96 taxpayer's five subsequent taxable years. The department of economic
97 development shall limit the monetary amount of qualified equity investments
98 permitted under this section to a level necessary to limit tax credit utilization at
99 no more than twenty-five million dollars of tax credits in any fiscal year. Such
100 limitation on qualified equity investments shall be based on the anticipated
101 utilization of credits without regard to the potential for taxpayers to carry
102 forward tax credits to later tax years. **Subject to any applicable**
103 **reauthorization requirements provided under subsection 7 of this**
104 **section, the department shall not certify any qualified equity**
105 **investment after June 30, 2012, unless an appropriation sufficient to**

106 **provide tax credits for such qualified equity investment is made**
107 **pursuant to the provisions of section 135.821. In any fiscal year for**
108 **which an appropriation is made pursuant to the provisions of section**
109 **135.821, in any fiscal year for which an appropriation is made to the**
110 **fund created under this section pursuant to the provisions of section**
111 **135.821, no more than the amount appropriated shall be authorized.**

112 3. The issuer of the qualified equity investment shall certify to the
113 department of economic development the anticipated dollar amount of such
114 investments to be made in this state during the first twelve-month period
115 following the initial credit allowance date. If on the second credit allowance date,
116 the actual dollar amount of such investments is different than the amount
117 estimated, the department of economic development shall adjust the credits
118 arising on the second allowance date to account for such difference.

119 4. The department of economic development shall recapture the tax credit
120 allowed under this section with respect to such qualified equity investment under
121 this section if:

122 (1) Any amount of the federal tax credit available with respect to a
123 qualified equity investment that is eligible for a tax credit under this section is
124 recaptured under Section 45D of the Internal Revenue Code of 1986, as amended;
125 or

126 (2) The issuer redeems or makes principal repayment with respect to a
127 qualified equity investment prior to the seventh anniversary of the issuance of
128 such qualified equity investment. Any tax credit that is subject to recapture shall
129 be recaptured from the taxpayer that claimed the tax credit on a return.

130 5. The department of economic development shall promulgate rules to
131 implement the provisions of this section, including recapture provisions on a
132 scaled proportional basis, and to administer the allocation of tax credits issued
133 for qualified equity investments, which shall be conducted on a first-come,
134 first-serve basis. Any rule or portion of a rule, as that term is defined in section
135 536.010, RSMo, that is created under the authority delegated in this section shall
136 become effective only if it complies with and is subject to all of the provisions of
137 chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and
138 chapter 536, RSMo, are nonseverable and if any of the powers vested with the
139 general assembly pursuant to chapter 536, RSMo, to review, to delay the effective
140 date, or to disapprove and annul a rule are subsequently held unconstitutional,
141 then the grant of rulemaking authority and any rule proposed or adopted after
142 September 4, 2007, shall be invalid and void.

143 6. For fiscal years following fiscal year 2010, qualified equity investments
144 shall not be made under this section unless reauthorization is made pursuant to
145 this subsection. For all fiscal years following fiscal year 2010, unless the general
146 assembly adopts a concurrent resolution granting authority to the department of
147 economic development to approve qualified equity investments for the Missouri
148 new markets development program and clearly describing the amount of tax
149 credits available for the next fiscal year, or otherwise complies with the
150 provisions of this subsection, no qualified equity investments may be permitted
151 to be made under this section. The amount of available tax credits contained in
152 such a resolution shall not exceed the limitation provided under subsection 2 of
153 this section. In any year in which the provisions of this section shall sunset
154 pursuant to subsection 7 of this section, reauthorization shall be made by general
155 law and not by concurrent resolution. Nothing in this subsection shall preclude
156 a taxpayer who makes a qualified equity investment prior to the expiration of
157 authority to make qualified equity investments from claiming tax credits relating
158 to such qualified equity investment for each applicable credit allowance date.

159 **7. The provisions of section 135.821 shall not apply nor have any**
160 **effect on tax credits redeemed after June 30, 2012, as a result of a**
161 **qualified equity investment that was certified by the department prior**
162 **to July 1, 2012.**

163 **8. There is hereby created in the state treasury the "New Markets**
164 **Tax Credit Program Fund", which shall consist of money appropriated**
165 **under this section and section 135.821. The state treasurer shall be**
166 **custodian of the fund and may approve disbursements from the fund in**
167 **accordance with sections 30.170 and 30.180. Upon appropriation, money**
168 **in the fund shall be used solely for the administration of this**
169 **section. Notwithstanding the provisions of section 33.080 to the**
170 **contrary, any moneys remaining in the fund for tax credits which have**
171 **been authorized but not yet redeemed at the end of the fiscal year shall**
172 **not revert to the credit of the general revenue fund. Any moneys**
173 **remaining in the fund at the end of the fiscal year for any tax credits**
174 **which remain unauthorized at the end of the fiscal year shall revert to**
175 **the credit of the general revenue fund. Provisions of section 32.057 to**
176 **the contrary notwithstanding, the department of revenue shall notify**
177 **the director of the department and the state treasurer upon redemption**
178 **of each tax credit authorized under the provisions of this section. Upon**
179 **such notification, an amount equal to the tax credits redeemed shall be**

180 transferred from the fund created in this section to the general revenue
181 fund. In the event the department determines that any tax credit
182 authorized under this section is precluded from being redeemed due to
183 contractual agreement entered into by the department and the tax
184 credit applicant or is otherwise precluded by law from being redeemed,
185 the department shall notify the state treasurer and an amount equal to
186 such tax credit shall be transferred from the fund created in this
187 section to the general revenue fund. The state treasurer shall invest
188 moneys in the fund in the same manner as other funds are
189 invested. Any interest and moneys earned on such investments shall be
190 credited to the general revenue fund at the end of each fiscal year.

191 9. Under section 23.253, RSMo, of the Missouri sunset act:

192 (1) The provisions of the new program authorized under this section shall
193 automatically sunset six years after September 4, 2007, unless reauthorized by
194 an act of the general assembly; and

195 (2) If such program is reauthorized, the program authorized under this
196 section shall automatically sunset twelve years after the effective date of the
197 reauthorization of this section; and

198 (3) This section shall terminate on September first of the calendar year
199 immediately following the calendar year in which the program authorized under
200 this section is sunset. However, nothing in this subsection shall preclude a
201 taxpayer who makes a qualified equity investment prior to sunset of this section
202 under the provisions of section 23.253, RSMo, from claiming tax credits relating
203 to such qualified equity investment for each credit allowance date.

135.700. 1. For all tax years beginning on or after January 1, 1999, a
2 grape grower or wine producer [shall] **may, subject to the limitations**
3 **provided under subsection 2 of this section**, be allowed a tax credit against
4 the state tax liability incurred pursuant to chapter 143, RSMo, exclusive of the
5 provisions relating to the withholding of tax as provided in sections 143.191 to
6 143.265, RSMo, in an amount equal to twenty-five percent of the purchase price
7 of all new equipment and materials used directly in the growing of grapes or the
8 production of wine in the state. Each grower or producer shall apply to the
9 department of economic development and specify the total amount of such new
10 equipment and materials purchased during the calendar year. The department
11 of economic development shall certify to the department of revenue the amount
12 of such tax credit to which a grape grower or wine producer is entitled pursuant
13 to this section. The provisions of this section notwithstanding, a grower or

14 producer may only apply for and receive the credit authorized by this section for
15 five tax periods.

16 **2. No tax credits shall be authorized under the provisions of this**
17 **section after June 30, 2012, unless an appropriation is made pursuant**
18 **to the provisions of section 135.821. In any fiscal year for which an**
19 **appropriation is made to the fund created under this section pursuant**
20 **to the provisions of section 135.821, no more than the amount**
21 **appropriated shall be authorized. Grape growers and wine producers**
22 **shall file, with the department of economic development, an application**
23 **for tax credits authorized under this section on a form provided by the**
24 **department. In the event the amount of claims exceed the amount of**
25 **credits available under the provisions of this section, the department**
26 **of economic development shall award the credits on a first-to-file, first-**
27 **to-receive basis.**

28 **3. There is hereby created in the state treasury the "Wine and**
29 **Grape Production Tax Credit Program Fund", which shall consist of**
30 **money appropriated under this section and section 135.821. The state**
31 **treasurer shall be custodian of the fund and may approve**
32 **disbursements from the fund in accordance with sections 30.170 and**
33 **30.180. Upon appropriation, money in the fund shall be used solely for**
34 **the administration of this section. Notwithstanding the provisions of**
35 **section 33.080 to the contrary, any moneys remaining in the fund for**
36 **tax credits which have been authorized but not yet redeemed at the end**
37 **of the fiscal year shall not revert to the credit of the general revenue**
38 **fund. Any moneys remaining in the fund at the end of the fiscal year**
39 **for any tax credits which remain unauthorized at the end of the fiscal**
40 **year shall revert to the credit of the general revenue fund. Provisions**
41 **of section 32.057 to the contrary notwithstanding, the department of**
42 **revenue shall notify the director of the department and the state**
43 **treasurer upon redemption of each tax credit authorized under the**
44 **provisions of this section. Upon such notification, an amount equal to**
45 **the tax credits redeemed shall be transferred from the fund created in**
46 **this section to the general revenue fund. In the event the department**
47 **determines that any tax credit authorized under this section is**
48 **precluded from being redeemed due to contractual agreement entered**
49 **into by the department and the tax credit applicant or is otherwise**
50 **precluded by law from being redeemed, the department shall notify the**

51 state treasurer and an amount equal to such tax credit shall be
52 transferred from the fund created in this section to the general revenue
53 fund. The state treasurer shall invest moneys in the fund in the same
54 manner as other funds are invested. Any interest and moneys earned
55 on such investments shall be credited to the general revenue fund at
56 the end of each fiscal year.

135.750. 1. As used in this section, the following terms mean:

2 (1) "Highly compensated individual", any individual who receives
3 compensation in excess of one million dollars in connection with a single qualified
4 film production project;

5 (2) "Qualified film production project", any film, video, commercial, or
6 television production, as approved by the department of economic development
7 and the office of the Missouri film commission, that is under thirty minutes in
8 length with an expected in-state expenditure budget in excess of fifty thousand
9 dollars, or that is over thirty minutes in length with an expected in-state
10 expenditure budget in excess of one hundred thousand dollars. Regardless of the
11 production costs, "qualified film production project" shall not include any:

12 (a) News or current events programming;

13 (b) Talk show;

14 (c) Production produced primarily for industrial, corporate, or institutional
15 purposes, and for internal use;

16 (d) Sports event or sports program;

17 (e) Gala presentation or awards show;

18 (f) Infomercial or any production that directly solicits funds;

19 (g) Political ad;

20 (h) Production that is considered obscene, as defined in section 573.010,
21 RSMo;

22 (3) "Qualifying expenses", the sum of the total amount spent in this state
23 for the following by a production company in connection with a qualified film
24 production project:

25 (a) Goods and services leased or purchased by the production
26 company. For goods with a purchase price of twenty-five thousand dollars or
27 more, the amount included in qualifying expenses shall be the purchase price less
28 the fair market value of the goods at the time the production is completed;

29 (b) Compensation and wages paid by the production company on which the
30 production company remitted withholding payments to the department of revenue
31 under chapter 143, RSMo. For purposes of this section, compensation and wages

32 shall not include any amounts paid to a highly compensated individual;

33 (4) "Tax credit", a credit against the tax otherwise due under chapter 143,
34 RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo,
35 or otherwise due under chapter 148, RSMo;

36 (5) "Taxpayer", any individual, partnership, or corporation as described
37 in section 143.441, 143.471, RSMo, or section 148.370, RSMo, that is subject to
38 the tax imposed in chapter 143, RSMo, excluding withholding tax imposed by
39 sections 143.191 to 143.265, RSMo, or the tax imposed in chapter 148, RSMo, or
40 any charitable organization which is exempt from federal income tax and whose
41 Missouri unrelated business taxable income, if any, would be subject to the state
42 income tax imposed under chapter 143, RSMo.

43 2. For all taxable years beginning on or after January 1, 1999, but ending
44 on or before December 31, 2007, a taxpayer shall be granted a tax credit for up
45 to fifty percent of the amount of investment in production or production-related
46 activities in any film production project with an expected in-state expenditure
47 budget in excess of three hundred thousand dollars. For all taxable years
48 beginning on or after January 1, 2008, a taxpayer shall be allowed a tax credit
49 for up to thirty-five percent of the amount of qualifying expenses in a qualified
50 film production project. Each film production company shall be limited to one
51 qualified film production project per year. Activities qualifying a taxpayer for the
52 tax credit pursuant to this subsection shall be approved by the office of the
53 Missouri film commission and the department of economic development.

54 3. Taxpayers shall apply for the film production tax credit by submitting
55 an application to the department of economic development, on a form provided by
56 the department. As part of the application, the expected in-state expenditures
57 of the qualified film production project shall be documented. In addition, the
58 application shall include an economic impact statement, showing the economic
59 impact from the activities of the film production project. Such economic impact
60 statement shall indicate the impact on the region of the state in which the film
61 production or production-related activities are located and on the state as a
62 whole.

63 4. For all taxable years ending on or before December 31, 2007, tax credits
64 certified pursuant to subsection 2 of this section shall not exceed one million
65 dollars per taxpayer per year, and shall not exceed a total for all tax credits
66 certified of one million five hundred thousand dollars per year. For all taxable
67 years beginning on or after January 1, 2008, tax credits certified under subsection
68 1 of this section shall not exceed a total for all tax credits certified of four million

69 five hundred thousand dollars per year. Taxpayers may carry forward unused
70 credits for up to five tax periods, provided all such credits shall be claimed within
71 ten tax periods following the tax period in which the film production or
72 production-related activities for which the credits are certified by the department
73 occurred. **No tax credits shall be authorized under the provisions of this**
74 **section after June 30, 2012, unless an appropriation is made pursuant**
75 **to the provisions of section 135.821. In any fiscal year for which an**
76 **appropriation is made to the fund created under this section pursuant**
77 **to the provisions of section 135.821, no more than the amount**
78 **appropriated shall be authorized.**

79 5. There is hereby created in the state treasury the "Film
80 Production Tax Credit Program Fund", which shall consist of money
81 appropriated under this section and section 135.821. The state
82 treasurer shall be custodian of the fund and may approve
83 disbursements from the fund in accordance with sections 30.170 and
84 30.180. Upon appropriation, money in the fund shall be used solely for
85 the administration of this section. Notwithstanding the provisions of
86 section 33.080 to the contrary, any moneys remaining in the fund for
87 tax credits which have been authorized but not yet redeemed at the end
88 of the fiscal year shall not revert to the credit of the general revenue
89 fund. Any moneys remaining in the fund at the end of the fiscal year
90 for any tax credits which remain unauthorized at the end of the fiscal
91 year shall revert to the credit of the general revenue fund. Provisions
92 of section 32.057 to the contrary notwithstanding, the department of
93 revenue shall notify the director of the department and the state
94 treasurer upon redemption of each tax credit authorized under the
95 provisions of this section. Upon such notification, an amount equal to
96 the tax credits redeemed shall be transferred from the fund created in
97 this section to the general revenue fund. In the event the department
98 determines that any tax credit authorized under this section is
99 precluded from being redeemed due to contractual agreement entered
100 into by the department and the tax credit applicant or is otherwise
101 precluded by law from being redeemed, the department shall notify the
102 state treasurer and an amount equal to such tax credit shall be
103 transferred from the fund created in this section to the general revenue
104 fund. The state treasurer shall invest moneys in the fund in the same
105 manner as other funds are invested. Any interest and moneys earned

106 **on such investments shall be credited to the general revenue fund at**
107 **the end of each fiscal year.**

108 6. Notwithstanding any provision of law to the contrary, any taxpayer
109 may sell, assign, exchange, convey or otherwise transfer tax credits allowed in
110 subsection 2 of this section. The taxpayer acquiring the tax credits may use the
111 acquired credits to offset the tax liabilities otherwise imposed by chapter 143,
112 RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo,
113 or chapter 148, RSMo. Unused acquired credits may be carried forward for up to
114 five tax periods, provided all such credits shall be claimed within ten tax periods
115 following the tax period in which the film production or production-related
116 activities for which the credits are certified by the department occurred.

117 [6.] 7. Under section 23.253, RSMo, of the Missouri sunset act:

118 (1) The provisions of the new program authorized under this section shall
119 automatically sunset six years after November 28, 2007, unless reauthorized by
120 an act of the general assembly; and

121 (2) If such program is reauthorized, the program authorized under this
122 section shall automatically sunset twelve years after the effective date of the
123 reauthorization of this section; and

124 (3) This section shall terminate on September first of the calendar year
125 immediately following the calendar year in which the program authorized under
126 this section is sunset.

135.821. 1. Provisions of law to the contrary notwithstanding, no
2 **tax credit, now or hereafter provided under any program by law, shall**
3 **be authorized after June 30, 2012, for issuance to a recipient, unless**
4 **sufficient credits have been appropriated for such program. No later**
5 **than October 1, 2010, and the first day of October each year thereafter,**
6 **each administering agency shall provide to the budget committee of the**
7 **house of representatives and the appropriations committee of the**
8 **senate a request for an appropriation for the tax credit programs**
9 **administered by such agency. Appropriations made pursuant to the**
10 **provisions of this section shall provide the amount of tax credits which**
11 **may be authorized during the fiscal year immediately following the**
12 **fiscal year in which such appropriation is made. Other provisions of**
13 **law to the contrary notwithstanding, appropriations for tax credits**
14 **made pursuant to the provisions of this section may exceed annual**
15 **limitations on tax credit authorization provided by law. In the case of**
16 **appropriations for authorizations of tax credits for programs under**

17 **which such credits may be issued over a period of fiscal years for a**
18 **single project or projects, such appropriation shall be made for the**
19 **total amount of tax credits to be issued in the aggregate over the entire**
20 **term of fiscal years, and the subsequent issuance of tax credits so**
21 **authorized shall not be taken into account in subsequent fiscal years**
22 **for purposes of determining compliance with statutory limitations on**
23 **tax credit authorization. For purposes of this section, "streaming credit**
24 **issuance" shall mean any instance where an administering agency is**
25 **allowed, by law, to issue tax credits over a period of years to a**
26 **recipient for a single project or series of projects.**

27 **2. Appropriations provided under this section shall only be made**
28 **in the annual appropriation bill relating to public debt and shall**
29 **specify:**

30 **(1) The program under which such tax credits may be**
31 **authorized;**

32 **(2) The fiscal year appropriation being made;**

33 **(3) The administering agency for such program; and**

34 **(4) Whether the amount appropriated is for streaming credit**
35 **issuance and the amount so designated.**

36 **3. The provisions of this section shall not be construed to limit**
37 **or in any way impair a recipient's ability to redeem tax credits or an**
38 **administering agency's ability to issue tax credits authorized prior to**
39 **July 1, 2012.**

135.967. 1. A taxpayer who establishes a new business facility may, upon
2 approval by the department, be allowed a credit, each tax year for up to ten tax
3 years, in an amount determined as set forth in this section, against the tax
4 imposed by chapter 143, RSMo, excluding withholding tax imposed by sections
5 143.191 to 143.265, RSMo. No taxpayer shall receive multiple ten-year periods
6 for subsequent expansions at the same facility.

7 2. Notwithstanding any provision of law to the contrary, any taxpayer who
8 establishes a new business facility in an enhanced enterprise zone and is awarded
9 state tax credits under this section may not also receive tax credits under sections
10 135.100 to 135.150, sections 135.200 to 135.286, or section 135.535, and may not
11 simultaneously receive tax credits under sections 620.1875 to 620.1890, RSMo,
12 at the same facility.

13 3. No credit shall be issued pursuant to this section unless:

14 (1) The number of new business facility employees engaged or maintained

15 in employment at the new business facility for the taxable year for which the
16 credit is claimed equals or exceeds two; and

17 (2) The new business facility investment for the taxable year for which the
18 credit is claimed equals or exceeds one hundred thousand dollars.

19 4. The annual amount of credits allowed for an approved enhanced
20 business enterprise shall be the lesser of:

21 (1) The annual amount authorized by the department for the enhanced
22 business enterprise, which shall be limited to the projected state economic
23 benefit, as determined by the department; or

24 (2) The sum calculated based upon the following:

25 (a) A credit of four hundred dollars for each new business facility
26 employee employed within an enhanced enterprise zone;

27 (b) An additional credit of four hundred dollars for each new business
28 facility employee who is a resident of an enhanced enterprise zone;

29 (c) An additional credit of four hundred dollars for each new business
30 facility employee who is paid by the enhanced business enterprise a wage that
31 exceeds the average wage paid within the county in which the facility is located,
32 as determined by the department; and

33 (d) A credit equal to two percent of new business facility investment
34 within an enhanced enterprise zone.

35 5. Prior to January 1, 2007, in no event shall the department authorize
36 more than four million dollars annually to be issued for all enhanced business
37 enterprises. After December 31, 2006, in no event shall the department authorize
38 more than twenty-four million dollars annually to be issued for all enhanced
39 business enterprises. **No tax credits shall be authorized under the**
40 **provisions of this section after June 30, 2012, unless an appropriation**
41 **is made pursuant to the provisions of section 135.821. In any fiscal year**
42 **for which an appropriation is made to the fund created under this**
43 **section pursuant to the provisions of section 135.821, no more than the**
44 **amount appropriated shall be authorized.**

45 6. If a facility, which does not constitute a new business facility, is
46 expanded by the taxpayer, the expansion shall be considered eligible for the credit
47 allowed by this section if:

48 (1) The taxpayer's new business facility investment in the expansion
49 during the tax period in which the credits allowed in this section are claimed
50 exceeds one hundred thousand dollars and if the number of new business facility
51 employees engaged or maintained in employment at the expansion facility for the

52 taxable year for which credit is claimed equals or exceeds two, and the total
53 number of employees at the facility after the expansion is at least two greater
54 than the total number of employees before the expansion; and

55 (2) The taxpayer's investment in the expansion and in the original facility
56 prior to expansion shall be determined in the manner provided in subdivision (19)
57 of section 135.950.

58 7. The number of new business facility employees during any taxable year
59 shall be determined by dividing by twelve the sum of the number of individuals
60 employed on the last business day of each month of such taxable year. If the new
61 business facility is in operation for less than the entire taxable year, the number
62 of new business facility employees shall be determined by dividing the sum of the
63 number of individuals employed on the last business day of each full calendar
64 month during the portion of such taxable year during which the new business
65 facility was in operation by the number of full calendar months during such
66 period. For the purpose of computing the credit allowed by this section in the
67 case of a facility which qualifies as a new business facility under subsection 6 of
68 this section, and in the case of a new business facility which satisfies the
69 requirements of paragraph (c) of subdivision (17) of section 135.950, or
70 subdivision (25) of section 135.950, the number of new business facility employees
71 at such facility shall be reduced by the average number of individuals employed,
72 computed as provided in this subsection, at the facility during the taxable year
73 immediately preceding the taxable year in which such expansion, acquisition, or
74 replacement occurred and shall further be reduced by the number of individuals
75 employed by the taxpayer or related taxpayer that was subsequently transferred
76 to the new business facility from another Missouri facility and for which credits
77 authorized in this section are not being earned, whether such credits are earned
78 because of an expansion, acquisition, relocation, or the establishment of a new
79 facility.

80 8. In the case where a new business facility employee who is a resident
81 of an enhanced enterprise zone for less than a twelve-month period is employed
82 for less than a twelve-month period, the credits allowed by paragraph (b) of
83 subdivision (2) of subsection 4 of this section shall be determined by multiplying
84 four hundred dollars by a fraction, the numerator of which is the number of
85 calendar days during the taxpayer's tax year for which such credits are claimed,
86 in which the employee was a resident of an enhanced enterprise zone, and the
87 denominator of which is three hundred sixty-five.

88 9. For the purpose of computing the credit allowed by this section in the

89 case of a facility which qualifies as a new business facility pursuant to subsection
90 6 of this section, and in the case of a new business facility which satisfies the
91 requirements of paragraph (c) of subdivision (17) of section 135.950 or subdivision
92 (25) of section 135.950, the amount of the taxpayer's new business facility
93 investment in such facility shall be reduced by the average amount, computed as
94 provided in subdivision (19) of section 135.950 for new business facility
95 investment, of the investment of the taxpayer, or related taxpayer immediately
96 preceding such expansion or replacement or at the time of
97 acquisition. Furthermore, the amount of the taxpayer's new business facility
98 investment shall also be reduced by the amount of investment employed by the
99 taxpayer or related taxpayer which was subsequently transferred to the new
100 business facility from another Missouri facility and for which credits authorized
101 in this section are not being earned, whether such credits are earned because of
102 an expansion, acquisition, relocation, or the establishment of a new facility.

103 10. For a taxpayer with flow-through tax treatment to its members,
104 partners, or shareholders, the credit shall be allowed to members, partners, or
105 shareholders in proportion to their share of ownership on the last day of the
106 taxpayer's tax period.

107 11. Credits may not be carried forward but shall be claimed for the
108 taxable year during which commencement of commercial operations occurs at
109 such new business facility, and for each of the nine succeeding taxable years for
110 which the credit is issued.

111 12. Certificates of tax credit authorized by this section may be
112 transferred, sold, or assigned by filing a notarized endorsement thereof with the
113 department that names the transferee, the amount of tax credit transferred, and
114 the value received for the credit, as well as any other information reasonably
115 requested by the department. The sale price cannot be less than seventy-five
116 percent of the par value of such credits.

117 13. The director of revenue shall issue a refund to the taxpayer to the
118 extent that the amount of credits allowed in this section exceeds the amount of
119 the taxpayer's income tax.

120 14. Prior to the issuance of tax credits, the department shall verify
121 through the department of revenue, or any other state department, that the tax
122 credit applicant does not owe any delinquent income, sales, or use tax or interest
123 or penalties on such taxes, or any delinquent fees or assessments levied by any
124 state department and through the department of insurance, financial institutions
125 and professional registration that the applicant does not owe any delinquent

126 insurance taxes. Such delinquency shall not affect the authorization of the
127 application for such tax credits, except that the amount of credits issued shall be
128 reduced by the applicant's tax delinquency. If the department of revenue or the
129 department of insurance, financial institutions and professional registration, or
130 any other state department, concludes that a taxpayer is delinquent after June
131 fifteenth but before July first of any year and the application of tax credits to
132 such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then
133 the taxpayer shall be granted thirty days to satisfy the deficiency in which
134 interest, penalties, and additions to tax shall be tolled. After applying all
135 available credits toward a tax delinquency, the administering agency shall notify
136 the appropriate department, and that department shall update the amount of
137 outstanding delinquent tax owed by the applicant. If any credits remain after
138 satisfying all insurance, income, sales, and use tax delinquencies, the remaining
139 credits shall be issued to the applicant, subject to the restrictions of other
140 provisions of law.

141 **15. There is hereby created in the state treasury the "Enhanced**
142 **Enterprise Zone Tax Credit Program Fund", which shall consist of**
143 **money appropriated under this section and section 135.821. The state**
144 **treasurer shall be custodian of the fund and may approve**
145 **disbursements from the fund in accordance with sections 30.170 and**
146 **30.180. Upon appropriation, money in the fund shall be used solely for**
147 **the administration of sections 135.950 to 135.973. Notwithstanding the**
148 **provisions of section 33.080 to the contrary, any moneys remaining in**
149 **the fund for tax credits which have been authorized but not yet**
150 **redeemed at the end of the fiscal year shall not revert to the credit of**
151 **the general revenue fund. Any moneys remaining in the fund at the**
152 **end of the fiscal year for any tax credits which remain unauthorized at**
153 **the end of the fiscal year shall revert to the credit of the general**
154 **revenue fund. Provisions of section 32.057 to the contrary**
155 **notwithstanding, the department of revenue shall notify the director of**
156 **the department and the state treasurer upon redemption of each tax**
157 **credit authorized under the provisions of this section. Upon such**
158 **notification, an amount equal to the tax credits redeemed shall be**
159 **transferred from the fund created in this section to the general revenue**
160 **fund. In the event the department determines that any tax credit**
161 **authorized under this section is precluded from being redeemed due to**
162 **contractual agreement entered into by the department and the tax**

163 **credit applicant or is otherwise precluded by law from being redeemed,**
164 **the department shall notify the state treasurer and an amount equal to**
165 **such tax credit shall be transferred from the fund created in this**
166 **section to the general revenue fund. The state treasurer shall invest**
167 **moneys in the fund in the same manner as other funds are**
168 **invested. Any interest and moneys earned on such investments shall be**
169 **credited to the general revenue fund at the end of each fiscal year.**

135.1150. 1. This section shall be known and may be cited as the
2 "Residential Treatment Agency Tax Credit Act".

3 2. As used in this section, the following terms mean:

4 (1) "Certificate", a tax credit certificate issued under this section;

5 (2) "Department", the Missouri department of social services;

6 (3) "Eligible donation", donations received from a taxpayer by an agency
7 that are used solely to provide direct care services to children who are residents
8 of this state. Eligible donations may include cash, publicly traded stocks and
9 bonds, and real estate that will be valued and documented according to rules
10 promulgated by the department of social services. For purposes of this section,
11 "direct care services" include but are not limited to increasing the quality of care
12 and service for children through improved employee compensation and training;

13 (4) "Qualified residential treatment agency" or "agency", a residential
14 care facility that is licensed under section 210.484, accredited by the Council on
15 Accreditation (COA), the Joint Commission on Accreditation of Healthcare
16 Organizations (JCAHO), or the Commission on Accreditation of Rehabilitation
17 Facilities (CARF), and is under contract with the Missouri department of social
18 services to provide treatment services for children who are residents or wards of
19 residents of this state, and that receives eligible donations. Any agency that
20 operates more than one facility or at more than one location shall be eligible for
21 the tax credit under this section only for any eligible donation made to facilities
22 or locations of the agency which are licensed and accredited;

23 (5) "Taxpayer", any of the following individuals or entities who make an
24 eligible donation to an agency:

25 (a) A person, firm, partner in a firm, corporation, or a shareholder in an
26 S corporation doing business in the state of Missouri and subject to the state
27 income tax imposed in chapter 143;

28 (b) A corporation subject to the annual corporation franchise tax imposed
29 in chapter 147;

30 (c) An insurance company paying an annual tax on its gross premium

31 receipts in this state;

32 (d) Any other financial institution paying taxes to the state of Missouri
33 or any political subdivision of this state under chapter 148;

34 (e) An individual subject to the state income tax imposed in chapter 143;

35 (f) Any charitable organization which is exempt from federal income tax
36 and whose Missouri unrelated business taxable income, if any, would be subject
37 to the state income tax imposed under chapter 143.

38 3. For all taxable years beginning on or after January 1, 2007, any
39 taxpayer shall be allowed a credit against the taxes otherwise due under chapter
40 147, 148, or 143, excluding withholding tax imposed by sections 143.191 to
41 143.265, in an amount equal to fifty percent of the amount of an eligible donation,
42 subject to the restrictions in this section. The amount of the tax credit claimed
43 shall not exceed the amount of the taxpayer's state income tax liability in the tax
44 year for which the credit is claimed. Any amount of credit that the taxpayer is
45 prohibited by this section from claiming in a tax year shall not be refundable, but
46 may be carried forward to any of the taxpayer's four subsequent taxable years.

47 4. To claim the credit authorized in this section, an agency may submit
48 to the department an application for the tax credit authorized by this section on
49 behalf of taxpayers. The department shall verify that the agency has submitted
50 the following items accurately and completely:

51 (1) A valid application in the form and format required by the department;

52 (2) A statement attesting to the eligible donation received, which shall
53 include the name and taxpayer identification number of the individual making
54 the eligible donation, the amount of the eligible donation, and the date the
55 eligible donation was received by the agency; and

56 (3) Payment from the agency equal to the value of the tax credit for which
57 application is made. If the agency applying for the tax credit meets all criteria
58 required by this subsection, the department shall issue a certificate in the
59 appropriate amount.

60 5. An agency may apply for tax credits in an aggregate amount that does
61 not exceed forty percent of the payments made by the department to the agency
62 in the preceding twelve months.

63 6. Tax credits issued under this section may be assigned, transferred,
64 sold, or otherwise conveyed, and the new owner of the tax credit shall have the
65 same rights in the credit as the taxpayer. Whenever a certificate is assigned,
66 transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed
67 with the department specifying the name and address of the new owner of the tax

68 credit or the value of the credit.

69 7. The department shall promulgate rules to implement the provisions of
70 this section. Any rule or portion of a rule, as that term is defined in section
71 536.010, that is created under the authority delegated in this section shall
72 become effective only if it complies with and is subject to all of the provisions of
73 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
74 nonseverable and if any of the powers vested with the general assembly pursuant
75 to chapter 536 to review, to delay the effective date, or to disapprove and annul
76 a rule are subsequently held unconstitutional, then the grant of rulemaking
77 authority and any rule proposed or adopted after August 28, 2006, shall be
78 invalid and void.

79 8. **Subject to applicable reauthorization requirements provided**
80 **under subsection 10 of this section, no tax credits shall be authorized**
81 **under the provisions of this section after June 30, 2012, unless an**
82 **appropriation is made pursuant to the provisions of section 135.821. In**
83 **any fiscal year for which an appropriation is made pursuant to the**
84 **provisions of section 135.821, no more than the amount of tax credits so**
85 **appropriated shall be authorized.**

86 9. There is hereby created in the state treasury the "Residential
87 Treatment Agency Tax Credit Fund", which shall consist of money
88 appropriated under this section and section 135.821. The state
89 treasurer shall be custodian of the fund and may approve
90 disbursements from the fund in accordance with sections 30.170 and
91 30.180. Upon appropriation, money in the fund shall be used solely for
92 the administration of this section. Notwithstanding the provisions of
93 section 33.080 to the contrary, any moneys remaining in the fund for
94 tax credits which have been authorized but not yet redeemed at the end
95 of the fiscal year shall not revert to the credit of the general revenue
96 fund. Any moneys remaining in the fund at the end of the fiscal year
97 for any tax credits which remain unauthorized at the end of the fiscal
98 year shall revert to the credit of the general revenue fund. Provisions
99 of section 32.057 to the contrary notwithstanding, the department of
100 revenue shall notify the director of the department upon redemption
101 of each tax credit authorized under the provisions of this section. Upon
102 such notification, an amount equal to the tax credits redeemed shall be
103 transferred from the fund created in this section to the general revenue
104 fund. In the event the department determines that any tax credit

105 **authorized under this section is precluded from being redeemed due to**
106 **contractual agreement entered into by the department and the tax**
107 **credit applicant or is otherwise precluded by law from being redeemed,**
108 **an amount equal to such tax credit shall be transferred from the fund**
109 **created in this section to the general revenue fund. The state treasurer**
110 **shall invest moneys in the fund in the same manner as other funds are**
111 **invested. Any interest and moneys earned on such investments shall be**
112 **credited to the general revenue fund at the end of each fiscal year.**

113 **10. Under section 23.253 of the Missouri sunset act:**

114 **(1) The provisions of the new program authorized under this section shall**
115 **automatically sunset six years after August 28, 2006, unless reauthorized by an**
116 **act of the general assembly; and**

117 **(2) If such program is reauthorized, the program authorized under this**
118 **section shall automatically sunset twelve years after the effective date of the**
119 **reauthorization of this section; and**

120 **(3) This section shall terminate on September first of the calendar year**
121 **immediately following the calendar year in which the program authorized under**
122 **this section is sunset.**

143.119. 1. **Except as provided under subsection 2 of this section,**
2 **a self-employed taxpayer, as such term is used in the federal internal revenue**
3 **code, who is otherwise ineligible for the federal income tax health insurance**
4 **deduction under Section 162 of the federal internal revenue code shall be entitled**
5 **to a credit against the tax otherwise due under this chapter, excluding**
6 **withholding tax imposed by sections 143.191 to 143.265, in an amount equal to**
7 **the portion of such taxpayer's federal tax liability incurred due to such taxpayer's**
8 **inclusion of such payments in federal adjusted gross income. The tax credits**
9 **authorized under this section shall be nontransferable. To the extent tax credit**
10 **issued under this section exceeds a taxpayer's state income tax liability, such**
11 **excess shall be considered an overpayment of tax and shall be refunded to the**
12 **taxpayer.**

13 **2. After August 28, 2011, in order to claim the credit provided**
14 **under this section self-employed taxpayer shall file an application with**
15 **the department of revenue no later than the first day of March. For all**
16 **claims filed after August 28, 2011, the director of the department of**
17 **revenue shall review all applications for claims provided under the**
18 **provisions of this section and no later than the first day of April of**
19 **each year, submit to the budget committee of the house of**

20 representatives and the appropriations committee of the senate, a
21 request for appropriation in an amount sufficient to provide all eligible
22 applicants a tax credit in the amount provided in this section. To the
23 extent that an appropriation provided under this section is insufficient
24 to provide credits to all eligible applicants in the amount provided
25 under this section, the director of the department of revenue shall
26 determine the apportionment percentage by dividing the amount
27 appropriated for the fiscal year as provided under this section, by the
28 total amount of all eligible claims for a credit as provided under this
29 section. After determining the apportionment percentage, the director
30 shall adjust the amount of credit for each eligible applicant by
31 multiplying the amount of the credit provided under this section by the
32 apportionment percentage. If no appropriation is made by the general
33 assembly for any fiscal year, then no credits shall be available in such
34 fiscal year.

35 3. There is hereby created in the state treasury the "Self-
36 Employed Health Insurance Tax Credit Fund", which shall consist of
37 money appropriated under this section and section 135.821. The state
38 treasurer shall be custodian of the fund and may approve
39 disbursements from the fund in accordance with sections 30.170 and
40 30.180. Upon appropriation, money in the fund shall be used solely for
41 the administration of this section. Notwithstanding the provisions of
42 section 33.080 to the contrary, any moneys remaining in the fund for
43 tax credits which have been authorized but not yet redeemed at the end
44 of the fiscal year shall not revert to the credit of the general revenue
45 fund. Any moneys remaining in the fund at the end of the fiscal year
46 for any tax credits which remain unauthorized at the end of the fiscal
47 year shall revert to the credit of the general revenue fund. Provisions
48 of section 32.057 to the contrary notwithstanding, the department of
49 revenue shall notify the director of the department and the state
50 treasurer upon redemption of each tax credit authorized under the
51 provisions of this section. Upon such notification, an amount equal to
52 the tax credits redeemed shall be transferred from the fund created in
53 this section to the general revenue fund. In the event the department
54 determines that any tax credit authorized under this section is
55 precluded from being redeemed due to contractual agreement entered
56 into by the department and the tax credit applicant or is otherwise

57 **precluded by law from being redeemed, the department shall notify the**
58 **state treasurer and an amount equal to such tax credit shall be**
59 **transferred from the fund created in this section to the general revenue**
60 **fund. The state treasurer shall invest moneys in the fund in the same**
61 **manner as other funds are invested. Any interest and moneys earned**
62 **on such investments shall be credited to the general revenue fund at**
63 **the end of each fiscal year.**

64 4. The director of the department of revenue shall promulgate rules and
65 regulations to administer the provisions of this section. Any rule or portion of a
66 rule, as that term is defined in section 536.010, that is created under the
67 authority delegated in this section shall become effective only if it complies with
68 and is subject to all of the provisions of chapter 536 and, if applicable, section
69 536.028. This section and chapter 536 are nonseverable and if any of the powers
70 vested with the general assembly pursuant to chapter 536 to review, to delay the
71 effective date, or to disapprove and annul a rule are subsequently held
72 unconstitutional, then the grant of rulemaking authority and any rule proposed
73 or adopted after August 28, [2007] 2011, shall be invalid and void.

143.471. 1. An S corporation, as defined by Section 1361 (a)(1) of the
2 Internal Revenue Code, shall not be subject to the taxes imposed by section
3 143.071, or other sections imposing income tax on corporations.

4 2. A shareholder of an S corporation shall determine such shareholder's
5 S corporation modification and pro rata share, including its character, by
6 applying the following:

7 (1) Any modification described in sections 143.121 and 143.141 which
8 relates to an item of S corporation income, gain, loss, or deduction shall be made
9 in accordance with the shareholder's pro rata share, for federal income tax
10 purposes, of the item to which the modification relates. Where a shareholder's
11 pro rata share of any such item is not required to be taken into account
12 separately for federal income tax purposes, the shareholder's pro rata share of
13 such item shall be determined in accordance with his pro rata share, for federal
14 income tax purposes, of S corporation taxable income or loss generally;

15 (2) Each item of S corporation income, gain, loss, or deduction shall have
16 the same character for a shareholder pursuant to sections 143.005 to 143.998 as
17 it has for federal income tax purposes. Where an item is not characterized for
18 federal income tax purposes, it shall have the same character for a shareholder
19 as if realized directly from the source from which realized by the S corporation
20 or incurred in the same manner as incurred by the S corporation.

21 3. A nonresident shareholder of an S corporation shall determine such
22 shareholder's Missouri nonresident adjusted gross income and his or her
23 nonresident shareholder modification by applying the provisions of this
24 subsection. Items shall be determined to be from sources within this state
25 pursuant to regulations of the director of revenue in a manner consistent with the
26 division of income provisions of section 143.451, section 143.461, or section 32.200
27 (Multistate Tax Compact). In determining the adjusted gross income of a
28 nonresident shareholder of any S corporation, there shall be included only that
29 part derived from or connected with sources in this state of the shareholder's pro
30 rata share of items of S corporation income, gain, loss or deduction entering into
31 shareholder's federal adjusted gross income, as such part is determined pursuant
32 to regulations prescribed by the director of revenue in accordance with the
33 general rules in section 143.181. Any modification described in subsections 2 and
34 3 of section 143.121 and in section 143.141, which relates to an item of S
35 corporation income, gain, loss, or deduction shall be made in accordance with the
36 shareholder's pro rata share, for federal income tax purposes, of the item to which
37 the modification relates, but limited to the portion of such item derived from or
38 connected with sources in this state.

39 4. The director of revenue shall permit S corporations to file composite
40 returns and to make composite payments of tax on behalf of its nonresident
41 shareholders not otherwise required to file a return. If the nonresident
42 shareholder's filing requirements result solely from one or more interests in any
43 other partnerships or subchapter S corporations, that nonresident shareholder
44 may be included in the composite return.

45 5. If an S corporation pays or credits amounts to any of its nonresident
46 individual shareholders as dividends or as their share of the S corporation's
47 undistributed taxable income for the taxable year, the S corporation shall either
48 timely file with the department of revenue an agreement as provided in
49 subsection 6 of this section or withhold Missouri income tax as provided in
50 subsection 7 of this section. An S corporation that timely files an agreement as
51 provided in subsection 6 of this section with respect to a nonresident shareholder
52 for a taxable year shall be considered to have timely filed such an agreement for
53 each subsequent taxable year. An S corporation that does not timely file such an
54 agreement for a taxable year shall not be precluded from timely filing such an
55 agreement for subsequent taxable years. An S corporation is not required to
56 deduct and withhold Missouri income tax for a nonresident shareholder if:

57 (1) The nonresident shareholder not otherwise required to file a return

58 agrees to have the Missouri income tax due paid as part of the S corporation's
59 composite return;

60 (2) The nonresident shareholder not otherwise required to file a return
61 had Missouri assignable federal adjusted gross income from the S corporation of
62 less than twelve hundred dollars;

63 (3) The S corporation is liquidated or terminated;

64 (4) Income was generated by a transaction related to termination or
65 liquidation; or

66 (5) No cash or other property was distributed in the current and prior
67 taxable year.

68 6. The agreement referred to in subdivision (1) of subsection 5 of this
69 section is an agreement of a nonresident shareholder of the S corporation to:

70 (1) File a return in accordance with the provisions of section 143.481 and
71 to make timely payment of all taxes imposed on the shareholder by this state
72 with respect to income of the S corporation; and

73 (2) Be subject to personal jurisdiction in this state for purposes of the
74 collection of income taxes, together with related interest and penalties, imposed
75 on the shareholder by this state with respect to the income of the S
76 corporation. The agreement will be considered timely filed for a taxable year, and
77 for all subsequent taxable years, if it is filed at or before the time the annual
78 return for such taxable year is required to be filed pursuant to section 143.511.

79 7. The amount of Missouri income tax to be withheld is determined by
80 multiplying the amount of dividends or undistributed income allocable to
81 Missouri that is paid or credited to a nonresident shareholder during the taxable
82 year by the highest rate used to determine a Missouri income tax liability for an
83 individual, except that the amount of the tax withheld may be determined based
84 on withholding tables provided by the director of revenue if the shareholder
85 submits a Missouri withholding allowance certificate.

86 8. An S corporation shall be entitled to recover for a shareholder on whose
87 behalf a tax payment was made pursuant to this section, if such shareholder has
88 no tax liability.

89 9. With respect to S corporations that are banks or bank holding
90 companies, a pro rata share of the tax credit for the tax payable pursuant to
91 chapter 148 shall be allowed against each S corporation shareholders' state
92 income tax as follows, provided the bank otherwise complies with section 148.112:

93 (1) The credit allowed by this subsection shall be equal to the bank tax
94 calculated pursuant to chapter 148 based on bank income in 1999 and after, on

95 a bank that makes an election pursuant to 26 U.S.C. Section 1362, and such
96 credit shall be allocated to the qualifying shareholder according to stock
97 ownership, determined by multiplying a fraction, where the numerator is the
98 shareholder's stock, and the denominator is the total stock issued by such bank
99 or bank holding company;

100 (2) The tax credit authorized in this subsection shall be permitted only to
101 the shareholders that qualify as S corporation shareholders, provided the stock
102 at all times during the taxable period qualifies as S corporation stock as defined
103 in 26 U.S.C. Section 1361, and such stock is held by the shareholder during the
104 taxable period. The credit created by this section on a yearly basis is available
105 to each qualifying shareholder, including shareholders filing joint returns. A
106 bank holding company is not allowed this credit, except that, such credit shall
107 flow through to such bank holding company's qualified shareholders, and be
108 allocated to such shareholders under the same conditions; [and]

109 (3) In the event such shareholder cannot use all or part of the tax credit
110 in the taxable period of receipt, such shareholder may carry forward such tax
111 credit for a period of the lesser of five years or until used, provided such credits
112 are used as soon as the taxpayer has Missouri taxable income; **and**

113 **(4) Provisions of this subsection to the contrary notwithstanding,**
114 **no tax credits provided under this subsection shall be authorized for**
115 **after June 30, 2012, unless an appropriation is made pursuant to the**
116 **provisions of section 135.821. In any fiscal year for which an**
117 **appropriation is made to the fund created under this section pursuant**
118 **to the provisions of section 135.821, no more than the amount**
119 **appropriated shall be authorized. The provisions of this subsection**
120 **shall not be construed to limit or in any way impair a recipient's ability**
121 **to redeem tax credits or an administering agency's ability to issue tax**
122 **credits authorized prior to July 1, 2012.**

123 10. With respect to S corporations that are associations, a pro rata share
124 of the tax credit for the tax payable under chapter 148 shall be allowed against
125 each S corporation shareholders' state income tax as follows, provided the
126 association otherwise complies with section 148.655:

127 (1) The credit allowed by this subsection shall be equal to the savings and
128 loan association tax calculated under chapter 148 based on the computations
129 provided in section 148.630 on an association that makes an election under 26
130 U.S.C. Section 1362, and such credit shall be allocated to the qualifying
131 shareholder according to stock ownership, determined by multiplying a fraction,

132 where the numerator is the shareholder's stock, and the denominator is the total
133 stock issued by the association;

134 (2) The tax credit authorized in this subsection shall be permitted only to
135 the shareholders that qualify as S corporation shareholders, provided the stock
136 at all times during the taxable period qualifies as S corporation stock as defined
137 in 26 U.S.C. Section 1361, and such stock is held by the shareholder during the
138 taxable period. The credit created by this section on a yearly basis is available
139 to each qualifying shareholder, including shareholders filing joint returns. A
140 savings and loan association holding company is not allowed this credit, except
141 that, such credit shall flow through to such savings and loan association holding
142 company's qualified shareholders, and be allocated to such shareholders under
143 the same conditions; [and]

144 (3) In the event such shareholder cannot use all or part of the tax credit
145 in the taxable period of receipt, such shareholder may carry forward such tax
146 credit for a period of the lesser of five years or until used, provided such credits
147 are used as soon as the taxpayer has Missouri taxable income; **and**

148 **(4) Provisions of this subsection to the contrary notwithstanding,**
149 **no tax credits provided under this subsection shall be authorized for**
150 **after June 30, 2012, unless an appropriation is made pursuant to the**
151 **provisions of section 135.821. In any fiscal year for which an**
152 **appropriation is made to the fund created under this section pursuant**
153 **to the provisions of section 135.821, no more than the amount**
154 **appropriated shall be authorized. The provisions of this subsection**
155 **shall not be construed to limit or in any way impair a recipient's ability**
156 **to redeem tax credits or an administering agency's ability to issue tax**
157 **credits authorized prior to July 1, 2012.**

158 11. With respect to S corporations that are credit institutions, a pro rata
159 share of the tax credit for the tax payable under chapter 148 shall be allowed
160 against each S corporation shareholders' state income tax as follows, provided the
161 credit institution otherwise complies with section 148.657:

162 (1) The credit allowed by this subsection shall be equal to the credit
163 institution tax calculated under chapter 148 based on the computations provided
164 in section 148.150 on a credit institution that makes an election under 26 U.S.C.
165 Section 1362, and such credit shall be allocated to the qualifying shareholder
166 according to stock ownership, determined by multiplying a fraction, where the
167 numerator is the shareholder's stock, and the denominator is the total stock
168 issued by such credit institution;

169 (2) The tax credit authorized in this subsection shall be permitted only to
170 the shareholders that qualify as S corporation shareholders, provided the stock
171 at all times during the taxable period qualifies as S corporation stock as defined
172 in 26 U.S.C. Section 1361, and such stock is held by the shareholder during the
173 taxable period. The credit created by this section on a yearly basis is available
174 to each qualifying shareholder, including shareholders filing joint returns. A
175 credit institution holding company is not allowed this credit, except that, such
176 credit shall flow through to such credit institution holding company's qualified
177 shareholders, and be allocated to such shareholders under the same conditions;
178 [and]

179 (3) In the event such shareholder cannot use all or part of the tax credit
180 in the taxable period of receipt, such shareholder may carry forward such tax
181 credit for a period of the lesser of five years or until used, provided such credits
182 are used as soon as the taxpayer has Missouri taxable income; **and**

183 **(4) Provisions of this subsection to the contrary notwithstanding,**
184 **no tax credits provided under this subsection shall be authorized for**
185 **after June 30, 2012, unless an appropriation is made pursuant to the**
186 **provisions of section 135.821. In any fiscal year for which an**
187 **appropriation is made to the fund created under this section pursuant**
188 **to the provisions of section 135.821, no more than the amount**
189 **appropriated shall be authorized. The provisions of this subsection**
190 **shall not be construed to limit or in any way impair a recipient's ability**
191 **to redeem tax credits or an administering agency's ability to issue tax**
192 **credits authorized prior to July 1, 2012.**

193 **12. After August 28, 2011, the director of the department of**
194 **revenue shall determine the amount of appropriation necessary to**
195 **provide all eligible S corporations the credit provided under this**
196 **section and shall, no later than the first day of April of each year,**
197 **submit to the budget committee of the house of representatives and the**
198 **appropriations committee of the senate, a request for appropriation in**
199 **an amount sufficient to provide all eligible S corporations a tax credit**
200 **in the amount provided in this section. To the extent that an**
201 **appropriation provided under this section is insufficient to provide**
202 **credits to all eligible S corporations in the amount provided under this**
203 **section, the director of the department of revenue shall determine the**
204 **apportionment percentage by dividing the amount appropriated for the**
205 **fiscal year as provided under this section, by the total amount of all**

206 eligible claims for a credit as provided under this section. After
207 determining the apportionment percentage, the director shall adjust
208 the amount of credit for each eligible S corporations by multiplying the
209 amount of the credit provided under this section by the apportionment
210 percentage. If no appropriation is made by the general assembly for
211 any fiscal year, then no credits shall be available in such fiscal year.

212 13. There is hereby created in the state treasury the "Bank Tax
213 Credit for S Corporations Fund", which shall consist of money
214 appropriated under this section and section 135.821. The state
215 treasurer shall be custodian of the fund and may approve
216 disbursements from the fund in accordance with sections 30.170 and
217 30.180. Upon appropriation, money in the fund shall be used solely for
218 the administration of this section. Notwithstanding the provisions of
219 section 33.080 to the contrary, any moneys remaining in the fund for
220 tax credits which have been authorized but not yet redeemed at the end
221 of the fiscal year shall not revert to the credit of the general revenue
222 fund. Any moneys remaining in the fund at the end of the fiscal year
223 for any tax credits which remain unauthorized at the end of the fiscal
224 year shall revert to the credit of the general revenue fund. Provisions
225 of section 32.057 to the contrary notwithstanding, the department of
226 revenue shall notify the director of the department and the state
227 treasurer upon redemption of each tax credit authorized under the
228 provisions of this section. Upon such notification, an amount equal to
229 the tax credits redeemed shall be transferred from the fund created in
230 this section to the general revenue fund. In the event the department
231 determines that any tax credit authorized under this section is
232 precluded from being redeemed due to contractual agreement entered
233 into by the department and the tax credit applicant or is otherwise
234 precluded by law from being redeemed, the department shall notify the
235 state treasurer and an amount equal to such tax credit shall be
236 transferred from the fund created in this section to the general revenue
237 fund. The state treasurer shall invest moneys in the fund in the same
238 manner as other funds are invested. Any interest and moneys earned
239 on such investments shall be credited to the general revenue fund at
240 the end of each fiscal year.

148.030. 1. Every banking institution shall be subject to an annual tax
2 for the privilege of exercising its corporate franchises within the state determined

3 in accordance with subsection 2 of this section.

4 2. The annual franchise tax imposed by subsection 1 of this section shall
5 be the sum of the amounts determined under subdivisions (1) and (2) of this
6 subsection:

7 (1) For taxable years beginning after December 31, 1986, the amount
8 determined under this subdivision shall be determined in accordance with section
9 147.010;

10 (2) The amount determined under this subdivision shall be seven percent
11 of the taxpayer's net income for the income period, from which product shall be
12 subtracted the sum of the amount determined under subdivision (1) of this
13 subsection and the credits allowable under subsection 3 of this section. However,
14 the amount determined under this subdivision shall not be less than zero.

15 3. For purposes of subdivision (2) of subsection 2 of this section, the
16 allowable credits are all taxes paid to the state of Missouri or any political
17 subdivision thereof during the relevant income period, including, without
18 limitation, state and local sales and use taxes paid to seller's, vendors, or the
19 state of Missouri with respect to the taxpayer's purchases of tangible personal
20 property and the services enumerated in chapter 144. However, a taxpayer shall
21 not be entitled to credits for taxes on real estate and tangible personal property
22 owned by the taxpayer and held for lease or rental to others, contributions paid
23 pursuant to the unemployment compensation tax law of Missouri, taxes imposed
24 by this law, taxes imposed under chapter 147 for taxable years after 1985, or
25 state and local sales and use taxes collected by the taxpayer on its sales of
26 tangible personal property and the services enumerated in chapter 144.

27 **4. Provisions of this section to the contrary notwithstanding, no**
28 **tax credits provided under this section shall be authorized for after**
29 **June 30, 2012, unless an appropriation is made pursuant to the**
30 **provisions of section 135.821. In any fiscal year for which an**
31 **appropriation is made to the fund created under this section pursuant**
32 **to the provisions of section 135.821, no more than the amount**
33 **appropriated shall be authorized. The provisions of this section shall**
34 **not be construed to limit or in any way impair a recipient's ability to**
35 **redeem tax credits or an administering agency's ability to issue tax**
36 **credits authorized prior to July 1, 2012.**

37 **5. After August 28, 2011, the director of the department of**
38 **revenue shall determine the amount of appropriation necessary to**
39 **provide all eligible banking institutions the credit provided under this**

40 section and shall, no later than the first day of April of each year,
41 submit to the budget committee of the house of representatives and the
42 appropriations committee of the senate, a request for appropriation in
43 an amount sufficient to provide all eligible banking institutions a tax
44 credit in the amount provided in this section. To the extent that an
45 appropriation provided under this section is insufficient to provide
46 credits to all eligible banking institutions in the amount provided
47 under this section, the director of the department of revenue shall
48 determine the apportionment percentage by dividing the amount
49 appropriated for the fiscal year as provided under this section, by the
50 total amount of all eligible claims for a credit as provided under this
51 section. After determining the apportionment percentage, the director
52 shall adjust the amount of credit for each eligible banking institution
53 by multiplying the amount of the credit provided under this section by
54 the apportionment percentage. If no appropriation is made by the
55 general assembly for any fiscal year, then no credits shall be available
56 in such fiscal year.

57 6. There is hereby created in the state treasury the "Bank
58 Franchise Tax Credit Fund", which shall consist of money appropriated
59 under this section and section 135.821. The state treasurer shall be
60 custodian of the fund and may approve disbursements from the fund in
61 accordance with sections 30.170 and 30.180. Upon appropriation, money
62 in the fund shall be used solely for the administration of this
63 section. Notwithstanding the provisions of section 33.080 to the
64 contrary, any moneys remaining in the fund for tax credits which have
65 been authorized but not yet redeemed at the end of the fiscal year shall
66 not revert to the credit of the general revenue fund. Any moneys
67 remaining in the fund at the end of the fiscal year for any tax credits
68 which remain unauthorized at the end of the fiscal year shall revert to
69 the credit of the general revenue fund. Provisions of section 32.057 to
70 the contrary notwithstanding, the department of revenue shall notify
71 the director of the department and the state treasurer upon redemption
72 of each tax credit authorized under the provisions of this section. Upon
73 such notification, an amount equal to the tax credits redeemed shall be
74 transferred from the fund created in this section to the general revenue
75 fund. In the event the department determines that any tax credit
76 authorized under this section is precluded from being redeemed due to

77 **contractual agreement entered into by the department and the tax**
78 **credit applicant or is otherwise precluded by law from being redeemed,**
79 **the department shall notify the state treasurer and an amount equal to**
80 **such tax credit shall be transferred from the fund created in this**
81 **section to the general revenue fund. The state treasurer shall invest**
82 **moneys in the fund in the same manner as other funds are**
83 **invested. Any interest and moneys earned on such investments shall be**
84 **credited to the general revenue fund at the end of each fiscal year.**

148.400. 1. **Except as otherwise provided under this section, all**
2 insurance companies or associations organized in or admitted to this state may
3 deduct from premium taxes payable to this state, in addition to all other credits
4 allowed by law, income taxes, franchise taxes, personal property taxes, valuation
5 fees, registration fees and examination fees paid, including taxes and fees paid
6 by the attorney-in-fact of a reciprocal or interinsurance exchange to the extent
7 attributable to the principal business as such attorney-in-fact, under any law of
8 this state. Unless rejected by the general assembly by April 1, 2003, for all tax
9 years beginning on or after January 1, 2003, a deduction for examination fees
10 which exceeds an insurance company's or association's premium tax liability for
11 the same tax year shall not be refundable, but may be carried forward to any
12 subsequent tax year, not to exceed five years, until the full deduction is claimed;
13 except that, notwithstanding the provisions of section 148.380, if any deduction
14 is claimed through the carryforward provisions of this section, it shall be credited
15 wholly against the general revenue fund and shall not cause a reduction in
16 revenue to the county foreign insurance fund.

17 **2. No tax credits provided under this section shall be authorized**
18 **for after June 30, 2012, unless an appropriation is made pursuant to the**
19 **provisions of section 135.821. In any fiscal year for which an**
20 **appropriation is made to the fund created under this section pursuant**
21 **to the provisions of section 135.821, no more than the amount**
22 **appropriated shall be authorized. The provisions of this section shall**
23 **not be construed to limit or in any way impair a recipient's ability to**
24 **redeem tax credits or an administering agency's ability to issue tax**
25 **credits authorized prior to July 1, 2012.**

26 **3. After August 28, 2011, insurance companies and associations**
27 **shall file an application for tax credits provided under this section with**
28 **the director of the department of revenue no later than the first day of**
29 **March of each year. The director of the department of revenue shall**

30 review all applications received and determine the amount of
31 appropriation necessary to provide all eligible insurance companies
32 and associations the credit provided under this section and shall, no
33 later than the first day of April of each year, submit to the budget
34 committee of the house of representatives and the appropriations
35 committee of the senate, a request for appropriation in an amount
36 sufficient to provide all eligible insurance companies and associations
37 a tax credit in the amount provided in this section. To the extent that
38 an appropriation provided under this section is insufficient to provide
39 credits to all insurance companies and associations in the amount
40 provided under this section, the director of the department of revenue
41 shall determine the apportionment percentage by dividing the amount
42 appropriated for the fiscal year as provided under this section, by the
43 total amount of all eligible claims for a credit as provided under this
44 section. After determining the apportionment percentage, the director
45 shall adjust the amount of credit for each eligible insurance company
46 or association by multiplying the amount of the credit provided under
47 this section by the apportionment percentage. If no appropriation is
48 made by the general assembly for any fiscal year, then no credits shall
49 be available in such fiscal year.

50 4. There is hereby created in the state treasury the "Examination
51 Fee Tax Credit Fund", which shall consist of money appropriated under
52 this section and section 135.821. The state treasurer shall be custodian
53 of the fund and may approve disbursements from the fund in
54 accordance with sections 30.170 and 30.180. Upon appropriation, money
55 in the fund shall be used solely for the administration of this
56 section. Notwithstanding the provisions of section 33.080 to the
57 contrary, any moneys remaining in the fund for tax credits which have
58 been authorized but not yet redeemed at the end of the fiscal year shall
59 not revert to the credit of the general revenue fund. Any moneys
60 remaining in the fund at the end of the fiscal year for any tax credits
61 which remain unauthorized at the end of the fiscal year shall revert to
62 the credit of the general revenue fund. Provisions of section 32.057 to
63 the contrary notwithstanding, the department of revenue shall notify
64 the director of the department and the state treasurer upon redemption
65 of each tax credit authorized under the provisions of this section. Upon
66 such notification, an amount equal to the tax credits redeemed shall be

67 transferred from the fund created in this section to the general revenue
68 fund. In the event the department determines that any tax credit
69 authorized under this section is precluded from being redeemed due to
70 contractual agreement entered into by the department and the tax
71 credit applicant or is otherwise precluded by law from being redeemed,
72 the department shall notify the state treasurer and an amount equal to
73 such tax credit shall be transferred from the fund created in this
74 section to the general revenue fund. The state treasurer shall invest
75 moneys in the fund in the same manner as other funds are
76 invested. Any interest and moneys earned on such investments shall be
77 credited to the general revenue fund at the end of each fiscal year.

208.770. 1. Moneys deposited in or withdrawn pursuant to subsection 1
2 of section 208.760 from a family development account by an account holder are
3 exempted from taxation pursuant to chapter 143, RSMo, excluding withholding
4 tax imposed by sections 143.191 to 143.265, RSMo, and chapter 147, 148 or 153,
5 RSMo, provided, however, that any money withdrawn for an unapproved use
6 should be subject to tax as required by law.

7 2. Interest earned by a family development account is exempted from
8 taxation pursuant to chapter 143, RSMo.

9 3. Any funds in a family development account, including accrued interest,
10 shall be disregarded when determining eligibility to receive, or the amount of, any
11 public assistance or benefits.

12 4. A program contributor shall be allowed a credit against the tax imposed
13 by chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to
14 143.265, RSMo, and chapter 147, 148 or 153, RSMo, pursuant to sections 208.750
15 to 208.775. Contributions up to fifty thousand dollars per program contributor
16 are eligible for the tax credit which shall not exceed fifty percent of the
17 contribution amount.

18 5. The department of economic development shall verify all tax credit
19 claims by contributors. The administrator of the community-based organization,
20 with the cooperation of the participating financial institutions, shall submit the
21 names of contributors and the total amount each contributor contributes to a
22 family development account reserve fund for the calendar year. The director shall
23 determine the date by which such information shall be submitted to the
24 department by the local administrator. The department shall submit verification
25 of qualified tax credits pursuant to sections 208.750 to 208.775 to the department
26 of revenue.

27 6. For all fiscal years ending on or before June 30, 2010, the total tax
28 credits authorized pursuant to sections 208.750 to 208.775 shall not exceed four
29 million dollars in any fiscal year. For all fiscal years beginning on or after July
30 1, 2010, the total tax credits authorized under sections 208.750 to 208.775 shall
31 not exceed three hundred thousand dollars in any fiscal year. **No tax credits**
32 **shall be authorized under the provisions of this section after June 30,**
33 **2012, unless an appropriation is made pursuant to the provisions of**
34 **section 135.821. In any fiscal year for which an appropriation is made**
35 **to the fund created under this section pursuant to the provisions of**
36 **section 135.821, no more than the amount appropriated shall be**
37 **authorized.**

38 7. There is hereby created in the state treasury the "Family
39 Development Account Tax Credit Program Fund", which shall consist
40 of money appropriated under this section and section 135.821. The
41 state treasurer shall be custodian of the fund and may approve
42 disbursements from the fund in accordance with sections 30.170 and
43 30.180. Upon appropriation, money in the fund shall be used solely for
44 the administration of sections 208.750 to 208.775. Notwithstanding the
45 provisions of section 33.080 to the contrary, any moneys remaining in
46 the fund for tax credits which have been authorized but not yet
47 redeemed at the end of the fiscal year shall not revert to the credit of
48 the general revenue fund. Any moneys remaining in the fund at the
49 end of the fiscal year for any tax credits which remain unauthorized at
50 the end of the fiscal year shall revert to the credit of the general
51 revenue fund. Provisions of section 32.057 to the contrary
52 notwithstanding, the department of revenue shall notify the director of
53 the department and the state treasurer upon redemption of each tax
54 credit authorized under the provisions of this section. Upon such
55 notification, an amount equal to the tax credits redeemed shall be
56 transferred from the fund created in this section to the general revenue
57 fund. In the event the department determines that any tax credit
58 authorized under this section is precluded from being redeemed due to
59 contractual agreement entered into by the department and the tax
60 credit applicant or is otherwise precluded by law from being redeemed,
61 the department shall notify the state treasurer and an amount equal to
62 such tax credit shall be transferred from the fund created in this
63 section to the general revenue fund. The state treasurer shall invest

64 moneys in the fund in the same manner as other funds are
65 invested. Any interest and moneys earned on such investments shall be
66 credited to the general revenue fund at the end of each fiscal year.

253.550. 1. Any taxpayer incurring costs and expenses for the
2 rehabilitation of eligible property, which is a certified historic structure or
3 structure in a certified historic district, may, subject to the provisions of this
4 section and section 253.559, receive a credit against the taxes imposed pursuant
5 to chapters 143 and 148, RSMo, except for sections 143.191 to 143.265, RSMo, on
6 such taxpayer in an amount equal to twenty-five percent of the total costs and
7 expenses of rehabilitation incurred after January 1, 1998, which shall include,
8 but not be limited to, qualified rehabilitation expenditures as defined under
9 section 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended, and the
10 related regulations thereunder, provided the rehabilitation costs associated with
11 rehabilitation and the expenses exceed fifty percent of the total basis in the
12 property and the rehabilitation meets standards consistent with the standards
13 of the Secretary of the United States Department of the Interior for rehabilitation
14 as determined by the state historic preservation officer of the Missouri
15 department of natural resources.

16 2. During the period beginning on January 1, 2010, but ending on or after
17 June 30, 2010, the department of economic development shall not approve
18 applications for tax credits under the provisions of subsections 3 and 8 of section
19 253.559 which, in the aggregate, exceed seventy million dollars, increased by any
20 amount of tax credits for which approval shall be rescinded under the provisions
21 of section 253.559. For [each] the fiscal year [beginning on or after July 1, 2010]
22 **ending on or before June 30, 2012**, the department of economic development
23 shall not approve applications for tax credits under the provisions of subsections
24 3 and 8 of section 253.559 which, in the aggregate, exceed one hundred forty
25 million dollars, increased by any amount of tax credits for which approval shall
26 be rescinded under the provisions of section 253.559. **For all fiscal years**
27 **ending on or before June 30, 2012**, the limitations provided under this
28 subsection shall not apply to applications approved under the provisions of
29 subsection 3 of section 253.559 for projects to receive less than two hundred
30 seventy-five thousand dollars in tax credits.

31 3. For all applications for tax credits approved on or [after January 1,
32 2010] **before June 30, 2012**, no more than two hundred fifty thousand dollars
33 in tax credits may be issued for eligible costs and expenses incurred in the
34 rehabilitation of an eligible property which is a nonincome producing

35 single-family, owner-occupied residential property and is either a certified historic
36 structure or a structure in a certified historic district.

37 4. The limitations on tax credit authorization provided under the
38 provisions of subsections 2 and 3 of this section shall not apply to:

39 (1) Any application submitted by a taxpayer, which has received approval
40 from the department prior to January 1, 2010; or

41 (2) Any taxpayer applying for tax credits, provided under this section,
42 which, on or before January 1, 2010, has filed an application with the department
43 evidencing that such taxpayer:

44 (a) Has incurred costs and expenses for an eligible property which exceed
45 the lesser of five percent of the total project costs or one million dollars and
46 received an approved Part I from the Secretary of the United States Department
47 of Interior; or

48 (b) Has received certification, by the state historic preservation officer,
49 that the rehabilitation plan meets the standards consistent with the standards
50 of the Secretary of the United States Department of the Interior, and the
51 rehabilitation costs and expenses associated with such rehabilitation shall exceed
52 fifty percent of the total basis in the property.

53 **5. No tax credits shall be authorized under the provisions of**
54 **sections 253.545 to 253.559 after June 30, 2012, unless an appropriation**
55 **is made pursuant to the provisions of section 135.821. In any fiscal year**
56 **for which an appropriation is made to the fund created under this**
57 **section pursuant to the provisions of section 135.821, no more than the**
58 **amount appropriated shall be authorized.**

59 **6. There is hereby created in the state treasury the "Historic**
60 **Preservation Tax Credit Program Fund", which shall consist of money**
61 **appropriated under this section and section 135.821. The state**
62 **treasurer shall be custodian of the fund and may approve**
63 **disbursements from the fund in accordance with sections 30.170 and**
64 **30.180. Upon appropriation, money in the fund shall be used solely for**
65 **the administration of sections 253.545 to 253.559. Notwithstanding the**
66 **provisions of section 33.080 to the contrary, any moneys remaining in**
67 **the fund for tax credits which have been authorized but not yet**
68 **redeemed at the end of the fiscal year shall not revert to the credit of**
69 **the general revenue fund. Any moneys remaining in the fund at the**
70 **end of the fiscal year for any tax credits which remain unauthorized at**
71 **the end of the fiscal year shall revert to the credit of the general**

72 revenue fund. Provisions of section 32.057 to the contrary
73 notwithstanding, the department of revenue shall notify the director of
74 the department and the state treasurer upon redemption of each tax
75 credit authorized under the provisions of this section. Upon such
76 notification, an amount equal to the tax credits redeemed shall be
77 transferred from the fund created in this section to the general revenue
78 fund. In the event the department determines that any tax credit
79 authorized under this section is precluded from being redeemed due to
80 contractual agreement entered into by the department and the tax
81 credit applicant or is otherwise precluded by law from being redeemed,
82 the department shall notify the state treasurer and an amount equal to
83 such tax credit shall be transferred from the fund created in this
84 section to the general revenue fund. The state treasurer shall invest
85 moneys in the fund in the same manner as other funds are
86 invested. Any interest and moneys earned on such investments shall be
87 credited to the general revenue fund at the end of each fiscal year.

253.559. 1. To obtain approval for tax credits allowed under sections
2 253.545 to 253.559, a taxpayer shall submit an application for tax credits to the
3 department of economic development. Each application for approval, including
4 any applications received for supplemental allocations of tax credits as provided
5 under subsection 8 of this section, shall be prioritized for review and approval,
6 in the order of the date on which the application was postmarked, with the oldest
7 postmarked date receiving priority. Applications postmarked on the same day
8 shall go through a lottery process to determine the order in which such
9 applications shall be reviewed.

10 2. Each application shall be reviewed by the department of economic
11 development for approval. In order to receive approval, an application, other
12 than applications submitted under the provisions of subsection 8 of this section,
13 shall include:

14 (1) Proof of ownership or site control. Proof of ownership shall include
15 evidence that the taxpayer is the fee simple owner of the eligible property, such
16 as a warranty deed or a closing statement. Proof of site control may be evidenced
17 by a leasehold interest or an option to acquire such an interest. If the taxpayer
18 is in the process of acquiring fee simple ownership, proof of site control shall
19 include an executed sales contract or an executed option to purchase the eligible
20 property;

21 (2) Floor plans of the existing structure, architectural plans, and, where

22 applicable, plans of the proposed alterations to the structure, as well as proposed
23 additions;

24 (3) The estimated cost of rehabilitation, the anticipated total costs of the
25 project, the actual basis of the property, as shown by proof of actual acquisition
26 costs, the anticipated total labor costs, the estimated project start date, and the
27 estimated project completion date;

28 (4) Proof that the property is an eligible property and a certified historic
29 structure or a structure in a certified historic district; and

30 (5) Any other information which the department of economic development
31 may reasonably require to review the project for approval. Only the property for
32 which a property address is provided in the application shall be reviewed for
33 approval. Once selected for review, a taxpayer shall not be permitted to request
34 the review of another property for approval in the place of the property contained
35 in such application. Any disapproved application shall be removed from the
36 review process. If an application is removed from the review process, the
37 department of economic development shall notify the taxpayer in writing of the
38 decision to remove such application. Disapproved applications shall lose priority
39 in the review process. A disapproved application, which is removed from the
40 review process, may be resubmitted, but shall be deemed to be a new submission
41 for purposes of the priority procedures described in this section.

42 3. If the department of economic development deems the application
43 sufficient, the taxpayer shall be notified in writing of the approval for an amount
44 of tax credits equal to the amount provided under section 253.550 less any
45 amount of tax credits previously approved. Such approvals shall be granted to
46 applications in the order of priority established under this section and shall
47 require full compliance thereafter with all other requirements of law as a
48 condition to any claim for such credits.

49 4. Following approval of an application, the identity of the taxpayer
50 contained in such application shall not be modified except:

51 (1) The taxpayer may add partners, members, or shareholders as part of
52 the ownership structure, so long as the principal remains the same, provided
53 however, that subsequent to the commencement of renovation and the
54 expenditure of at least ten percent of the proposed rehabilitation budget, removal
55 of the principal for failure to perform duties and the appointment of a new
56 principal thereafter shall not constitute a change of the principal; or

57 (2) Where the ownership of the project is changed due to a foreclosure,
58 deed in lieu of a foreclosure or voluntary conveyance, or a transfer in bankruptcy.

59 5. In the event that the department of economic development grants
60 approval for tax credits equal to the total amount available under subsection 2
61 of section 253.550 **or after July 1, 2012, under subsection 5 of section**
62 **253.550**, or sufficient that when totaled with all other approvals, the amount
63 available under subsection 2 of section 253.550, **or after July 1, 2012,**
64 **subsection 5 of section 253.550** is exhausted, all taxpayers with applications
65 then awaiting approval or thereafter submitted for approval shall be notified by
66 the department of economic development that no additional approvals shall be
67 granted during the fiscal year and shall be notified of the priority given to such
68 taxpayer's application then awaiting approval. Such applications shall be kept
69 on file by the department of economic development and shall be considered for
70 approval for tax credits in the order established in this section in the event that
71 additional credits become available due to the rescission of approvals or when a
72 new fiscal year's allocation of credits becomes available for approval.

73 6. All taxpayers with applications receiving approval on or after the
74 effective date of this act shall commence rehabilitation within two years of the
75 date of issuance of the letter from the department of economic development
76 granting the approval for tax credits. "Commencement of rehabilitation" shall
77 mean that as of the date in which actual physical work, contemplated by the
78 architectural plans submitted with the application, has begun, the taxpayer has
79 incurred no less than ten percent of the estimated costs of rehabilitation provided
80 in the application. Taxpayers with approval of a project shall submit evidence of
81 compliance with the provisions of this subsection. If the department of economic
82 development determines that a taxpayer has failed to comply with the
83 requirements provided under this section, the approval for the amount of tax
84 credits for such taxpayer shall be rescinded and such amount of tax credits shall
85 then be included in the total amount of tax credits, provided under subsection 2
86 of section 253.550, from which approvals may be granted. Any taxpayer whose
87 approval shall be subject to rescission shall be notified of such from the
88 department of economic development and, upon receipt of such notice, may submit
89 a new application for the project.

90 7. To claim the credit authorized under sections 253.550 to 253.559, a
91 taxpayer with approval shall apply for final approval and issuance of tax credits
92 from the department of economic development which, in consultation with the
93 department of natural resources, shall determine the final amount of eligible
94 rehabilitation costs and expenses and whether the completed rehabilitation meets
95 the standards of the Secretary of the United States Department of the Interior

96 for rehabilitation as determined by the state historic preservation officer of the
97 Missouri department of natural resources.
98 For financial institutions credits authorized pursuant to sections 253.550 to
99 253.561 shall be deemed to be economic development credits for purposes of
100 section 148.064, RSMo. The approval of all applications and the issuing of
101 certificates of eligible credits to taxpayers shall be performed by the department
102 of economic development. The department of economic development shall inform
103 a taxpayer of final approval by letter and shall issue, to the taxpayer, tax credit
104 certificates. The taxpayer shall attach the certificate to all Missouri income tax
105 returns on which the credit is claimed.

106 8. Except as expressly provided in this subsection, tax credit certificates
107 shall be issued in the final year that costs and expenses of rehabilitation of the
108 project are incurred, or within the twelve-month period immediately following the
109 conclusion of such rehabilitation. In the event the amount of eligible
110 rehabilitation costs and expenses incurred by a taxpayer would result in the
111 issuance of an amount of tax credits in excess of the amount provided under such
112 taxpayer's approval granted under subsection 3 of this section, such taxpayer may
113 apply to the department for issuance of tax credits in an amount equal to such
114 excess. Applications for issuance of tax credits in excess of the amount provided
115 under a taxpayer's application shall be made on a form prescribed by the
116 department. Such applications shall be subject to all provisions regarding
117 priority provided under subsection 1 of this section.

118 9. The department of economic development shall determine, on an annual
119 basis, the overall economic impact to the state from the rehabilitation of eligible
120 property.

348.430. 1. The tax credit created in this section shall be known as the
2 "Agricultural Product Utilization Contributor Tax Credit".

3 2. As used in this section, the following terms mean:

4 (1) "Authority", the agriculture and small business development authority
5 as provided in this chapter;

6 (2) "Contributor", an individual, partnership, corporation, trust, limited
7 liability company, entity or person that contributes cash funds to the authority;

8 (3) "Development facility", a facility producing either a good derived from
9 an agricultural commodity or using a process to produce a good derived from an
10 agricultural product;

11 (4) "Eligible new generation cooperative", a nonprofit cooperative
12 association formed pursuant to chapter 274, RSMo, or incorporated pursuant to

13 chapter 357, RSMo, for the purpose of operating within this state a development
14 facility or a renewable fuel production facility;

15 (5) "Eligible new generation processing entity", a partnership, corporation,
16 cooperative, or limited liability company organized or incorporated pursuant to
17 the laws of this state consisting of not less than twelve members, approved by the
18 authority, for the purpose of owning or operating within this state a development
19 facility or a renewable fuel production facility in which producer members:

20 (a) Hold a majority of the governance or voting rights of the entity and
21 any governing committee;

22 (b) Control the hiring and firing of management; and

23 (c) Deliver agricultural commodities or products to the entity for
24 processing, unless processing is required by multiple entities;

25 (6) "Renewable fuel production facility", a facility producing an energy
26 source which is derived from a renewable, domestically grown, organic compound
27 capable of powering machinery, including an engine or power plant, and any
28 by-product derived from such energy source.

29 3. For all tax years beginning on or after January 1, 1999, a contributor
30 who contributes funds to the authority may receive a credit against the tax or
31 estimated quarterly tax otherwise due pursuant to chapter 143, RSMo, other than
32 taxes withheld pursuant to sections 143.191 to 143.265, RSMo, chapter 148,
33 RSMo, chapter 147, RSMo, in an amount of up to one hundred percent of such
34 contribution. Tax credits claimed in a taxable year may be done so on a quarterly
35 basis and applied to the estimated quarterly tax pursuant to this subsection. If
36 a quarterly tax credit claim or series of claims contributes to causing an
37 overpayment of taxes for a taxable year, such overpayment shall not be refunded
38 but shall be applied to the next taxable year. The awarding of such credit shall
39 be at the approval of the authority, based on the least amount of credits
40 necessary to provide incentive for the contributions. A contributor that receives
41 tax credits for a contribution to the authority shall receive no other consideration
42 or compensation for such contribution, other than a federal tax deduction, if
43 applicable, and goodwill.

44 4. A contributor shall submit to the authority an application for the tax
45 credit authorized by this section on a form provided by the authority. If the
46 contributor meets all criteria prescribed by this section and the authority, the
47 authority shall issue a tax credit certificate in the appropriate amount. Tax
48 credits issued pursuant to this section may be claimed in the taxable year in
49 which the contributor contributes funds to the authority. For all fiscal years

50 beginning on or after July 1, 2004, tax credits allowed pursuant to this section
51 may be carried back to any of the contributor's three prior tax years and may be
52 carried forward to any of the contributor's five subsequent taxable years. Tax
53 credits issued pursuant to this section may be assigned, transferred or sold and
54 the new owner of the tax credit shall have the same rights in the credit as the
55 contributor. Whenever a certificate of tax credit is assigned, transferred, sold or
56 otherwise conveyed, a notarized endorsement shall be filed with the authority
57 specifying the name and address of the new owner of the tax credit or the value
58 of the credit.

59 5. The funds derived from contributions in this section shall be used for
60 financial assistance or technical assistance for the purposes provided in section
61 348.407 to rural agricultural business concepts as approved by the authority. The
62 authority may provide or facilitate loans, equity investments, or guaranteed loans
63 for rural agricultural business concepts, but limited to two million dollars per
64 project or the net state economic impact, whichever is less. Loans, equity
65 investments or guaranteed loans may only be provided to feasible projects, and
66 for an amount that is the least amount necessary to cause the project to occur, as
67 determined by the authority. The authority may structure the loans, equity
68 investments or guaranteed loans in a way that facilitates the project, but also
69 provides for a compensatory return on investment or loan payment to the
70 authority, based on the risk of the project.

71 6. In any given year, at least ten percent of the funds granted to rural
72 agricultural business concepts shall be awarded to grant requests of twenty-five
73 thousand dollars or less. No single rural agricultural business concept shall
74 receive more than two hundred thousand dollars in grant awards from the
75 authority. Agricultural businesses owned by minority members or women shall
76 be given consideration in the allocation of funds.

77 **7. No tax credits shall be authorized under the provisions of this**
78 **section after June 30, 2012, unless an appropriation is made pursuant**
79 **to the provisions of section 135.821. In any fiscal year for which an**
80 **appropriation is made to the fund created under this section pursuant**
81 **to the provisions of section 135.821, no more than the amount**
82 **appropriated shall be authorized.**

83 8. There is hereby created in the state treasury the "Agricultural
84 Product Utilization Tax Credit Program Fund", which shall consist of
85 money appropriated under this section and section 135.821. The state
86 treasurer shall be custodian of the fund and may approve

87 disbursements from the fund in accordance with sections 30.170 and
88 30.180. Upon appropriation, money in the fund shall be used solely for
89 the administration of this section. Notwithstanding the provisions of
90 section 33.080 to the contrary, any moneys remaining in the fund for
91 tax credits which have been authorized but not yet redeemed at the end
92 of the fiscal year shall not revert to the credit of the general revenue
93 fund. Any moneys remaining in the fund at the end of the fiscal year
94 for any tax credits which remain unauthorized at the end of the fiscal
95 year shall revert to the credit of the general revenue fund. Provisions
96 of section 32.057 to the contrary notwithstanding, the department of
97 revenue shall notify the director of the department and the state
98 treasurer upon redemption of each tax credit authorized under the
99 provisions of this section. Upon such notification, an amount equal to
100 the tax credits redeemed shall be transferred from the fund created in
101 this section to the general revenue fund. In the event the department
102 determines that any tax credit authorized under this section is
103 precluded from being redeemed due to contractual agreement entered
104 into by the department and the tax credit applicant or is otherwise
105 precluded by law from being redeemed, the department shall notify the
106 state treasurer and an amount equal to such tax credit shall be
107 transferred from the fund created in this section to the general revenue
108 fund. The state treasurer shall invest moneys in the fund in the same
109 manner as other funds are invested. Any interest and moneys earned
110 on such investments shall be credited to the general revenue fund at
111 the end of each fiscal year.

348.432. 1. The tax credit created in this section shall be known as the
2 "New Generation Cooperative Incentive Tax Credit".

3 2. As used in this section, the following terms mean:

4 (1) "Authority", the agriculture and small business development authority
5 as provided in this chapter;

6 (2) "Development facility", a facility producing either a good derived from
7 an agricultural commodity or using a process to produce a good derived from an
8 agricultural product;

9 (3) "Eligible new generation cooperative", a nonprofit cooperative
10 association formed pursuant to chapter 274, RSMo, or incorporated pursuant to
11 chapter 357, RSMo, for the purpose of operating within this state a development
12 facility or a renewable fuel production facility and approved by the authority;

13 (4) "Eligible new generation processing entity", a partnership, corporation,
14 cooperative, or limited liability company organized or incorporated pursuant to
15 the laws of this state consisting of not less than twelve members, approved by the
16 authority, for the purpose of owning or operating within this state a development
17 facility or a renewable fuel production facility in which producer members:

18 (a) Hold a majority of the governance or voting rights of the entity and
19 any governing committee;

20 (b) Control the hiring and firing of management; and

21 (c) Deliver agricultural commodities or products to the entity for
22 processing, unless processing is required by multiple entities;

23 (5) "Employee-qualified capital project", an eligible new generation
24 cooperative with capital costs greater than fifteen million dollars which will
25 employ at least sixty employees;

26 (6) "Large capital project", an eligible new generation cooperative with
27 capital costs greater than one million dollars;

28 (7) "Producer member", a person, partnership, corporation, trust or limited
29 liability company whose main purpose is agricultural production that invests cash
30 funds to an eligible new generation cooperative or eligible new generation
31 processing entity;

32 (8) "Renewable fuel production facility", a facility producing an energy
33 source which is derived from a renewable, domestically grown, organic compound
34 capable of powering machinery, including an engine or power plant, and any
35 by-product derived from such energy source;

36 (9) "Small capital project", an eligible new generation cooperative with
37 capital costs of no more than one million dollars.

38 3. Beginning tax year 1999, and ending December 31, 2002, any producer
39 member who invests cash funds in an eligible new generation cooperative or
40 eligible new generation processing entity may receive a credit against the tax or
41 estimated quarterly tax otherwise due pursuant to chapter 143, RSMo, other than
42 taxes withheld pursuant to sections 143.191 to 143.265, RSMo, or chapter 148,
43 RSMo, chapter 147, RSMo, in an amount equal to the lesser of fifty percent of
44 such producer member's investment or fifteen thousand dollars.

45 4. For all tax years beginning on or after January 1, 2003, any producer
46 member who invests cash funds in an eligible new generation cooperative or
47 eligible new generation processing entity may receive a credit against the tax or
48 estimated quarterly tax otherwise due pursuant to chapter 143, RSMo, other than
49 taxes withheld pursuant to sections 143.191 to 143.265, RSMo, chapter 147,

50 RSMo, or chapter 148, RSMo, in an amount equal to the lesser of fifty percent of
51 such producer member's investment or fifteen thousand dollars. Tax credits
52 claimed in a taxable year may be done so on a quarterly basis and applied to the
53 estimated quarterly tax pursuant to subsection 3 of this section. If a quarterly
54 tax credit claim or series of claims contributes to causing an overpayment of taxes
55 for a taxable year, such overpayment shall not be refunded but shall be applied
56 to the next taxable year.

57 5. A producer member shall submit to the authority an application for the
58 tax credit authorized by this section on a form provided by the authority. If the
59 producer member meets all criteria prescribed by this section and is approved by
60 the authority, the authority shall issue a tax credit certificate in the appropriate
61 amount. Tax credits issued pursuant to this section may be carried back to any
62 of the producer member's three prior taxable years and carried forward to any of
63 the producer member's five subsequent taxable years regardless of the type of tax
64 liability to which such credits are applied as authorized pursuant to subsection
65 3 of this section. Tax credits issued pursuant to this section may be assigned,
66 transferred, sold or otherwise conveyed and the new owner of the tax credit shall
67 have the same rights in the credit as the producer member. Whenever a
68 certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a
69 notarized endorsement shall be filed with the authority specifying the name and
70 address of the new owner of the tax credit or the value of the credit.

71 6. Ten percent of the tax credits authorized pursuant to this section
72 initially shall be offered in any fiscal year to small capital projects. If any portion
73 of the ten percent of tax credits offered to small capital costs projects is unused
74 in any calendar year, then the unused portion of tax credits may be offered to
75 employee-qualified capital projects and large capital projects. If the authority
76 receives more applications for tax credits for small capital projects than tax
77 credits are authorized therefor, then the authority, by rule, shall determine the
78 method of distribution of tax credits authorized for small capital projects.

79 7. Ninety percent of the tax credits authorized pursuant to this section
80 initially shall be offered in any fiscal year to employee-qualified capital projects
81 and large capital projects. If any portion of the ninety percent of tax credits
82 offered to employee-qualified capital projects and large capital costs projects is
83 unused in any fiscal year, then the unused portion of tax credits may be offered
84 to small capital projects. The maximum tax credit allowed per employee-qualified
85 capital project is three million dollars and the maximum tax credit allowed per
86 large capital project is one million five hundred thousand dollars. If the

87 authority approves the maximum tax credit allowed for any employee-qualified
88 capital project or any large capital project, then the authority, by rule, shall
89 determine the method of distribution of such maximum tax credit. In addition,
90 if the authority receives more tax credit applications for employee-qualified
91 capital projects and large capital projects than the amount of tax credits
92 authorized therefor, then the authority, by rule, shall determine the method of
93 distribution of tax credits authorized for employee-qualified capital projects and
94 large capital projects.

95 **8. No tax credits shall be authorized under the provisions of this**
96 **section after June 30, 2012, unless an appropriation is made pursuant**
97 **to the provisions of section 135.821. In any fiscal year for which an**
98 **appropriation is made to the fund created under this section pursuant**
99 **to the provisions of section 135.821, no more than the amount**
100 **appropriated shall be authorized.**

101 **9. There is hereby created in the state treasury the "New**
102 **Generation Cooperative Tax Credit Program Fund", which shall consist**
103 **of money appropriated under this section and section 135.821. The**
104 **state treasurer shall be custodian of the fund and may approve**
105 **disbursements from the fund in accordance with sections 30.170 and**
106 **30.180. Upon appropriation, money in the fund shall be used solely for**
107 **the administration of this section. Notwithstanding the provisions of**
108 **section 33.080 to the contrary, any moneys remaining in the fund for**
109 **tax credits which have been authorized but not yet redeemed at the end**
110 **of the fiscal year shall not revert to the credit of the general revenue**
111 **fund. Any moneys remaining in the fund at the end of the fiscal year**
112 **for any tax credits which remain unauthorized at the end of the fiscal**
113 **year shall revert to the credit of the general revenue fund. Provisions**
114 **of section 32.057 to the contrary notwithstanding, the department of**
115 **revenue shall notify the director of the department and the state**
116 **treasurer upon redemption of each tax credit authorized under the**
117 **provisions of this section. Upon such notification, an amount equal to**
118 **the tax credits redeemed shall be transferred from the fund created in**
119 **this section to the general revenue fund. In the event the department**
120 **determines that any tax credit authorized under this section is**
121 **precluded from being redeemed due to contractual agreement entered**
122 **into by the department and the tax credit applicant or is otherwise**
123 **precluded by law from being redeemed, the department shall notify the**

124 state treasurer and an amount equal to such tax credit shall be
125 transferred from the fund created in this section to the general revenue
126 fund. The state treasurer shall invest moneys in the fund in the same
127 manner as other funds are invested. Any interest and moneys earned
128 on such investments shall be credited to the general revenue fund at
129 the end of each fiscal year.

348.434. 1. The aggregate of tax credits issued per fiscal year pursuant
2 to sections 348.430 and 348.432 shall not exceed six million dollars.

3 2. Upon July 2, 1999, and ending June 30, 2000, tax credits shall be
4 issued pursuant to section 348.430, except that, the authority shall allocate no
5 more than three million dollars to fund section 348.432 in fiscal year
6 2000. Beginning in fiscal year 2001 and each subsequent year, tax credits shall
7 be issued pursuant to section 348.432.

8 3. Beginning the first day of May of each fiscal year following
9 implementation of section 348.432, the authority may determine the extent of tax
10 credits, pursuant to section 348.432, that will be utilized in each fiscal year. If
11 the authority determines that:

12 (1) Less than six million dollars for a fiscal year is to be utilized in tax
13 credits pursuant to section 348.432; and

14 (2) The assets available to the authority, pursuant to section 348.430, do
15 not exceed twelve million dollars; then, the authority may offer the remaining
16 authorized tax credits be issued pursuant to section 348.430.

17 **4. The provisions of this section shall expire June 30, 2012.**

348.505. 1. As used in this section, "state tax liability", any state tax
2 liability incurred by a taxpayer under the provisions of chapters 143, 147, and
3 148, RSMo, exclusive of the provisions relating to the withholding of tax as
4 provided for in sections 143.191 to 143.265, RSMo, and related provisions.

5 2. Any eligible lender under the family farm livestock loan program under
6 section 348.500 shall be entitled to receive a tax credit equal to one hundred
7 percent of the amount of interest waived by the lender under section 348.500 on
8 a qualifying loan for the first year of the loan only. The tax credit shall be
9 evidenced by a tax credit certificate issued by the agricultural and small business
10 development authority and may be used to satisfy the state tax liability of the
11 owner of such certificate that becomes due in the tax year in which the interest
12 on a qualified loan is waived by the lender under section 348.500. No lender may
13 receive a tax credit under this section unless such person presents a tax credit
14 certificate to the department of revenue for payment of such state tax

15 liability. The amount of the tax credits that may be issued to all eligible lenders
16 claiming tax credits authorized in this section in a fiscal year shall not exceed
17 three hundred thousand dollars. **No tax credits shall be authorized under**
18 **the provisions of this section after June 30, 2012, unless an**
19 **appropriation is made pursuant to the provisions of section 135.821. In**
20 **any fiscal year for which an appropriation is made to the fund created**
21 **under this section pursuant to the provisions of section 135.821, no**
22 **more than the amount appropriated shall be authorized.**

23 3. The agricultural and small business development authority shall be
24 responsible for the administration and issuance of the certificate of tax credits
25 authorized by this section. The authority shall issue a certificate of tax credit at
26 the request of any lender. Each request shall include a true copy of the loan
27 documents, the name of the lender who is to receive a certificate of tax credit, the
28 type of state tax liability against which the tax credit is to be used, and the
29 amount of the certificate of tax credit to be issued to the lender based on the
30 interest waived by the lender under section 348.500 on the loan for the first year.

31 4. The Missouri department of revenue shall accept a certificate of tax
32 credit in lieu of other payment in such amount as is equal to the lesser of the
33 amount of the tax or the remaining unused amount of the credit as indicated on
34 the certificate of tax credit, and shall indicate on the certificate of tax credit the
35 amount of tax thereby paid and the date of such payment.

36 5. The following provisions shall apply to tax credits authorized under
37 this section:

38 (1) Tax credits claimed in a taxable year may be claimed on a quarterly
39 basis and applied to the estimated quarterly tax of the lender;

40 (2) Any amount of tax credit which exceeds the tax due, including any
41 estimated quarterly taxes paid by the lender under subdivision (1) of this
42 subsection which results in an overpayment of taxes for a taxable year, shall not
43 be refunded but may be carried over to any subsequent taxable year, not to
44 exceed a total of three years for which a tax credit may be taken for a qualified
45 family farm livestock loan;

46 (3) Notwithstanding any provision of law to the contrary, a lender may
47 assign, transfer or sell tax credits authorized under this section, with the new
48 owner of the tax credit receiving the same rights in the tax credit as the
49 lender. For any tax credits assigned, transferred, sold, or otherwise conveyed, a
50 notarized endorsement shall be filed by the lender with the authority specifying
51 the name and address of the new owner of the tax credit and the value of such

52 tax credit; and

53 (4) Notwithstanding any other provision of this section to the contrary,
54 any commercial bank may use tax credits created under this section as provided
55 in section 148.064, RSMo, and receive a net tax credit against taxes actually paid
56 in the amount of the first year's interest on loans made under this section. If
57 such first year tax credits reduce taxes due as provided in section 148.064, RSMo,
58 to zero, the remaining tax credits may be carried over as otherwise provided in
59 this section and utilized as provided in section 148.064, RSMo, in subsequent
60 years.

61 **6. There is hereby created in the state treasury the "Family Farm**
62 **Breeding Livestock Loan Tax Credit Program Fund", which shall**
63 **consist of money appropriated under this section and section**
64 **135.821. The state treasurer shall be custodian of the fund and may**
65 **approve disbursements from the fund in accordance with sections**
66 **30.170 and 30.180. Upon appropriation, money in the fund shall be used**
67 **solely for the administration of sections 348.500 to**
68 **348.505. Notwithstanding the provisions of section 33.080 to the**
69 **contrary, any moneys remaining in the fund for tax credits which have**
70 **been authorized but not yet redeemed at the end of the fiscal year shall**
71 **not revert to the credit of the general revenue fund. Any moneys**
72 **remaining in the fund at the end of the fiscal year for any tax credits**
73 **which remain unauthorized at the end of the fiscal year shall revert to**
74 **the credit of the general revenue fund. Provisions of section 32.057 to**
75 **the contrary notwithstanding, the department of revenue shall notify**
76 **the director of the department and the state treasurer upon redemption**
77 **of each tax credit authorized under the provisions of this section. Upon**
78 **such notification, an amount equal to the tax credits redeemed shall be**
79 **transferred from the fund created in this section to the general revenue**
80 **fund. In the event the department determines that any tax credit**
81 **authorized under this section is precluded from being redeemed due to**
82 **contractual agreement entered into by the department and the tax**
83 **credit applicant or is otherwise precluded by law from being redeemed,**
84 **the department shall notify the state treasurer and an amount equal to**
85 **such tax credit shall be transferred from the fund created in this**
86 **section to the general revenue fund. The state treasurer shall invest**
87 **moneys in the fund in the same manner as other funds are**
88 **invested. Any interest and moneys earned on such investments shall be**

89 credited to the general revenue fund at the end of each fiscal year.

375.774. 1. The association shall issue to each insurer paying an
2 assessment under sections 375.771 to 375.779 a certificate of contribution, in
3 appropriate form and terms as prescribed by the director, for the amount so paid.
4 All outstanding certificates shall be of equal dignity and priority without
5 reference to amounts or dates of issue.

6 2. A certificate of contribution may be shown by the insurer in its
7 financial statements as an admitted asset for such amount and period of time, as
8 follows:

9 (1) One hundred percent for the calendar year of issuance;

10 (2) Sixty-six and two-thirds percent for the first calendar year after the
11 year of issuance;

12 (3) Thirty-three and one-third percent for the second year after the year
13 of issuance which shall be the last year each such certificate shall be carried as
14 an asset.

15 3. The insurer shall, **subject to the limitations provided under**
16 **subsection 6 of this section**, be entitled to a credit against the premium tax
17 liability under sections 148.310 to 148.461 for contributions paid to the
18 association. This tax credit shall be taken over a period of the three successive
19 tax years beginning after the year of contribution at the rate of thirty-three and
20 one-third percent, per year, of the contribution paid to the association, and such
21 credit shall not be subject to subsection 1 of section 375.916.

22 4. Any sums recovered by the association representing sums which have
23 theretofore been written off by contributing insurers and offset against premium
24 taxes as provided in subsection 3 of this section shall be paid by the association
25 to the director of revenue who shall handle such funds in the same manner as
26 provided in section 148.380.

27 5. The association shall be exempt from payment of all fees and all
28 capitation or poll and excise taxes levied by this state or any of its political
29 subdivisions and the real and personal property of the association is hereby
30 declared to be property actually and regularly used exclusively for purposes
31 purely charitable and not held for private or corporate profit within the meaning
32 of subdivision (5) of section 137.100, RSMo 1986.

33 **6. No tax credits provided under this section shall be authorized**
34 **for after June 30, 2012, unless an appropriation is made pursuant to the**
35 **provisions of section 135.821. In any fiscal year for which an**
36 **appropriation is made to the fund created under this section pursuant**

37 to the provisions of section 135.821, no more than the amount
38 appropriated shall be authorized. The provisions of this section shall
39 not be construed to limit or in any way impair a recipient's ability to
40 redeem tax credits or an administering agency's ability to issue tax
41 credits authorized prior to July 1, 2012.

42 7. After August 28, 2011, insurers shall file an application for tax
43 credits provided under this section with the director of the department
44 of revenue no later than the first day of March of each year. The
45 director of the department of revenue shall review all applications
46 received and determine the amount of appropriation necessary to
47 provide all eligible insurers the credit provided under this section and
48 shall, no later than the first day of April of each year, submit to the
49 budget committee of the house of representatives and the
50 appropriations committee of the senate, a request for appropriation in
51 an amount sufficient to provide all eligible insurers a tax credit in the
52 amount provided in this section. To the extent that an appropriation
53 provided under this section is insufficient to provide credits to all
54 insurers in the amount provided under this section, the director of the
55 department of revenue shall determine the apportionment percentage
56 by dividing the amount appropriated for the fiscal year as provided
57 under this section, by the total amount of all eligible claims for a credit
58 as provided under this section. After determining the apportionment
59 percentage, the director shall adjust the amount of credit for each
60 eligible insurer by multiplying the amount of the credit provided under
61 this section by the apportionment percentage. If no appropriation is
62 made by the general assembly for any fiscal year, then no credits shall
63 be available in such fiscal year.

376.745. 1. Subject to the limitations provided under subsection
2 4 of this section, a member insurer may offset against its premium tax liability
3 to this state an assessment described in section 376.738 to the extent of twenty
4 percent of the amount of such assessment for each of the five calendar years
5 following the year in which such assessment was paid. In the event a member
6 insurer should cease doing business, all uncredited assessments may be credited
7 against its premium tax liability for the year it ceases doing business.

8 2. Subject to the limitations provided under subsection 4 of this
9 section, a member insurer exempt from chapter 148 may offset against its sales
10 or use tax liability to this state an assessment described in section 376.738 to the

11 extent of twenty percent of the amount of such assessment for each of the five
12 calendar years following the year in which such assessment was paid.

13 In the event a member insurer should cease doing business, all uncredited
14 assessments may be credited against its sales or use tax liability for the year it
15 ceases doing business.

16 3. Any sums which are acquired by refund, pursuant to the provisions of
17 section 376.738, from the association by member insurers, and which have
18 theretofore been offset against premium taxes as provided in subsection 1 of this
19 section or have theretofore been offset against sales or use taxes as provided in
20 subsection 2 of this section, shall be paid by such insurers to this state in such
21 manner as the tax authorities may require. The association shall notify the
22 director that such refunds have been made.

23 4. **No tax credits shall be authorized under the provisions of this**
24 **section after June 30, 2012, unless an appropriation is made pursuant**
25 **to the provisions of section 135.821. In any fiscal year for which an**
26 **appropriation is made to the fund created under this section pursuant**
27 **to the provisions of section 135.821, no more than the amount**
28 **appropriated shall be authorized. To the extent that an appropriation**
29 **provided under this section is insufficient to provide offsets to all**
30 **member insurers in the amount provided under subsections 1 and 2 of**
31 **this section, the director of the department of insurance shall**
32 **determine the apportionment percentage by dividing the amount**
33 **appropriated for the fiscal year as provided under this section, by the**
34 **total amount of all offsets provided under subsections 1 and 2 of this**
35 **section. After determining the apportionment percentage, the director**
36 **shall adjust the amount of offset for each member insurer by**
37 **multiplying the amount of the offset provided under subsection 1 or 2**
38 **by the apportionment percentage. If no appropriation is made by the**
39 **general assembly for any fiscal year, then no offset shall be available**
40 **in such fiscal year.**

41 5. **There is hereby created in the state treasury the "Missouri Life**
42 **and Health Insurance Guarantee Association Assessment Tax Credit**
43 **Program Fund", which shall consist of money appropriated under this**
44 **section and section 135.821. The state treasurer shall be custodian of**
45 **the fund and may approve disbursements from the fund in accordance**
46 **with sections 30.170 and 30.180. Upon appropriation, money in the fund**
47 **shall be used solely for the administration of sections 348.500 to**

48 **348.505. Notwithstanding the provisions of section 33.080 to the**
49 **contrary, any moneys remaining in the fund for tax credits which have**
50 **been authorized but not yet redeemed at the end of the fiscal year shall**
51 **not revert to the credit of the general revenue fund. Any moneys**
52 **remaining in the fund at the end of the fiscal year for any tax credits**
53 **which remain unauthorized at the end of the fiscal year shall revert to**
54 **the credit of the general revenue fund. Provisions of section 32.057 to**
55 **the contrary notwithstanding, the department of revenue shall notify**
56 **the director of the department and the state treasurer upon redemption**
57 **of each tax credit authorized under the provisions of this section. Upon**
58 **such notification, an amount equal to the tax credits redeemed shall be**
59 **transferred from the fund created in this section to the general revenue**
60 **fund. In the event the department determines that any tax credit**
61 **authorized under this section is precluded from being redeemed due to**
62 **contractual agreement entered into by the department and the tax**
63 **credit applicant or is otherwise precluded by law from being redeemed,**
64 **the department shall notify the state treasurer and an amount equal to**
65 **such tax credit shall be transferred from the fund created in this**
66 **section to the general revenue fund. The state treasurer shall invest**
67 **moneys in the fund in the same manner as other funds are**
68 **invested. Any interest and moneys earned on such investments shall be**
69 **credited to the general revenue fund at the end of each fiscal year.**

376.975. 1. Each member's proportion of participation in the pool shall
2 be determined annually by the board based on annual statements and other
3 reports deemed necessary by the board and filed by the member with it. Any
4 deficit incurred by the pool shall be recouped by assessments apportioned as
5 provided in subsections 1, 2, and 3 of section 376.973 by the board among
6 members. **Except as otherwise provided in this section,** the amount of
7 assessments incurred by each member of the pool shall be allowed as an offset
8 against certain taxes, and shall be subject to certain limitations, as follows: Each
9 pool member subject to chapter 148 may deduct from premium taxes payable for
10 any calendar year to the state any and all assessments paid for the same year
11 pursuant to sections 376.960 to 376.989. All assessments, for a fiscal year, shall
12 not exceed the net premium tax due and payable by such member in the previous
13 year. If the assessment exceeds any premium tax due or payable in such year,
14 the excess shall be a credit or offset carried forward against any premium tax due
15 or payable in succeeding years until the excess is exhausted.

16 2. No offsets or tax credits shall be authorized under the
17 provisions of this section after June 30, 2012, unless an appropriation
18 is made pursuant to the provisions of section 135.821. In any fiscal year
19 for which an appropriation is made pursuant to the provisions of
20 section 135.821, no more than the amount of offsets and tax credits so
21 appropriated shall be authorized.

22 3. After June 30, 2012, members shall file an application for
23 offsets and tax credits provided under this section with the director of
24 the department of revenue no later than the first day of March of each
25 year. The director of the department of revenue shall review all
26 applications received and determine the amount of appropriation
27 necessary to provide all eligible members the offsets and credits
28 provided under this section and shall, no later than the first day of
29 April of each year, submit to the budget committee of the house of
30 representatives and the appropriations committee of the senate, a
31 request for appropriation in an amount sufficient to provide all eligible
32 members a tax credit in the amount provided in this section. To the
33 extent that an appropriation provided under this section is insufficient
34 to provide credits to all members in the amount provided under this
35 section, the director of the department of revenue shall determine the
36 apportionment percentage by dividing the amount appropriated for the
37 fiscal year as provided under this section, by the total amount of all
38 eligible claims for a credit as provided under this section. After
39 determining the apportionment percentage, the director shall adjust
40 the amount of credit for each eligible member by multiplying the
41 amount of the credit provided under this section by the apportionment
42 percentage. If no appropriation is made by the general assembly for
43 any fiscal year, then no credits shall be available in such fiscal year.

44 4. There is hereby created in the state treasury the "Missouri
45 Health Insurance Pool Tax Credit Fund", which shall consist of money
46 appropriated under this section and section 135.821. The state
47 treasurer shall be custodian of the fund and may approve
48 disbursements from the fund in accordance with sections 30.170 and
49 30.180. Upon appropriation, money in the fund shall be used solely for
50 the administration of this section. Notwithstanding the provisions of
51 section 33.080 to the contrary, any moneys remaining in the fund for
52 tax credits which have been authorized but not yet redeemed at the end

53 of the fiscal year shall not revert to the credit of the general revenue
54 fund. Any moneys remaining in the fund at the end of the fiscal year
55 for any tax credits which remain unauthorized at the end of the fiscal
56 year shall revert to the credit of the general revenue fund. Provisions
57 of section 32.057 to the contrary notwithstanding, the department of
58 revenue shall notify the director of the department upon redemption
59 of each tax credit authorized under the provisions of this section. Upon
60 such notification, an amount equal to the tax credits redeemed shall be
61 transferred from the fund created in this section to the general revenue
62 fund. In the event the department determines that any tax credit
63 authorized under this section is precluded from being redeemed due to
64 contractual agreement entered into by the department and the tax
65 credit applicant or is otherwise precluded by law from being redeemed,
66 an amount equal to such tax credit shall be transferred from the fund
67 created in this section to the general revenue fund. The state treasurer
68 shall invest moneys in the fund in the same manner as other funds are
69 invested. Any interest and moneys earned on such investments shall be
70 credited to the general revenue fund at the end of each fiscal year.

447.708. 1. For eligible projects, the director of the department of
2 economic development, with notice to the directors of the departments of natural
3 resources and revenue, and subject to the other provisions of sections 447.700 to
4 447.718, may not create a new enterprise zone but may decide that a prospective
5 operator of a facility being remedied and renovated pursuant to sections 447.700
6 to 447.718 may receive the tax credits and exemptions pursuant to sections
7 135.100 to 135.150, RSMo, and sections 135.200 to 135.257, RSMo. The tax
8 credits allowed pursuant to this subsection shall be used to offset the tax imposed
9 by chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to
10 143.265, RSMo, or the tax otherwise imposed by chapter 147, RSMo, or the tax
11 otherwise imposed by chapter 148, RSMo. For purposes of this subsection:

12 (1) For receipt of the ad valorem tax abatement pursuant to section
13 135.215, RSMo, the eligible project must create at least ten new jobs or retain
14 businesses which supply at least twenty-five existing jobs. The city, or county if
15 the eligible project is not located in a city, must provide ad valorem tax
16 abatement of at least fifty percent for a period not less than ten years and not
17 more than twenty-five years;

18 (2) For receipt of the income tax exemption pursuant to section 135.220,
19 RSMo, and tax credit for new or expanded business facilities pursuant to sections

20 135.100 to 135.150, and 135.225, RSMo, the eligible project must create at least
21 ten new jobs or retain businesses which supply at least twenty-five existing jobs,
22 or combination thereof. For purposes of sections 447.700 to 447.718, the tax
23 credits described in section 135.225, RSMo, are modified as follows: the tax credit
24 shall be four hundred dollars per employee per year, an additional four hundred
25 dollars per year for each employee exceeding the minimum employment
26 thresholds of ten and twenty-five jobs for new and existing businesses,
27 respectively, an additional four hundred dollars per year for each person who is
28 a person difficult to employ as defined by section 135.240, RSMo, and investment
29 tax credits at the same amounts and levels as provided in subdivision (4) of
30 subsection 1 of section 135.225, RSMo;

31 (3) For eligibility to receive the income tax refund pursuant to section
32 135.245, RSMo, the eligible project must create at least ten new jobs or retain
33 businesses which supply at least twenty-five existing jobs, or combination thereof,
34 and otherwise comply with the provisions of section 135.245, RSMo, for
35 application and use of the refund and the eligibility requirements of this section;

36 (4) The eligible project operates in compliance with applicable
37 environmental laws and regulations, including permitting and registration
38 requirements, of this state as well as the federal and local requirements;

39 (5) The eligible project operator shall file such reports as may be required
40 by the director of economic development or the director's designee;

41 (6) The taxpayer may claim the state tax credits authorized by this
42 subsection and the state income exemption for a period not in excess of ten
43 consecutive tax years. For the purpose of this section, "taxpayer" means an
44 individual proprietorship, partnership or corporation described in section 143.441
45 or 143.471, RSMo, who operates an eligible project. The director shall determine
46 the number of years the taxpayer may claim the state tax credits and the state
47 income exemption based on the projected net state economic benefits attributed
48 to the eligible project;

49 (7) For the purpose of meeting the new job requirement prescribed in
50 subdivisions (1), (2) and (3) of this subsection, it shall be required that at least
51 ten new jobs be created and maintained during the taxpayer's tax period for
52 which the credits are earned, in the case of an eligible project that does not
53 replace a similar facility in Missouri. "New job" means a person who was not
54 previously employed by the taxpayer or related taxpayer within the twelve-month
55 period immediately preceding the time the person was employed by that taxpayer
56 to work at, or in connection with, the eligible project on a full-time basis.

57 "Full-time basis" means the employee works an average of at least thirty-five
58 hours per week during the taxpayer's tax period for which the tax credits are
59 earned. For the purposes of this section, related taxpayer has the same meaning
60 as defined in subdivision (9) of section 135.100, RSMo;

61 (8) For the purpose of meeting the existing job retention requirement, if
62 the eligible project replaces a similar facility that closed elsewhere in Missouri
63 prior to the end of the taxpayer's tax period in which the tax credits are earned,
64 it shall be required that at least twenty-five existing jobs be retained at, and in
65 connection with the eligible project, on a full-time basis during the taxpayer's tax
66 period for which the credits are earned. "Retained job" means a person who was
67 previously employed by the taxpayer or related taxpayer, at a facility similar to
68 the eligible project that closed elsewhere in Missouri prior to the end of the
69 taxpayer's tax period in which the tax credits are earned, within the tax period
70 immediately preceding the time the person was employed by the taxpayer to work
71 at, or in connection with, the eligible project on a full-time basis. "Full-time
72 basis" means the employee works an average of at least thirty-five hours per week
73 during the taxpayer's tax period for which the tax credits are earned;

74 (9) In the case where an eligible project replaces a similar facility that
75 closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which
76 the tax credits are earned, the owner and operator of the eligible project shall
77 provide the director with a written statement explaining the reason for
78 discontinuing operations at the closed facility. The statement shall include a
79 comparison of the activities performed at the closed facility prior to the date the
80 facility ceased operating, to the activities performed at the eligible project, and
81 a detailed account describing the need and rationale for relocating to the eligible
82 project. If the director finds the relocation to the eligible project significantly
83 impaired the economic stability of the area in which the closed facility was
84 located, and that such move was detrimental to the overall economic development
85 efforts of the state, the director may deny the taxpayer's request to claim tax
86 benefits;

87 (10) Notwithstanding any provision of law to the contrary, for the purpose
88 of this section, the number of new jobs created and maintained, the number of
89 existing jobs retained, and the value of new qualified investment used at the
90 eligible project during any tax year shall be determined by dividing by twelve, in
91 the case of jobs, the sum of the number of individuals employed at the eligible
92 project, or in the case of new qualified investment, the value of new qualified
93 investment used at the eligible project, on the last business day of each full

94 calendar month of the tax year. If the eligible project is in operation for less than
95 the entire tax year, the number of new jobs created and maintained, the number
96 of existing jobs retained, and the value of new qualified investment created at the
97 eligible project during any tax year shall be determined by dividing the sum of
98 the number of individuals employed at the eligible project, or in the case of new
99 qualified investment, the value of new qualified investment used at the eligible
100 project, on the last business day of each full calendar month during the portion
101 of the tax year during which the eligible project was in operation, by the number
102 of full calendar months during such period;

103 (11) For the purpose of this section, "new qualified investment" means
104 new business facility investment as defined and as determined in subdivision (7)
105 of section 135.100, RSMo, which is used at and in connection with the eligible
106 project. "New qualified investment" shall not include small tools, supplies and
107 inventory. "Small tools" means tools that are portable and can be hand held.

108 2. The determination of the director of economic development pursuant
109 to subsection 1 of this section shall not affect requirements for the prospective
110 purchaser to obtain the approval of the granting of real property tax abatement
111 by the municipal or county government where the eligible project is located.

112 3. (1) The director of the department of economic development, with the
113 approval of the director of the department of natural resources, may, in addition
114 to the tax credits allowed in subsection 1 of this section, grant a remediation tax
115 credit to the applicant for up to one hundred percent of the costs of materials,
116 supplies, equipment, labor, professional engineering, consulting and architectural
117 fees, permitting fees and expenses, demolition, asbestos abatement, and direct
118 utility charges for performing the voluntary remediation activities for the
119 preexisting hazardous substance contamination and releases, including, but not
120 limited to, the costs of performing operation and maintenance of the remediation
121 equipment at the property beyond the year in which the systems and equipment
122 are built and installed at the eligible project and the costs of performing the
123 voluntary remediation activities over a period not in excess of four tax years
124 following the taxpayer's tax year in which the system and equipment were first
125 put into use at the eligible project, provided the remediation activities are the
126 subject of a plan submitted to, and approved by, the director of natural resources
127 pursuant to sections 260.565 to 260.575, RSMo. The tax credit may also include
128 up to one hundred percent of the costs of demolition that are not directly part of
129 the remediation activities, provided that the demolition is on the property where
130 the voluntary remediation activities are occurring, the demolition is necessary to

131 accomplish the planned use of the facility where the remediation activities are
132 occurring, and the demolition is part of a redevelopment plan approved by the
133 municipal or county government and the department of economic
134 development. The demolition may occur on an adjacent property if the project is
135 located in a municipality which has a population less than twenty thousand and
136 the above conditions are otherwise met. The adjacent property shall
137 independently qualify as abandoned or underutilized. The amount of the credit
138 available for demolition not associated with remediation cannot exceed the total
139 amount of credits approved for remediation including demolition required for
140 remediation.

141 (2) The amount of remediation tax credits issued shall be limited to the
142 least amount necessary to cause the project to occur, as determined by the
143 director of the department of economic development.

144 (3) The director may, with the approval of the director of natural
145 resources, extend the tax credits allowed for performing voluntary remediation
146 maintenance activities, in increments of three-year periods, not to exceed five
147 consecutive three-year periods. The tax credits allowed in this subsection shall
148 be used to offset the tax imposed by chapter 143, RSMo, excluding withholding
149 tax imposed by sections 143.191 to 143.265, RSMo, or the tax otherwise imposed
150 by chapter 147, RSMo, or the tax otherwise imposed by chapter 148, RSMo. The
151 remediation tax credit may be taken in the same tax year in which the tax credits
152 are received or may be taken over a period not to exceed twenty years.

153 (4) The project facility shall be projected to create at least ten new jobs
154 or at least twenty-five retained jobs, or a combination thereof, as determined by
155 the department of economic development, to be eligible for tax credits pursuant
156 to this section.

157 (5) No more than seventy-five percent of earned remediation tax credits
158 may be issued when the remediation costs were paid, and the remaining
159 percentage may be issued when the department of natural resources issues a
160 letter of completion letter or covenant not to sue following completion of the
161 voluntary remediation activities. It shall not include any costs associated with
162 ongoing operational environmental compliance of the facility or remediation costs
163 arising out of spills, leaks, or other releases arising out of the ongoing business
164 operations of the facility. In the event the department of natural resources issues
165 a letter of completion for a portion of a property, an impacted media such as soil
166 or groundwater, or for a site or a portion of a site improvement, a prorated
167 amount of the remaining percentage may be released based on the percentage of

168 the total site receiving a letter of completion.

169 4. In the exercise of the sound discretion of the director of the department
170 of economic development or the director's designee, the tax credits and
171 exemptions described in this section may be terminated, suspended or revoked,
172 if the eligible project fails to continue to meet the conditions set forth in this
173 section. In making such a determination, the director shall consider the severity
174 of the condition violation, actions taken to correct the violation, the frequency of
175 any condition violations and whether the actions exhibit a pattern of conduct by
176 the eligible facility owner and operator. The director shall also consider changes
177 in general economic conditions and the recommendation of the director of the
178 department of natural resources, or his or her designee, concerning the severity,
179 scope, nature, frequency and extent of any violations of the environmental
180 compliance conditions. The taxpayer or person claiming the tax credits or
181 exemptions may appeal the decision regarding termination, suspension or
182 revocation of any tax credit or exemption in accordance with the procedures
183 outlined in subsections 4 to 6 of section 135.250, RSMo. The director of the
184 department of economic development shall notify the directors of the departments
185 of natural resources and revenue of the termination, suspension or revocation of
186 any tax credits as determined in this section or pursuant to the provisions of
187 section 447.716.

188 5. Notwithstanding any provision of law to the contrary, no taxpayer shall
189 earn the tax credits, exemptions or refund otherwise allowed in subdivisions (2),
190 (3) and (4) of subsection 1 of this section and the tax credits otherwise allowed in
191 section 135.110, RSMo, or the tax credits, exemptions and refund otherwise
192 allowed in sections 135.215, 135.220, 135.225 and 135.245, RSMo, respectively,
193 for the same facility for the same tax period.

194 6. The total amount of the tax credits allowed in subsection 1 of this
195 section may not exceed the greater of:

196 (1) That portion of the taxpayer's income attributed to the eligible project;
197 or

198 (2) One hundred percent of the total business' income tax if the eligible
199 facility does not replace a similar facility that closed elsewhere in Missouri prior
200 to the end of the taxpayer's tax period in which the tax credits are earned, and
201 further provided the taxpayer does not operate any other facilities besides the
202 eligible project in Missouri; fifty percent of the total business' income tax if the
203 eligible facility replaces a similar facility that closed elsewhere in Missouri prior
204 to the end of the taxpayer's tax period in which the credits are earned, and

205 further provided the taxpayer does not operate any other facilities besides the
206 eligible project in Missouri; or twenty-five percent of the total business income if
207 the taxpayer operates, in addition to the eligible facility, any other facilities in
208 Missouri. In no case shall a taxpayer operating more than one eligible project in
209 Missouri be allowed to offset more than twenty-five percent of the taxpayer's
210 business income in any tax period. That portion of the taxpayer's income
211 attributed to the eligible project as referenced in subdivision (1) of this
212 subsection, for which the credits allowed in sections 135.110 and 135.225, RSMo,
213 and subsection 3 of this section, may apply, shall be determined in the same
214 manner as prescribed in subdivision (6) of section 135.100, RSMo. That portion
215 of the taxpayer's franchise tax attributed to the eligible project for which the
216 remediation tax credit may offset, shall be determined in the same manner as
217 prescribed in paragraph (a) of subdivision (6) of section 135.100, RSMo.

218 7. Taxpayers claiming the state tax benefits allowed in subdivisions (2)
219 and (3) of subsection 1 of this section shall be required to file all applicable tax
220 credit applications, forms and schedules prescribed by the director during the
221 taxpayer's tax period immediately after the tax period in which the eligible
222 project was first put into use. Otherwise, the taxpayer's right to claim such state
223 tax benefits shall be forfeited. Unused business facility and enterprise zone tax
224 credits shall not be carried forward but shall be initially claimed for the tax
225 period during which the eligible project was first capable of being used, and
226 during any applicable subsequent tax periods.

227 8. Taxpayers claiming the remediation tax credit allowed in subsection 3
228 of this section shall be required to file all applicable tax credit applications, forms
229 and schedules prescribed by the director during the taxpayer's tax period
230 immediately after the tax period in which the eligible project was first put into
231 use, or during the taxpayer's tax period immediately after the tax period in which
232 the voluntary remediation activities were performed.

233 9. The recipient of remediation tax credits, for the purpose of this
234 subsection referred to as assignor, may assign, sell or transfer, in whole or in
235 part, the remediation tax credit allowed in subsection 3 of this section to any
236 other person, for the purpose of this subsection referred to as assignee. To perfect
237 the transfer, the assignor shall provide written notice to the director of the
238 assignor's intent to transfer the tax credits to the assignee, the date the transfer
239 is effective, the assignee's name, address and the assignee's tax period and the
240 amount of tax credits to be transferred. The number of tax periods during which
241 the assignee may subsequently claim the tax credits shall not exceed twenty tax

242 periods, less the number of tax periods the assignor previously claimed the credits
243 before the transfer occurred.

244 10. In the case where an operator and assignor of an eligible project has
245 been certified to claim state tax benefits allowed in subdivisions (2) and (3) of
246 subsection 1 of this section, and sells or otherwise transfers title of the eligible
247 project to another taxpayer or assignee who continues the same or substantially
248 similar operations at the eligible project, the director shall allow the assignee to
249 claim the credits for a period of time to be determined by the director; except
250 that, the total number of tax periods the tax credits may be earned by the
251 assignor and the assignee shall not exceed ten. To perfect the transfer, the
252 assignor shall provide written notice to the director of the assignor's intent to
253 transfer the tax credits to the assignee, the date the transfer is effective, the
254 assignee's name, address, and the assignee's tax period, and the amount of tax
255 credits to be transferred.

256 11. For the purpose of the state tax benefits described in this section, in
257 the case of a corporation described in section 143.471, RSMo, or partnership, in
258 computing Missouri's tax liability, such state benefits shall be allowed to the
259 following:

260 (1) The shareholders of the corporation described in section 143.471,
261 RSMo;

262 (2) The partners of the partnership. The credit provided in this
263 subsection shall be apportioned to the entities described in subdivisions (1) and
264 (2) of this subsection in proportion to their share of ownership on the last day of
265 the taxpayer's tax period.

266 **12. No tax credits shall be authorized under the provisions of**
267 **this section after June 30, 2012, unless an appropriation is made**
268 **pursuant to the provisions of section 135.821. In any fiscal year for**
269 **which an appropriation is made to the fund created under this section**
270 **pursuant to the provisions of section 135.821, no more than the amount**
271 **appropriated shall be authorized.**

272 **13. There is hereby created in the state treasury the "Brownfield**
273 **Redevelopment Tax Credit Program Fund", which shall consist of**
274 **money appropriated under this section and section 135.821. The state**
275 **treasurer shall be custodian of the fund and may approve**
276 **disbursements from the fund in accordance with sections 30.170 and**
277 **30.180. Upon appropriation, money in the fund shall be used solely for**
278 **the administration sections 447.700 to 447.718. Notwithstanding the**

279 provisions of section 33.080 to the contrary, any moneys remaining in
280 the fund for tax credits which have been authorized but not yet
281 redeemed at the end of the fiscal year shall not revert to the credit of
282 the general revenue fund. Any moneys remaining in the fund at the
283 end of the fiscal year for any tax credits which remain unauthorized at
284 the end of the fiscal year shall revert to the credit of the general
285 revenue fund. Provisions of section 32.057 to the contrary
286 notwithstanding, the department of revenue shall notify the director of
287 the department and the state treasurer upon redemption of each tax
288 credit authorized under the provisions of this section. Upon such
289 notification, an amount equal to the tax credits redeemed shall be
290 transferred from the fund created in this section to the general revenue
291 fund. In the event the department determines that any tax credit
292 authorized under this section is precluded from being redeemed due to
293 contractual agreement entered into by the department and the tax
294 credit applicant or is otherwise precluded by law from being redeemed,
295 the department shall notify the state treasurer and an amount equal to
296 such tax credit shall be transferred from the fund created in this
297 section to the general revenue fund. The state treasurer shall invest
298 moneys in the fund in the same manner as other funds are
299 invested. Any interest and moneys earned on such investments shall be
300 credited to the general revenue fund at the end of each fiscal year.

620.495. 1. This section shall be known as the "Small Business
2 Incubators Act".

3 2. As used in this section, unless the context clearly indicates otherwise,
4 the following words and phrases shall mean:

5 (1) "Department", the department of economic development;

6 (2) "Incubator", a program in which small units of space may be leased by
7 a tenant and in which management maintains or provides access to business
8 development services for use by tenants or a program without infrastructure in
9 which participants avail themselves of business development services to assist in
10 the growth of their start-up small businesses;

11 (3) "Local sponsor" or "sponsor", an organization which enters into a
12 written agreement with the department to establish, operate and administer a
13 small business incubator program or to provide funding to an organization which
14 operates such a program;

15 (4) "Participant", a sole proprietorship, business partnership or

16 corporation operating a business for profit through which the owner avails
17 himself or herself of business development services in an incubator program;

18 (5) "Tenant", a sole proprietorship, business partnership or corporation
19 operating a business for profit and leasing or otherwise occupying space in an
20 incubator.

21 3. There is hereby established under the direction of the department a
22 loan, loan guarantee and grant program for the establishment, operation and
23 administration of small business incubators, to be known as the "Small Business
24 Incubator Program". A local sponsor may submit an application to the
25 department to obtain a loan, loan guarantee or grant to establish an
26 incubator. Each application shall:

27 (1) Demonstrate that a program exists that can be transformed into an
28 incubator at a specified cost;

29 (2) Demonstrate the ability to directly provide or arrange for the provision
30 of business development services for tenants and participants of the
31 incubator. These services shall include, but need not be limited to, financial
32 consulting assistance, management and marketing assistance, business education,
33 and physical services;

34 (3) Demonstrate a potential for sustained use of the incubator program by
35 eligible tenants and participants, through a market study or other means;

36 (4) Demonstrate the ability to manage and operate the incubator program;

37 (5) Include such other information as the department may require through
38 its guidelines.

39 4. The department shall review and accept applications based on the
40 following criteria:

41 (1) Ability of the local sponsor to carry out the provisions of this section;

42 (2) Economic impact of the incubator on the community;

43 (3) Conformance with areawide and local economic development plans, if
44 such exist;

45 (4) Location of the incubator, in order to encourage geographic
46 distribution of incubators across the state.

47 5. Loans, loan guarantees and grants shall be administered in the
48 following manner:

49 (1) Loans awarded or guaranteed and grants awarded shall be used only
50 for the acquisition and leasing of land and existing buildings, the rehabilitation
51 of buildings or other facilities, construction of new facilities, the purchase of
52 equipment and furnishings which are necessary for the creation and operation of

53 the incubator, and business development services including, but not limited to,
54 business management advising and business education;

55 (2) Loans, loan guarantees and grants may not exceed fifty percent of total
56 eligible project costs;

57 (3) Payment of interest and principal on loans may be deferred at the
58 discretion of the department.

59 6. A local sponsor, or the organization receiving assistance through the
60 local sponsor, shall have the following responsibilities and duties in establishing
61 and operating an incubator with assistance from the small business incubator
62 program:

63 (1) Secure title on a facility for the program or a lease of a facility for the
64 program;

65 (2) Manage the physical development of the incubator program, including
66 the provision of common conference or meeting space;

67 (3) Furnish and equip the program to provide business services to the
68 tenants and participants;

69 (4) Market the program and secure eligible tenants and participants;

70 (5) Provide financial consulting, marketing and management assistance
71 services or arrange for the provision of these services for tenants and participants
72 of the incubator, including assistance in accessing private financial markets;

73 (6) Set rental and service fees;

74 (7) Encourage the sharing of ideas between tenants and participants and
75 otherwise aid the tenants and participants in an innovative manner while they
76 are within the incubator;

77 (8) Establish policies and criteria for the acceptance of tenants and
78 participants into the incubator and for the termination of occupancy of tenants
79 so as to maximize the opportunity to succeed for the greatest number of tenants,
80 consistent with those specified in this section.

81 7. The department:

82 (1) May adopt such rules, statements of policy, procedures, forms and
83 guidelines as may be necessary for the implementation of this section;

84 (2) May make loans, loan guarantees and grants to local sponsors for
85 incubators;

86 (3) Shall ensure that local sponsors receiving loans, loan guarantees or
87 grants meet the conditions of this section;

88 (4) Shall receive and evaluate annual reports from local sponsors. Such
89 annual reports shall include, but need not be limited to, a financial statement for

90 the incubator, evidence that all tenants and participants in the program are
91 eligible under the terms of this section, and a list of companies in the incubator.

92 8. The department of economic development is also hereby authorized to
93 review any previous loans made under this program and, where appropriate in
94 the department's judgment, convert such loans to grant status.

95 9. On or before January first of each year, the department shall provide
96 a report to the governor, the chief clerk of the house of representatives and the
97 secretary of the senate which shall include, but need not be limited to:

98 (1) The number of applications for incubators submitted to the
99 department;

100 (2) The number of applications for incubators approved by the
101 department;

102 (3) The number of incubators created through the small business
103 incubator program;

104 (4) The number of tenants and participants engaged in each incubator;

105 (5) The number of jobs provided by each incubator and tenants and
106 participant of each incubator;

107 (6) The occupancy rate of each incubator;

108 (7) The number of firms still operating in the state after leaving
109 incubators and the number of jobs they have provided.

110 10. There is hereby established in the state treasury a special fund to be
111 known as the "Missouri Small Business Incubators Fund", which shall consist of
112 all moneys which may be appropriated to it by the general assembly, and also any
113 gifts, contributions, grants or bequests received from federal, private or other
114 sources. Moneys for loans, loan guarantees and grants under the small business
115 incubator program may be obtained from appropriations made by the general
116 assembly from the Missouri small business incubators fund. Any moneys
117 remaining in the Missouri small business incubators fund at the end of any fiscal
118 year shall not lapse to the general revenue fund, as provided in section 33.080,
119 RSMo, but shall remain in the Missouri small business incubators fund.

120 11. For any taxable year beginning after December 31, 1989, a taxpayer,
121 including any charitable organization which is exempt from federal income tax
122 and whose Missouri unrelated business taxable income, if any, would be subject
123 to the state income tax imposed under chapter 143, RSMo, shall be entitled to a
124 tax credit against any tax otherwise due under the provisions of chapter 143,
125 RSMo, or chapter 147, RSMo, or chapter 148, RSMo, excluding withholding tax
126 imposed by sections 143.191 to 143.265, RSMo, in the amount of fifty percent of

127 any amount contributed by the taxpayer to the Missouri small business
128 incubators fund during the taxpayer's tax year or any contribution by the
129 taxpayer to a local sponsor after the local sponsor's application has been accepted
130 and approved by the department. The tax credit allowed by this subsection shall
131 be claimed by the taxpayer at the time he files his return and shall be applied
132 against the income tax liability imposed by chapter 143, RSMo, or chapter 147,
133 RSMo, or chapter 148, RSMo, after all other credits provided by law have been
134 applied. That portion of earned tax credits which exceeds the taxpayer's tax
135 liability may be carried forward for up to five years. The aggregate of all tax
136 credits authorized under this section shall not exceed five hundred thousand
137 dollars in any taxable year. **No tax credits shall be authorized under the**
138 **provisions of this section after June 30, 2012, unless an appropriation**
139 **is made pursuant to the provisions of section 135.821. In any fiscal year**
140 **for which an appropriation is made to the fund created under this**
141 **section pursuant to the provisions of section 135.821, no more than the**
142 **amount appropriated shall be authorized.**

143 12. There is hereby created in the state treasury the "Small
144 Business Incubator Tax Credit Program Fund", which shall consist of
145 money appropriated under this section and section 135.821. The state
146 treasurer shall be custodian of the fund and may approve
147 disbursements from the fund in accordance with sections 30.170 and
148 30.180. Upon appropriation, money in the fund shall be used solely for
149 the administration of this section. Notwithstanding the provisions of
150 section 33.080 to the contrary, any moneys remaining in the fund for
151 tax credits which have been authorized but not yet redeemed at the end
152 of the fiscal year shall not revert to the credit of the general revenue
153 fund. Any moneys remaining in the fund at the end of the fiscal year
154 for any tax credits which remain unauthorized at the end of the fiscal
155 year shall revert to the credit of the general revenue fund. Provisions
156 of section 32.057 to the contrary notwithstanding, the department of
157 revenue shall notify the director of the department and the state
158 treasurer upon redemption of each tax credit authorized under the
159 provisions of this section. Upon such notification, an amount equal to
160 the tax credits redeemed shall be transferred from the fund created in
161 this section to the general revenue fund. In the event the department
162 determines that any tax credit authorized under this section is
163 precluded from being redeemed due to contractual agreement entered

164 into by the department and the tax credit applicant or is otherwise
165 precluded by law from being redeemed, the department shall notify the
166 state treasurer and an amount equal to such tax credit shall be
167 transferred from the fund created in this section to the general revenue
168 fund. The state treasurer shall invest moneys in the fund in the same
169 manner as other funds are invested. Any interest and moneys earned
170 on such investments shall be credited to the general revenue fund at
171 the end of each fiscal year.

172 13. Notwithstanding any provision of Missouri law to the contrary, any
173 taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits
174 allowed in subsection 11 of this section under the terms and conditions prescribed
175 in subdivisions (1) and (2) of this subsection. Such taxpayer, hereinafter the
176 assignor for the purpose of this subsection, may sell, assign, exchange or
177 otherwise transfer earned tax credits:

178 (1) For no less than seventy-five percent of the par value of such credits;
179 and

180 (2) In an amount not to exceed one hundred percent of annual earned
181 credits. The taxpayer acquiring earned credits, hereinafter the assignee for the
182 purpose of this subsection, may use the acquired credits to offset up to one
183 hundred percent of the tax liabilities otherwise imposed by chapter 143, RSMo,
184 or chapter 147, RSMo, or chapter 148, RSMo, excluding withholding tax imposed
185 by sections 143.191 to 143.265, RSMo. Unused credits in the hands of the
186 assignee may be carried forward for up to five years. The assignor shall enter
187 into a written agreement with the assignee establishing the terms and conditions
188 of the agreement and shall perfect such transfer by notifying the department of
189 economic development in writing within thirty calendar days following the
190 effective day of the transfer and shall provide any information as may be required
191 by the department of economic development to administer and carry out the
192 provisions of this section. The director of the department of economic
193 development shall prescribe the method for submitting applications for claiming
194 the tax credit allowed under subsection 11 of this section and shall, if the
195 application is approved, certify to the director of revenue that the taxpayer
196 claiming the credit has satisfied all the requirements specified in this section and
197 is eligible to claim the credit.

620.1881. 1. The department of economic development shall respond
2 within thirty days to a company who provides a notice of intent with either an
3 approval or a rejection of the notice of intent. The department shall give

4 preference to qualified companies and projects targeted at an area of the state
5 which has recently been classified as a disaster area by the federal
6 government. Failure to respond on behalf of the department of economic
7 development shall result in the notice of intent being deemed an approval for the
8 purposes of this section. A qualified company who is provided an approval for a
9 project shall be allowed a benefit as provided in this program in the amount and
10 duration provided in this section. A qualified company may receive additional
11 periods for subsequent new jobs at the same facility after the full initial period
12 if the minimum thresholds are met as set forth in sections 620.1875 to
13 620.1890. There is no limit on the number of periods a qualified company may
14 participate in the program, as long as the minimum thresholds are achieved and
15 the qualified company provides the department with the required reporting and
16 is in proper compliance for this program or other state programs. A qualified
17 company may elect to file a notice of intent to start a new project period
18 concurrent with an existing project period if the minimum thresholds are
19 achieved and the qualified company provides the department with the required
20 reporting and is in proper compliance for this program and other state programs;
21 however, the qualified company may not receive any further benefit under the
22 original approval for jobs created after the date of the new notice of intent, and
23 any jobs created before the new notice of intent may not be included as new jobs
24 for the purpose of benefit calculation in relation to the new approval. When a
25 qualified company has filed and received approval of a notice of intent and
26 subsequently files another notice of intent, the department shall apply the
27 definition of project facility under subdivision (19) of section 620.1878 to the new
28 notice of intent as well as all previously approved notices of intent and shall
29 determine the application of the definitions of new job, new payroll, project
30 facility base employment, and project facility base payroll accordingly.

31 2. Notwithstanding any provision of law to the contrary, any qualified
32 company that is awarded benefits under this program may not simultaneously
33 receive tax credits or exemptions under sections 135.100 to 135.150, sections
34 135.200 to 135.286, section 135.535, or sections 135.900 to 135.906, RSMo, at the
35 same project facility. The benefits available to the company under any other
36 state programs for which the company is eligible and which utilize withholding
37 tax from the new jobs of the company must first be credited to the other state
38 program before the withholding retention level applicable under the Missouri
39 quality jobs act will begin to accrue. These other state programs include, but are
40 not limited to, the new jobs training program under sections 178.892 to 178.896,

41 RSMo, the job retention program under sections 178.760 to 178.764, RSMo, the
42 real property tax increment allocation redevelopment act, sections 99.800 to
43 99.865, RSMo, or the Missouri downtown and rural economic stimulus act under
44 sections 99.915 to 99.980, RSMo. If any qualified company also participates in
45 the new jobs training program in sections 178.892 to 178.896, RSMo, the company
46 shall retain no withholding tax, but the department shall issue a refundable tax
47 credit for the full amount of benefit allowed under this subdivision. The calendar
48 year annual maximum amount of tax credits which may be issued to a qualifying
49 company that also participates in the new job training program shall be increased
50 by an amount equivalent to the withholding tax retained by that company under
51 the new jobs training program. However, if the combined benefits of the quality
52 jobs program and the new jobs training program exceed the projected state
53 benefit of the project, as determined by the department of economic development
54 through a cost-benefit analysis, the increase in the maximum tax credits shall be
55 limited to the amount that would not cause the combined benefits to exceed the
56 projected state benefit. Any taxpayer who is awarded benefits under this
57 program who knowingly hires individuals who are not allowed to work legally in
58 the United States shall immediately forfeit such benefits and shall repay the
59 state an amount equal to any state tax credits already redeemed and any
60 withholding taxes already retained.

61 3. The types of projects and the amount of benefits to be provided are:

62 (1) Small and expanding business projects: in exchange for the
63 consideration provided by the new tax revenues and other economic stimuli that
64 will be generated by the new jobs created by the program, a qualified company
65 may retain an amount equal to the withholding tax as calculated under
66 subdivision (33) of section 620.1878 from the new jobs that would otherwise be
67 withheld and remitted by the qualified company under the provisions of sections
68 143.191 to 143.265, RSMo, for a period of three years from the date the required
69 number of new jobs were created if the average wage of the new payroll equals
70 or exceeds the county average wage or for a period of five years from the date the
71 required number of new jobs were created if the average wage of the new payroll
72 equals or exceeds one hundred twenty percent of the county average wage;

73 (2) Technology business projects: in exchange for the consideration
74 provided by the new tax revenues and other economic stimuli that will be
75 generated by the new jobs created by the program, a qualified company may
76 retain an amount equal to a maximum of five percent of new payroll for a period
77 of five years from the date the required number of jobs were created from the

78 withholding tax of the new jobs that would otherwise be withheld and remitted
79 by the qualified company under the provisions of sections 143.191 to 143.265,
80 RSMo, if the average wage of the new payroll equals or exceeds the county
81 average wage. An additional one-half percent of new payroll may be added to the
82 five percent maximum if the average wage of the new payroll in any year exceeds
83 one hundred twenty percent of the county average wage in the county in which
84 the project facility is located, plus an additional one-half percent of new payroll
85 may be added if the average wage of the new payroll in any year exceeds one
86 hundred forty percent of the average wage in the county in which the project
87 facility is located. The department shall issue a refundable tax credit for any
88 difference between the amount of benefit allowed under this subdivision and the
89 amount of withholding tax retained by the company, in the event the withholding
90 tax is not sufficient to provide the entire amount of benefit due to the qualified
91 company under this subdivision;

92 (3) High impact projects: in exchange for the consideration provided by
93 the new tax revenues and other economic stimuli that will be generated by the
94 new jobs created by the program, a qualified company may retain an amount from
95 the withholding tax of the new jobs that would otherwise be withheld and
96 remitted by the qualified company under the provisions of sections 143.191 to
97 143.265, RSMo, equal to three percent of new payroll for a period of five years
98 from the date the required number of jobs were created if the average wage of the
99 new payroll equals or exceeds the county average wage of the county in which the
100 project facility is located. For high-impact projects in a facility located within two
101 adjacent counties, the new payroll shall equal or exceed the higher county
102 average wage of the adjacent counties. The percentage of payroll allowed under
103 this subdivision shall be three and one-half percent of new payroll if the average
104 wage of the new payroll in any year exceeds one hundred twenty percent of the
105 county average wage in the county in which the project facility is located. The
106 percentage of payroll allowed under this subdivision shall be four percent of new
107 payroll if the average wage of the new payroll in any year exceeds one hundred
108 forty percent of the county average wage in the county in which the project
109 facility is located. An additional one percent of new payroll may be added to
110 these percentages if local incentives equal between ten percent and twenty-four
111 percent of the new direct local revenue; an additional two percent of new payroll
112 is added to these percentages if the local incentives equal between twenty-five
113 percent and forty-nine percent of the new direct local revenue; or an additional
114 three percent of payroll is added to these percentages if the local incentives equal

115 fifty percent or more of the new direct local revenue. The department shall issue
116 a refundable tax credit for any difference between the amount of benefit allowed
117 under this subdivision and the amount of withholding tax retained by the
118 company, in the event the withholding tax is not sufficient to provide the entire
119 amount of benefit due to the qualified company under this subdivision;

120 (4) Job retention projects: a qualified company may receive a tax credit
121 for the retention of jobs in this state, provided the qualified company and the
122 project meets all of the following conditions:

123 (a) For each of the twenty-four months preceding the year in which
124 application for the program is made the qualified company must have maintained
125 at least one thousand full-time employees at the employer's site in the state at
126 which the jobs are based, and the average wage of such employees must meet or
127 exceed the county average wage;

128 (b) The qualified company retained at the project facility the level of
129 full-time employees that existed in the taxable year immediately preceding the
130 year in which application for the program is made;

131 (c) The qualified company is considered to have a significant statewide
132 effect on the economy, and has been determined to represent a substantial risk
133 of relocation from the state by the quality jobs advisory task force established in
134 section 620.1887; provided, however, until such time as the initial at-large
135 members of the quality jobs advisory task force are appointed, this determination
136 shall be made by the director of the department of economic development;

137 (d) The qualified company in the project facility will cause to be invested
138 a minimum of seventy million dollars in new investment prior to the end of two
139 years or will cause to be invested a minimum of thirty million dollars in new
140 investment prior to the end of two years and maintain an annual payroll of at
141 least seventy million dollars during each of the years for which a credit is
142 claimed; and

143 (e) The local taxing entities shall provide local incentives of at least fifty
144 percent of the new direct local revenues created by the project over a ten-year
145 period. The quality jobs advisory task force may recommend to the department
146 of economic development that appropriate penalties be applied to the company for
147 violating the agreement. The amount of the job retention credit granted may be
148 equal to up to fifty percent of the amount of withholding tax generated by the
149 full-time jobs at the project facility for a period of five years. The calendar year
150 annual maximum amount of tax credit that may be issued to any qualified
151 company for a job retention project or combination of job retention projects shall

152 be seven hundred fifty thousand dollars per year, but the maximum amount may
153 be increased up to one million dollars if such action is proposed by the
154 department and approved by the quality jobs advisory task force established in
155 section 620.1887; provided, however, until such time as the initial at-large
156 members of the quality jobs advisory task force are appointed, this determination
157 shall be made by the director of the department of economic development. In
158 considering such a request, the task force shall rely on economic modeling and
159 other information supplied by the department when requesting the increased
160 limit on behalf of the job retention project. In no event shall the total amount of
161 all tax credits issued for the entire job retention program under this subdivision
162 exceed three million dollars annually. Notwithstanding the above, no tax credits
163 shall be issued for job retention projects approved by the department after August
164 30, 2013;

165 (5) Small business job retention and flood survivor relief: a qualified
166 company may receive a tax credit under sections 620.1875 to 620.1890 for the
167 retention of jobs and flood survivor relief in this state for each job retained over
168 a three-year period, provided that:

169 (a) The qualified company did not receive any state or federal benefits,
170 incentives, or tax relief or abatement in locating its facility in a flood plain;

171 (b) The qualified company and related companies have fewer than one
172 hundred employees at the time application for the program is made;

173 (c) The average wage of the qualified company's and related companies'
174 employees must meet or exceed the county average wage;

175 (d) All of the qualified company's and related companies' facilities are
176 located in this state;

177 (e) The facilities at the primary business site in this state have been
178 directly damaged by floodwater rising above the level of a five hundred year flood
179 at least two years, but fewer than eight years, prior to the time application is
180 made;

181 (f) The qualified company made significant efforts to protect the facilities
182 prior to any impending danger from rising floodwaters;

183 (g) For each year it receives tax credits under sections 620.1875 to
184 620.1890, the qualified company and related companies retained, at the
185 company's facilities in this state, at least the level of full-time, year-round
186 employees that existed in the taxable year immediately preceding the year in
187 which application for the program is made; and

188 (h) In the years it receives tax credits under sections 620.1875 to

189 620.1890, the company cumulatively invests at least two million dollars in capital
190 improvements in facilities and equipment located at such facilities that are not
191 located within a five hundred year flood plain as designated by the Federal
192 Emergency Management Agency, and amended from time to time. The amount
193 of the small business job retention and flood survivor relief credit granted may
194 be equal to up to one hundred percent of the amount of withholding tax generated
195 by the full-time jobs at the project facility for a period of three years. The
196 calendar year annual maximum amount of tax credit that may be issued to any
197 qualified company for a small business job retention and survivor relief project
198 shall be two hundred fifty thousand dollars per year, but the maximum amount
199 may be increased up to five hundred thousand dollars if such action is proposed
200 by the department and approved by the quality jobs advisory task force
201 established in section 620.1887. In considering such a request, the task force
202 shall rely on economic modeling and other information supplied by the
203 department when requesting an increase in the limit on behalf of the small
204 business job retention and flood survivor relief project. In no event shall the total
205 amount of all tax credits issued for the entire small business job retention and
206 flood survivor relief program under this subdivision exceed five hundred thousand
207 dollars annually. Notwithstanding the provisions of this subdivision to the
208 contrary, no tax credits shall be issued for small business job retention and flood
209 survivor relief projects approved by the department after August 30, 2010.

210 4. The qualified company shall provide an annual report of the number
211 of jobs and such other information as may be required by the department to
212 document the basis for the benefits of this program. The department may
213 withhold the approval of any benefits until it is satisfied that proper
214 documentation has been provided, and shall reduce the benefits to reflect any
215 reduction in full-time employees or new payroll. Upon approval by the
216 department, the qualified company may begin the retention of the withholding
217 taxes when it reaches the minimum number of new jobs and the average wage
218 exceeds the county average wage. Tax credits, if any, may be issued upon
219 satisfaction by the department that the qualified company has exceeded the
220 county average wage and the minimum number of new jobs. In such annual
221 report, if the average wage is below the county average wage, the qualified
222 company has not maintained the employee insurance as required, or if the
223 number of new jobs is below the minimum, the qualified company shall not
224 receive tax credits or retain the withholding tax for the balance of the benefit
225 period. In the case of a qualified company that initially filed a notice of intent

226 and received an approval from the department for high-impact benefits and the
227 minimum number of new jobs in an annual report is below the minimum for
228 high-impact projects, the company shall not receive tax credits for the balance of
229 the benefit period but may continue to retain the withholding taxes if it otherwise
230 meets the requirements of a small and expanding business under this program.

231 5. The maximum calendar year annual tax credits issued for the entire
232 program shall not exceed eighty million dollars. Notwithstanding any provision
233 of law to the contrary, the maximum annual tax credits authorized under section
234 135.535, RSMo, are hereby reduced from ten million dollars to eight million
235 dollars, with the balance of two million dollars transferred to this
236 program. There shall be no limit on the amount of withholding taxes that may
237 be retained by approved companies under this program. **No tax credits shall**
238 **be authorized under the provisions of this program after June 30, 2012,**
239 **unless an appropriation is made pursuant to the provisions of section**
240 **135.821. In any fiscal year for which an appropriation is made to the**
241 **fund created under this section pursuant to the provisions of section**
242 **135.821, no more than the amount appropriated shall be authorized.**

243 6. The department shall allocate the annual tax credits based on the date
244 of the approval, reserving such tax credits based on the department's best
245 estimate of new jobs and new payroll of the project, and the other factors in the
246 determination of benefits of this program. However, the annual issuance of tax
247 credits is subject to the annual verification of the actual new payroll. The
248 allocation of tax credits for the period assigned to a project shall expire if, within
249 two years from the date of commencement of operations, or approval if applicable,
250 the minimum thresholds have not been achieved. The qualified company may
251 retain authorized amounts from the withholding tax under this section once the
252 minimum new jobs thresholds are met for the duration of the project period. No
253 benefits shall be provided under this program until the qualified company meets
254 the minimum new jobs thresholds. In the event the qualified company does not
255 meet the minimum new job threshold, the qualified company may submit a new
256 notice of intent or the department may provide a new approval for a new project
257 of the qualified company at the project facility or other facilities.

258 7. For a qualified company with flow-through tax treatment to its
259 members, partners, or shareholders, the tax credit shall be allowed to members,
260 partners, or shareholders in proportion to their share of ownership on the last
261 day of the qualified company's tax period.

262 8. Tax credits may be claimed against taxes otherwise imposed by

263 chapters 143 and 148, RSMo, and may not be carried forward but shall be claimed
264 within one year of the close of the taxable year for which they were issued, except
265 as provided under subdivision (4) of subsection 3 of this section.

266 9. Tax credits authorized by this section may be transferred, sold, or
267 assigned by filing a notarized endorsement thereof with the department that
268 names the transferee, the amount of tax credit transferred, and the value received
269 for the credit, as well as any other information reasonably requested by the
270 department.

271 10. Prior to the issuance of tax credits, the department shall verify
272 through the department of revenue, or any other state department, that the tax
273 credit applicant does not owe any delinquent income, sales, or use tax or interest
274 or penalties on such taxes, or any delinquent fees or assessments levied by any
275 state department and through the department of insurance, financial institutions
276 and professional registration that the applicant does not owe any delinquent
277 insurance taxes. Such delinquency shall not affect the authorization of the
278 application for such tax credits, except that at issuance credits shall be first
279 applied to the delinquency and any amount issued shall be reduced by the
280 applicant's tax delinquency. If the department of revenue or the department of
281 insurance, financial institutions and professional registration, or any other state
282 department, concludes that a taxpayer is delinquent after June fifteenth but
283 before July first of any year and the application of tax credits to such delinquency
284 causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall
285 be granted thirty days to satisfy the deficiency in which interest, penalties, and
286 additions to tax shall be tolled. After applying all available credits toward a tax
287 delinquency, the administering agency shall notify the appropriate department
288 and that department shall update the amount of outstanding delinquent tax owed
289 by the applicant. If any credits remain after satisfying all insurance, income,
290 sales, and use tax delinquencies, the remaining credits shall be issued to the
291 applicant, subject to the restrictions of other provisions of law.

292 11. Except as provided under subdivision (4) of subsection 3 of this
293 section, the director of revenue shall issue a refund to the qualified company to
294 the extent that the amount of credits allowed in this section exceeds the amount
295 of the qualified company's income tax.

296 12. An employee of a qualified company will receive full credit for the
297 amount of tax withheld as provided in section 143.211, RSMo.

298 13. **There is hereby created in the state treasury the "Quality**
299 **Jobs Tax Credit Program Fund", which shall consist of money**

300 appropriated under this section and section 135.821. The state
301 treasurer shall be custodian of the fund and may approve
302 disbursements from the fund in accordance with sections 30.170 and
303 30.180. Upon appropriation, money in the fund shall be used solely for
304 the administration of sections 620.1875 to 620.1900. Notwithstanding
305 the provisions of section 33.080 to the contrary, any moneys remaining
306 in the fund for tax credits which have been authorized but not yet
307 redeemed at the end of the fiscal year shall not revert to the credit of
308 the general revenue fund. Any moneys remaining in the fund at the
309 end of the fiscal year for any tax credits which remain unauthorized at
310 the end of the fiscal year shall revert to the credit of the general
311 revenue fund. Provisions of section 32.057 to the contrary
312 notwithstanding, the department of revenue shall notify the director of
313 the department and the state treasurer upon redemption of each tax
314 credit authorized under the provisions of this section. Upon such
315 notification, an amount equal to the tax credits redeemed shall be
316 transferred from the fund created in this section to the general revenue
317 fund. In the event the department determines that any tax credit
318 authorized under this section is precluded from being redeemed due to
319 contractual agreement entered into by the department and the tax
320 credit applicant or is otherwise precluded by law from being redeemed,
321 the department shall notify the state treasurer and an amount equal to
322 such tax credit shall be transferred from the fund created in this
323 section to the general revenue fund. The state treasurer shall invest
324 moneys in the fund in the same manner as other funds are
325 invested. Any interest and moneys earned on such investments shall be
326 credited to the general revenue fund at the end of each fiscal year.

327 14. If any provision of sections 620.1875 to 620.1890 or application thereof
328 to any person or circumstance is held invalid, the invalidity shall not affect other
329 provisions or application of these sections which can be given effect without the
330 invalid provisions or application, and to this end, the provisions of sections
331 620.1875 to 620.1890 are hereby declared severable.

660.055. 1. Any registered caregiver who meets the requirements of this
2 section shall be eligible for a shared care tax credit in an amount not to exceed
3 five hundred dollars to defray the cost of caring for an elderly person. In order
4 to be eligible for a shared care tax credit, a registered caregiver shall:

5 (1) Care for an elderly person, age sixty or older, who:

6 (a) Is physically or mentally incapable of living alone, as determined and
7 certified by his or her physician licensed pursuant to chapter 334, RSMo, or by
8 the division of aging staff when an assessment has been completed for the
9 purpose of qualification for other services; and

10 (b) Requires assistance with activities of daily living to the extent that
11 without care and oversight at home would require placement in a facility licensed
12 pursuant to chapter 198, RSMo; and

13 (c) Under no circumstances, is able or allowed to operate a motor vehicle;
14 and

15 (d) Does not receive funding or services through Medicaid or social
16 services block grant funding;

17 (2) Live in the same residence to give protective oversight for the elderly
18 person meeting the requirements described in subdivision (1) of this subsection
19 for an aggregate of more than six months per tax year;

20 (3) Not receive monetary compensation for providing care for the elderly
21 person meeting the requirements described in subdivision (1) of this subsection;
22 and

23 (4) File the original completed and signed physician certification for
24 shared care tax credit form or the original completed and signed division of aging
25 certification for shared care tax credit form provided for in subsection 2 of section
26 660.054 along with such caregiver's Missouri individual income tax return to the
27 department of revenue.

28 2. The tax credit allowed by this section shall apply to any year beginning
29 after December 31, 1999.

30 3. **No tax credits shall be authorized under the provisions of this**
31 **section after June 30, 2012, unless an appropriation is made pursuant**
32 **to the provisions of section 135.821. In any fiscal year for which an**
33 **appropriation is made to the fund created under this section pursuant**
34 **to the provisions of section 135.821, no more than the amount**
35 **appropriated shall be authorized.**

36 4. **There is hereby created in the state treasury the "Shared Care**
37 **Tax Credit Program Fund", which shall consist of money appropriated**
38 **under this section and section 135.821. The state treasurer shall be**
39 **custodian of the fund and may approve disbursements from the fund in**
40 **accordance with sections 30.170 and 30.180. Upon appropriation, money**
41 **in the fund shall be used solely for the administration of sections**
42 **660.053 to 660.055. Notwithstanding the provisions of section 33.080 to**

43 the contrary, any moneys remaining in the fund for tax credits which
44 have been authorized but not yet redeemed at the end of the fiscal year
45 shall not revert to the credit of the general revenue fund. Any moneys
46 remaining in the fund at the end of the fiscal year for any tax credits
47 which remain unauthorized at the end of the fiscal year shall revert to
48 the credit of the general revenue fund. Provisions of section 32.057 to
49 the contrary notwithstanding, the department of revenue shall notify
50 the director of the department and the state treasurer upon redemption
51 of each tax credit authorized under the provisions of this section. Upon
52 such notification, an amount equal to the tax credits redeemed shall be
53 transferred from the fund created in this section to the general revenue
54 fund. In the event the department determines that any tax credit
55 authorized under this section is precluded from being redeemed due to
56 contractual agreement entered into by the department and the tax
57 credit applicant or is otherwise precluded by law from being redeemed,
58 the department shall notify the state treasurer and an amount equal to
59 such tax credit shall be transferred from the fund created in this
60 section to the general revenue fund. The state treasurer shall invest
61 moneys in the fund in the same manner as other funds are
62 invested. Any interest and moneys earned on such investments shall be
63 credited to the general revenue fund at the end of each fiscal year.

64 5. Any rule or portion of a rule, as that term is defined in section 536.010,
65 RSMo, that is created under the authority delegated in sections 660.050 to
66 660.057 shall become effective only if it complies with and is subject to all of the
67 provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. All
68 rulemaking authority delegated prior to August 28, 1999, is of no force and effect
69 and repealed. Nothing in this section shall be interpreted to repeal or affect the
70 validity of any rule filed or adopted prior to August 28, 1999, if it fully complied
71 with all applicable provisions of law. This section and chapter 536, RSMo, are
72 nonseverable and if any of the powers vested with the general assembly pursuant
73 to chapter 536, RSMo, to review, to delay the effective date or to disapprove and
74 annul a rule are subsequently held unconstitutional, then the grant of
75 rulemaking authority and any rule proposed or adopted after August 28, 1999,
76 shall be invalid and void.

77 [4.] 6. Any person who knowingly falsifies any document required for the
78 shared care tax credit shall be subject to the same penalties for falsifying other
79 tax documents as provided in chapter 143, RSMo.

2 [135.545. A taxpayer shall be allowed a credit for taxes paid
3 pursuant to chapter 143, 147 or 148, RSMo, in an amount equal to
4 fifty percent of a qualified investment in transportation
5 development for aviation, mass transportation, including parking
6 facilities for users of mass transportation, railroads, ports,
7 including parking facilities and limited access roads within ports,
8 waterborne transportation, bicycle and pedestrian paths, or rolling
9 stock located in a distressed community as defined in section
10 135.530, and which are part of a development plan approved by the
11 appropriate local agency. If the department of economic
12 development determines the investment has been so approved, the
13 department shall grant the tax credit in order of date received. A
14 taxpayer may carry forward any unused tax credit for up to ten
15 years and may carry it back for the previous three years until such
16 credit has been fully claimed. Certificates of tax credit issued in
17 accordance with this section may be transferred, sold or assigned
18 by notarized endorsement which names the transferee. The tax
19 credits allowed pursuant to this section shall be for an amount of
20 no more than ten million dollars for each year. This credit shall
21 apply to returns filed for all taxable years beginning on or after
22 January 1, 1999. Any unused portion of the tax credit authorized
23 pursuant to this section shall be available for use in the future by
24 those entities until fully claimed. For purposes of this section, a
25 "taxpayer" shall include any charitable organization that is exempt
26 from federal income tax and whose Missouri unrelated business
27 taxable income, if any, would be subject to the state income tax
 imposed under chapter 143, RSMo.]

2 [135.546. For all tax years beginning on or after January
3 1, 2005, no tax credits shall be approved, awarded, or issued to any
4 person or entity claiming any tax credit under section 135.545; if
5 an organization has been allocated credits for contribution-based
6 credits prior to January 1, 2005, the organization may issue such
 credits prior to January 1, 2007, for qualified contributions.]

2 [135.766. An eligible small business, as defined in Section
3 44 of the Internal Revenue Code, shall be allowed a credit against
4 the tax otherwise due pursuant to chapter 143, RSMo, not
 including sections 143.191 to 143.265, RSMo, in an amount equal

5 to any amount paid by the eligible small business to the United
6 States Small Business Administration as a guaranty fee pursuant
7 to obtaining Small Business Administration guaranteed financing
8 and to programs administered by the United States Department of
9 Agriculture for rural development or farm service agencies. No tax
10 credits provided under this section shall be authorized on or after
11 the thirtieth day following the effective date of this act. The
12 provisions of this subsection shall not be construed to limit or in
13 any way impair the department's ability to issue tax credits
14 authorized prior to the thirtieth day following the effective date of
15 this act, or a taxpayer's ability to redeem such tax credits.]

[320.093. 1. Any person, firm or corporation who purchases
2 a dry fire hydrant, as defined in section 320.273, or provides an
3 acceptable means of water storage for such dry fire hydrant
4 including a pond, tank or other storage facility with the primary
5 purpose of fire protection within the state of Missouri, shall be
6 eligible for a credit on income taxes otherwise due pursuant to
7 chapter 143, RSMo, except sections 143.191 to 143.261, RSMo, as
8 an incentive to implement safe and efficient fire protection
9 controls. The tax credit, not to exceed five thousand dollars, shall
10 be equal to fifty percent of the cost in actual expenditure for any
11 new water storage construction, equipment, development and
12 installation of the dry hydrant, including pipes, valves, hydrants
13 and labor for each such installation of a dry hydrant or new water
14 storage facility. The amount of the tax credit claimed for in-kind
15 contributions shall not exceed twenty-five percent of the total
16 amount of the contribution for which the tax credit is claimed.

17 2. Any amount of credit which exceeds the tax due shall not
18 be refunded but may be carried over to any subsequent taxable
19 year, not to exceed seven years. The person, firm or corporation
20 may elect to assign to a third party the approved tax credit. The
21 certificate of assignment and other appropriate forms shall be filed
22 with the Missouri department of revenue and the department of
23 economic development.

24 3. The person, firm or corporation shall make application
25 for the credit to the department of economic development after
26 receiving approval of the state fire marshal. The fire marshal shall

27 establish by rule promulgated pursuant to chapter 536, RSMo, the
28 requirements to be met based on the National Resources
29 Conservation Service's Dry Hydrant Standard. The state fire
30 marshal or designated local representative shall review and
31 authorize the construction and installation of any dry fire hydrant
32 site. Only approved dry fire hydrant sites shall be eligible for tax
33 credits as indicated in this section. Under no circumstance shall
34 such authority deny any entity the ability to provide a dry fire
35 hydrant site when tax credits are not requested.

36 4. The department of public safety shall certify to the
37 department of revenue that the dry hydrant system meets the
38 requirements to obtain a tax credit as specified in subsection 5 of
39 this section.

40 5. In order to qualify for a tax credit under this section, a
41 dry hydrant or new water storage facility shall meet the following
42 minimum requirements:

43 (1) Each body of water or water storage structure shall be
44 able to provide two hundred fifty gallons per minute for a
45 continuous two-hour period during a fifty-year drought or freeze at
46 a vertical lift of eighteen feet;

47 (2) Each dry hydrant shall be located within twenty-five
48 feet of an all-weather roadway and shall be accessible to fire
49 protection equipment;

50 (3) Dry hydrants shall be located a reasonable distance
51 from other dry or pressurized hydrants; and

52 (4) The site shall provide a measurable economic
53 improvement potential for rural development.

54 6. New credits shall not be awarded under this section after
55 August 28, 2010. The total amount of all tax credits allowed
56 pursuant to this section is five hundred thousand dollars in any
57 one fiscal year as approved by the director of the department of
58 economic development.

59 7. Any rule or portion of a rule, as that term is defined in
60 section 536.010, RSMo, that is created under the authority
61 delegated in this section shall become effective only if it complies
62 with and is subject to all of the provisions of chapter 536, RSMo,
63 and, if applicable, section 536.028, RSMo. This section and chapter

64 536, RSMo, are nonseverable and if any of the powers vested with
65 the general assembly pursuant to chapter 536, RSMo, to review, to
66 delay the effective date or to disapprove and annul a rule are
67 subsequently held unconstitutional, then the grant of rulemaking
68 authority and any rule proposed or adopted after August 28, 2007,
69 shall be invalid and void.]

[620.1039. 1. As used in this section, the term "taxpayer"
2 means an individual, a partnership, or any charitable organization
3 which is exempt from federal income tax and whose Missouri
4 unrelated business taxable income, if any, would be subject to the
5 state income tax imposed under chapter 143, RSMo, or a
6 corporation as described in section 143.441 or 143.471, RSMo, or
7 section 148.370, RSMo, and the term "qualified research expenses"
8 has the same meaning as prescribed in 26 U.S.C. 41.

9 2. For tax years beginning on or after January 1, 2001, the
10 director of the department of economic development may authorize
11 a taxpayer to receive a tax credit against the tax otherwise due
12 pursuant to chapter 143, RSMo, or chapter 148, RSMo, other than
13 the taxes withheld pursuant to sections 143.191 to 143.265, RSMo,
14 in an amount up to six and one-half percent of the excess of the
15 taxpayer's qualified research expenses, as certified by the director
16 of the department of economic development, within this state
17 during the taxable year over the average of the taxpayer's qualified
18 research expenses within this state over the immediately preceding
19 three taxable years; except that, no tax credit shall be allowed on
20 that portion of the taxpayer's qualified research expenses incurred
21 within this state during the taxable year in which the credit is
22 being claimed, to the extent such expenses exceed two hundred
23 percent of the taxpayer's average qualified research expenses
24 incurred during the immediately preceding three taxable years.

25 3. The director of economic development shall prescribe the
26 manner in which the tax credit may be applied for. The tax credit
27 authorized by this section may be claimed by the taxpayer to offset
28 the tax liability imposed by chapter 143, RSMo, or chapter 148,
29 RSMo, that becomes due in the tax year during which such
30 qualified research expenses were incurred. Where the amount of
31 the credit exceeds the tax liability, the difference between the

32 credit and the tax liability may only be carried forward for the next
33 five succeeding taxable years or until the full credit has been
34 claimed, whichever first occurs. The application for tax credits
35 authorized by the director pursuant to subsection 2 of this section
36 shall be made no later than the end of the taxpayer's tax period
37 immediately following the tax period for which the credits are
38 being claimed.

39 4. Certificates of tax credit issued pursuant to this section
40 may be transferred, sold or assigned by filing a notarized
41 endorsement thereof with the department which names the
42 transferee and the amount of tax credit transferred. The director
43 of economic development may allow a taxpayer to transfer, sell or
44 assign up to forty percent of the amount of the certificates of tax
45 credit issued to and not claimed by such taxpayer pursuant to this
46 section during any tax year commencing on or after January 1,
47 1996, and ending not later than December 31, 1999. Such taxpayer
48 shall file, by December 31, 2001, an application with the
49 department which names the transferee, the amount of tax credit
50 desired to be transferred, and a certification that the funds
51 received by the applicant as a result of the transfer, sale or
52 assignment of the tax credit shall be expended within three years
53 at the state university for the sole purpose of conducting research
54 activities agreed upon by the department, the taxpayer and the
55 state university. Failure to expend such funds in the manner
56 prescribed pursuant to this section shall cause the applicant to be
57 subject to the provisions of section 620.017.

58 5. No rule or portion of a rule promulgated under the
59 authority of this section shall become effective unless it has been
60 promulgated pursuant to the provisions of chapter 536, RSMo. All
61 rulemaking authority delegated prior to June 27, 1997, is of no
62 force and effect and repealed; however, nothing in this section shall
63 be interpreted to repeal or affect the validity of any rule filed or
64 adopted prior to June 27, 1997, if such rule complied with the
65 provisions of chapter 536, RSMo. The provisions of this section and
66 chapter 536, RSMo, are nonseverable and if any of the powers
67 vested with the general assembly pursuant to chapter 536, RSMo,
68 including the ability to review, to delay the effective date, or to

69 disapprove and annul a rule or portion of a rule, are subsequently
70 held unconstitutional, then the purported grant of rulemaking
71 authority and any rule so proposed and contained in the order of
72 rulemaking shall be invalid and void.

73 6. The aggregate of all tax credits authorized pursuant to
74 this section shall not exceed nine million seven hundred thousand
75 dollars in any year.

76 7. For all tax years beginning on or after January 1, 2005,
77 no tax credits shall be approved, awarded, or issued to any person
78 or entity claiming any tax credit under this section.]

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