

FIRST EXTRAORDINARY SESSION

SENATE BILL NO. 2

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR PURGASON.

Read 1st time September 6, 2011, and ordered printed.

TERRY L. SPIELER, Secretary.

0014S.011

AN ACT

To repeal sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.010, 135.025, 135.030, 135.090, 135.155, 135.313, 135.326, 135.327, 135.350, 135.352, 135.460, 135.484, 135.490, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.700, 135.815, 135.825, 135.950, 135.973, 135.1150, 143.119, 144.054, 178.760, 178.761, 178.762, 178.763, 178.764, 178.892, 178.893, 178.894, 178.895, 178.896, 196.1109, 196.1115, 208.770, 253.545, 253.550, 253.557, 253.559, 348.251, 348.253, 348.256, 348.261, 348.262, 348.263, 348.264, 348.271, 348.300, 348.430, 348.432, 348.434, 348.500, 348.505, 447.708, 620.470, 620.472, 620.474, 620.475, 620.476, 620.478, 620.479, 620.480, 620.481, 620.482, 620.495, 620.1878, 620.1881, and 660.055, RSMo, and to enact in lieu thereof eighty new sections relating to taxation, with penalty provisions and an emergency clause.

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

Section A. Sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.010, 135.025, 135.030, 135.090, 135.155, 135.313, 135.326, 135.327, 135.350, 135.352, 135.460, 135.484, 135.490, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.700, 135.815, 135.825, 135.950, 135.973, 135.1150, 143.119, 144.054, 178.760, 178.761, 178.762, 178.763, 178.764, 178.892, 178.893, 178.894, 178.895, 178.896, 196.1109, 196.1115, 208.770, 253.545, 253.550, 253.557, 253.559, 348.251, 348.253, 348.256, 348.261, 348.262, 348.263, 348.264, 348.271, 348.300, 348.430, 348.432, 348.434, 348.500, 348.505, 447.708, 620.470, 620.472, 620.474, 620.475, 620.476, 620.478, 620.479, 620.480, 620.481, 620.482, 620.495, 620.1878, 620.1881, and 660.055, RSMo, are repealed and eighty new sections enacted in lieu thereof, to be known as sections 32.115, 67.2050, 67.3000, 67.3005,

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

12 99.1205, 100.286, 100.297, 100.850, 135.010, 135.025, 135.030, 135.090, 135.155,
13 135.326, 135.327, 135.350, 135.352, 135.460, 135.484, 135.490, 135.535, 135.550,
14 135.562, 135.600, 135.630, 135.647, 135.679, 135.700, 135.815, 135.825, 135.950,
15 135.973, 135.1150, 135.1180, 135.1500, 135.1503, 135.1505, 135.1507, 135.1509,
16 135.1511, 135.1513, 135.1515, 135.1517, 135.1519, 135.1521, 144.054, 144.810,
17 196.1109, 196.1115, 208.770, 253.545, 253.550, 253.557, 253.559, 348.250,
18 348.251, 348.256, 348.257, 348.261, 348.262, 348.263, 348.264, 348.265, 348.269,
19 348.271, 348.300, 348.430, 348.432, 348.434, 348.500, 447.708, 620.495, 620.800,
20 620.803, 620.806, 620.809, 620.1878, 620.1881, 660.055, and 1, to read as follows:

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;

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

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

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

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

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

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

13 2. For proposals approved pursuant to section 32.110:

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

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

23 (3) Except as provided in subsection 2 or 5 of this section, the tax credit
24 allowed for contributions to programs located in any community shall be equal to
25 seventy percent of the total amount contributed where such community is a city,
26 town or village which has fifteen thousand or less inhabitants as of the last
27 decennial census and is located in a county which is either located in:

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

29 (b) A standard metropolitan statistical area but such county has only one

30 city, town or village which has more than fifteen thousand inhabitants; or

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

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

58 (5) The credit may exceed two hundred fifty thousand dollars annually
59 and shall not be limited if community services, crime prevention, education, job
60 training, physical revitalization or economic development, as defined by section
61 32.105, is rendered in an area defined by federal or state law as an impoverished,
62 economically distressed, or blighted area or as a neighborhood experiencing
63 problems endangering its existence as a viable and stable neighborhood, or if the
64 community services, crime prevention, education, job training, physical
65 revitalization or economic development is limited to impoverished persons.

66 3. For proposals approved pursuant to section 32.111:

67 (1) The amount of the tax credit shall not exceed fifty-five percent of the

68 total amount invested in affordable housing assistance activities or market rate
69 housing in distressed communities as defined in section 135.530 by a business
70 firm. Whenever such investment is made in the form of an equity investment or
71 a loan, as opposed to a donation alone, tax credits may be claimed only where the
72 loan or equity investment is accompanied by a donation which is eligible for
73 federal income tax charitable deduction, and where the total value of the tax
74 credits herein plus the value of the federal income tax charitable deduction is less
75 than or equal to the value of the donation. Any tax credit not used in the period
76 for which the credit was approved may be carried over the next ten succeeding
77 calendar or fiscal years until the full credit has been allowed. If the affordable
78 housing units or market rate housing units in distressed communities for which
79 a tax is claimed are within a larger structure, parts of which are not the subject
80 of a tax credit claim, then expenditures applicable to the entire structure shall
81 be reduced on a prorated basis in proportion to the ratio of the number of square
82 feet devoted to the affordable housing units or market rate housing units in
83 distressed communities, for purposes of determining the amount of the tax
84 credit. The total amount of tax credit granted for programs approved pursuant
85 to section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed two
86 million dollars, to be increased by no more than two million dollars each
87 succeeding fiscal year, until the total tax credits that may be approved reaches
88 ten million dollars in any fiscal year;

89 (2) For any year during the compliance period indicated in the land use
90 restriction agreement, the owner of the affordable housing rental units for which
91 a credit is being claimed shall certify to the commission that all tenants renting
92 claimed units are income eligible for affordable housing units and that the rentals
93 for each claimed unit are in compliance with the provisions of sections 32.100 to
94 32.125. The commission is authorized, in its discretion, to audit the records and
95 accounts of the owner to verify such certification;

96 (3) In the case of owner-occupied affordable housing units, the qualifying
97 owner occupant shall, before the end of the first year in which credits are
98 claimed, certify to the commission that the occupant is income eligible during the
99 preceding two years, and at the time of the initial purchase contract, but not
100 thereafter. The qualifying owner occupant shall further certify to the commission,
101 before the end of the first year in which credits are claimed, that during the
102 compliance period indicated in the land use restriction agreement, the cost of the
103 affordable housing unit to the occupant for the claimed unit can reasonably be
104 projected to be in compliance with the provisions of sections 32.100 to
105 32.125. Any succeeding owner occupant acquiring the affordable housing unit

106 during the compliance period indicated in the land use restriction agreement
107 shall make the same certification;

108 (4) If at any time during the compliance period the commission determines
109 a project for which a proposal has been approved is not in compliance with the
110 applicable provisions of sections 32.100 to 32.125 or rules promulgated therefor,
111 the commission may within one hundred fifty days of notice to the owner either
112 seek injunctive enforcement action against the owner, or seek legal damages
113 against the owner representing the value of the tax credits, or foreclose on the
114 lien in the land use restriction agreement, selling the project at a public sale, and
115 paying to the owner the proceeds of the sale, less the costs of the sale and less the
116 value of all tax credits allowed herein. The commission shall remit to the director
117 of revenue the portion of the legal damages collected or the sale proceeds
118 representing the value of the tax credits. However, except in the event of
119 intentional fraud by the taxpayer, the proposal's certificate of eligibility for tax
120 credits shall not be revoked.

121 4. For proposals approved pursuant to section 32.112, the amount of the
122 tax credit shall not exceed fifty-five percent of the total amount contributed to a
123 neighborhood organization by business firms. Any tax credit not used in the
124 period for which the credit was approved may be carried over the next ten
125 succeeding calendar or fiscal years until the full credit has been allowed. The
126 total amount of tax credit granted for programs approved pursuant to section
127 32.112 shall not exceed one million dollars for each fiscal year.

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

132 **6. Notwithstanding any provision of law to the contrary, except**
133 **as provided under subsection 7 of this section, no tax credits provided**
134 **under sections 32.100 to 32.125 shall be authorized on or after August**
135 **28, 2015. The provisions of this subsection shall not be construed to**
136 **limit or in any way impair the department's ability to issue tax credits**
137 **authorized prior to August 28, 2015, or a taxpayer's ability to redeem**
138 **such tax credits.**

139 **7. Notwithstanding any provision of law to the contrary, no tax**
140 **credits provided under the development tax credit program created**
141 **pursuant to sections 32.100 to 32.125 shall be authorized on or after the**
142 **effective date of this act. The provisions of this subsection shall not be**
143 **construed to limit or impair the department's ability to issue tax**

144 credits authorized prior to the effective date of this act, or a taxpayer's
145 ability to redeem such tax credits.

67.2050. 1. As used in this section, unless the context clearly
2 indicates otherwise, the following terms shall mean:

3 (1) "Facility", a location composed of real estate, buildings,
4 fixtures, machinery, and equipment;

5 (2) "Municipality", any county, city, incorporated town, or village
6 of the state;

7 (3) "NAICS", the 2007 edition of the North American Industry
8 Classification System developed under the direction and guidance of
9 the federal Office of Management and Budget. Any NAICS sector,
10 subsector, industry group, or industry identified in this section shall
11 include its corresponding classification in previous and subsequent
12 federal industry classification systems;

13 (4) "Technology business facility", a facility purchased,
14 constructed, extended, or improved under this section, provided that
15 such business facility is engaged in:

16 (a) Wired telecommunications carriers (NAICS 517110);

17 (b) Data processing, hosting, and related services (NAICS
18 518210); or

19 (c) Internet publishing and broadcasting and web search portals
20 (NAICS 519130), at the business facility;

21 (5) "Technology business facility project" or "project", the
22 purchase, construction, extension, and improvement of technology
23 business facilities, whether of the facility as a whole or of any one or
24 more of the facility's components of real estate, buildings, fixtures,
25 machinery, and equipment.

26 2. The governing body of any municipality may:

27 (1) Carry out technology business facility projects for economic
28 development under this section;

29 (2) Accept grants from the federal and state governments for
30 technology business facility project purposes, and may enter into such
31 agreements as are not contrary to the laws of this state and which may
32 be required as a condition of grants by the federal government or its
33 agencies; and

34 (3) Receive gifts and donations from private sources to be used
35 for technology business facility project purposes.

36 3. The governing body of the municipality may enter into loan

37 agreements, sell, lease, or mortgage to private persons, partnerships,
38 or corporations any one or more of the components of a facility
39 received, purchased, constructed, or extended by the municipality for
40 development of a technology business facility project. The loan
41 agreement, installment sale agreement, lease, or other such document
42 shall contain such other terms as are agreed upon between the
43 municipality and the obligor, provided that such terms shall be
44 consistent with this section. When, in the judgment of the governing
45 body of the municipality, the technology business facility project will
46 result in economic benefits to the municipality, the governing body may
47 lawfully enter into an agreement that includes nominal monetary
48 consideration to the municipality in exchange for the use of one or
49 more components of the facility.

50 4. Transactions involving the lease or rental of any components
51 of a project under this section shall be specifically exempted from the
52 provisions of the local sales tax law as defined in section 32.085, section
53 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761, and from
54 the computation of the tax levied, assessed, or payable under the local
55 sales tax law as defined in section 32.085, section 238.235, and sections
56 144.010 to 144.525 and 144.600 to 144.745.

57 5. Leasehold interests granted and held under this section shall
58 not be subject to property taxes.

59 6. Any payments in lieu of taxes expected to be made by any
60 lessee of the project shall be applied in accordance with this
61 section. The lessee may reimburse the municipality for its actual costs
62 of administering the plan. All amounts paid in excess of such actual
63 costs shall, immediately upon receipt thereof, be disbursed by the
64 municipality's treasurer or other financial officer to each affected
65 taxing entity in proportion to the current ad valorem tax levy of each
66 affected taxing entity.

67 7. The county assessor shall include the current assessed value
68 of all property within the affected taxing entities in the aggregate
69 valuation of assessed property entered upon the assessor's book and
70 verified under section 137.245, and such value shall be used for the
71 purpose of the debt limitation on local government under section 26(b),
72 article VI, Constitution of Missouri.

73 8. The governing body of any municipality may sell or otherwise
74 dispose of the property, buildings, or plants acquired under this section

75 to private persons or corporations for technology business facility
76 project purposes upon approval by the governing body. The terms and
77 method of the sale or other disposal shall be established by the
78 governing body so as to reasonably protect the economic well-being of
79 the municipality and to promote the development of technology
80 business facility projects. A private person or corporation that initially
81 transfers property to the municipality for the purposes of a technology
82 business facility project and does not charge a purchase price to the
83 municipality shall retain the right, upon request to the municipality,
84 to have the municipality retransfer the donated property to the person
85 or corporation at no cost.

86 9. The provisions of this section shall not be construed to allow
87 political subdivisions to provide telecommunications services or
88 telecommunications facilities to the extent that they are prohibited
89 from doing so by section 392.410.

67.3000. 1. As used in this section and section 67.3005, the
2 following words shall mean:

3 (1) "Active Member", an organization located in the state of
4 Missouri, which solicits and services sports events, sports
5 organizations, and other types of sports-related activities in that
6 community;

7 (2) "Applicant" or "applicants", one or more certified sponsors,
8 endorsing counties, endorsing municipalities, or a local organizing
9 committee, acting individually or collectively;

10 (3) "Certified sponsor" or "certified sponsors", a nonprofit
11 organization which is an active member of the National Association of
12 Sports Commissions;

13 (4) "Department", the Missouri department of economic
14 development;

15 (5) "Director", the director of revenue;

16 (6) "Eligible costs", shall include:

17 (a) Costs necessary for conducting the sporting event;

18 (b) Costs relating to the preparations necessary for the conduct
19 of the sporting event; and

20 (c) An applicant's pledged obligations to the site selection
21 organization as evidenced by the support contract for the sporting
22 event.

23 Eligible costs shall not include any cost associated with the

24 rehabilitation or construction of any facilities used to host the sporting
25 event, but may include costs associated with the retrofitting of a
26 facility necessary to accommodate the sporting event and direct
27 payments to a for-profit site selection organization;

28 (7) "Eligible donation", donations received, by a certified sponsor
29 or local organizing committee, from a taxpayer that may include cash,
30 publically traded stocks and bonds, and real estate that will be valued
31 and documented according to rules promulgated by the
32 department. Such donations shall be used solely to provide funding to
33 attract sporting events to this state;

34 (8) "Endorsing municipality" or "endorsing municipalities", any
35 city, town, incorporated village, or county that contains a site selected
36 by a site selection organization for one or more sporting events;

37 (9) "Joinder agreement", an agreement entered into by one or
38 more applicants, acting individually or collectively, and a site selection
39 organization setting out representations and assurances by each
40 applicant in connection with the selection of a site in this state for the
41 location of a sporting event;

42 (10) "Joinder undertaking", an agreement entered into by one or
43 more applicants, acting individually or collectively, and a site selection
44 organization that each applicant will execute a joinder agreement in
45 the event that the site selection organization selects a site in this state
46 for a sporting event;

47 (11) "Local organizing committee", a nonprofit corporation or its
48 successor in interest that:

49 (a) Has been authorized by one or more certified sponsors,
50 endorsing municipalities, or endorsing counties, acting individually or
51 collectively, to pursue an application and bid on its or the applicant's
52 behalf to a site selection organization for selection as the site of one or
53 more sporting events; or

54 (b) With the authorization of one or more certified sponsors,
55 endorsing municipalities, or endorsing counties, acting individually or
56 collectively, executes an agreement with a site selection organization
57 regarding a bid to host one or more sporting events;

58 (12) "Site selection organization", the National Collegiate Athletic
59 Association (NCAA); an NCAA member conference, university, or
60 institution; the National Association of Intercollegiate Athletics (NAIA);
61 the United States Olympic Committee (USOC); a national governing

62 body (NGB) or international federation of a sport recognized by the
63 USOC; the United States Golf Association (USGA); the United States
64 Tennis Association (USTA); the Amateur Softball Association of America
65 (ASA); other major regional, national, and international sports
66 associations, and amateur organizations that promote, organize, or
67 administer sporting games, or competitions; or other major regional,
68 national, and international organizations that promote or organize
69 sporting events;

70 (13) "Sporting event" or "sporting events", an amateur sporting
71 event that is competitively bid;

72 (14) "Support contract" or "support contracts", an event award
73 notification, joinder undertaking, joinder agreement, or contract
74 executed by an applicant and a site selection organization;

75 (15) "Tax credit" or "tax credits", a credit or credits issued by the
76 department against the tax otherwise due under chapter 143 or 148,
77 excluding withholding tax imposed by sections 143.191 to 143.265;

78 (16) "Taxpayer", any of the following individuals or entities who
79 make an eligible donation:

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

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

85 (c) An insurance company paying an annual tax on its gross
86 premium receipts in this state;

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

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

91 (f) Any charitable organization which is exempt from federal
92 income tax and whose Missouri unrelated business taxable income, if
93 any, would be subject to the state income tax imposed under chapter
94 143.

95 2. An applicant may submit a copy of a support contract for a
96 sporting event to the department. Within sixty days of receipt of the
97 sporting event support contract, the department may review the
98 applicant's support contract and certify such support contract if it
99 complies with the requirements of this section. Upon certification of

100 the support contract by the department, the applicant may be
101 authorized to receive the tax credit under subsection 4 of this section.

102 3. No more than thirty days following the conclusion of the
103 sporting event, the applicant shall submit eligible costs and
104 documentation of the costs evidenced by receipts, paid invoices, or
105 other documentation in a manner prescribed by the department.

106 4. No later than seven days following the conclusion of the
107 sporting event, the department, in consultation with the director, may
108 determine the total number of tickets sold at face value for such event.
109 No later than sixty days following the receipt of eligible costs and
110 documentation of such costs from the applicant as required in
111 subsection 3 of this section, the department may issue a refundable tax
112 credit to the applicant for the lesser of one hundred percent of eligible
113 costs incurred by the applicant or an amount equal to five dollars for
114 every admission ticket sold to such event. Tax credits authorized by
115 this section may be claimed against taxes imposed by chapters 143 and
116 148 and shall be claimed within one year of the close of the taxable
117 year for which the credits were issued. Tax credits authorized by this
118 section may be transferred, sold, or assigned by filing a notarized
119 endorsement thereof with the department that names the transferee,
120 the amount of tax credit transferred, and the value received for the
121 credit, as well as any other information reasonably requested by the
122 department.

123 5. In no event shall the amount of tax credits issued by the
124 department under subsection 4 of this section exceed three million
125 dollars in any fiscal year.

126 6. An applicant shall provide any information necessary as
127 determined by the department for the department and the director to
128 fulfill the duties required by this section. At any time upon the request
129 of the state of Missouri, a certified sponsor shall subject itself to an
130 audit conducted by the state.

131 7. This section shall not be construed as creating or requiring a
132 state guarantee of obligations imposed on an endorsing municipality
133 under a support contract or any other agreement relating to hosting
134 one or more sporting events in this state.

135 8. The department shall only certify an applicant's support
136 contract for a sporting event in which the site selection organization
137 has yet to select a location for the sporting event as of the effective

138 date of this act. Support contracts shall not be certified by the
139 department after August 28, 2017, provided that the support contracts
140 may be certified prior to August 28, 2017, for sporting events that will
141 be held after such date.

142 9. The department may promulgate rules as necessary to
143 implement the provisions of this section. Any rule or portion of a rule,
144 as that term is defined in section 536.010 that is created under the
145 authority delegated in this section shall become effective only if it
146 complies with and is subject to all of the provisions of chapter 536, and,
147 if applicable, section 536.028. This section and chapter 536 are
148 nonseverable and if any of the powers vested with the general assembly
149 pursuant to chapter 536, to review, to delay the effective date, or to
150 disapprove and annul a rule are subsequently held unconstitutional,
151 then the grant of rulemaking authority and any rule proposed or
152 adopted after the effective date of this act, shall be invalid and void.

67.3005. 1. For all taxable years beginning on or after January
2 1, 2011, any taxpayer shall be allowed a credit against the taxes
3 otherwise due under chapter 143, 147, or 148 excluding withholding tax
4 imposed by sections 143.191 to 143.265 in an amount equal to fifty
5 percent of the amount of an eligible donation, subject to the
6 restrictions in this section. The amount of the tax credit claimed shall
7 not exceed the amount of the taxpayer's state income tax liability in the
8 tax year for which the credit is claimed. Any amount of credit that the
9 taxpayer is prohibited by this section from claiming in a tax year shall
10 not be refundable, but may be carried forward to any of the taxpayer's
11 four subsequent taxable years.

12 2. To claim the credit authorized in this section, a certified
13 sponsor or local organizing committee shall submit to the department
14 an application for the tax credit authorized by this section on behalf of
15 taxpayers. The department shall verify that the applicant has
16 submitted the following items accurately and completely:

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

19 (2) A statement attesting to the eligible donation received, which
20 shall include the name and taxpayer identification number of the
21 individual making the eligible donation, the amount of the eligible
22 donation, and the date the eligible donation was received; and

23 (3) Payment from the certified sponsor or local organizing

24 committee equal to the value of the tax credit for which application is
25 made.

26 If the certified sponsor or local organizing committee applying for the
27 tax credit meets all criteria required by this subsection, the department
28 shall issue a certificate in the appropriate amount.

29 3. Tax credits issued under this section may be assigned,
30 transferred, sold, or otherwise conveyed, and the new owner of the tax
31 credit shall have the same rights in the credit as the
32 taxpayer. Whenever a certificate is assigned, transferred, sold, or
33 otherwise conveyed, a notarized endorsement shall be filed with the
34 department specifying the name and address of the new owner of the
35 tax credit or the value of the credit. In no event shall the amount of
36 tax credits issued by the department under this section exceed ten
37 million dollars in any fiscal year.

38 4. The department shall promulgate rules to implement the
39 provisions of this section. Any rule or portion of a rule, as that term is
40 defined in section 536.010, that is created under the authority delegated
41 in this section shall become effective only if it complies with and is
42 subject to all of the provisions of chapter 536, and, if applicable, section
43 536.028. This section and chapter 536, are nonseverable and if any of
44 the powers vested with the general assembly pursuant to chapter 536,
45 to review, to delay the effective date, or to disapprove and annul a rule
46 are subsequently held unconstitutional, then the grant of rulemaking
47 authority and any rule proposed or adopted after the effective date of
48 this act, shall be invalid and void.

49 5. Under section 23.253 of the Missouri sunset act:

50 (1) The provisions of the new program authorized under this
51 section shall automatically sunset six years after August 28, 2011,
52 unless reauthorized by an act of the general assembly; and

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

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

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 **or any portion thereof**, and reasonable
7 maintenance costs incurred to maintain an acquired eligible parcel for a period
8 of five years after the acquisition of such eligible parcel. Acquisition costs shall
9 not include costs for title insurance and survey, attorney's fees, relocation costs,
10 fines, or bills from a 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;

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;

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.

114 3. Any applicant shall be entitled to a tax credit against the taxes
115 imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265,
116 in an amount equal to fifty percent of the acquisition costs, and one hundred
117 percent of the interest costs incurred [for a period of five years] after the

118 acquisition of an eligible parcel. No tax credits shall be issued under this section
119 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 for the succeeding six years, or until
124 the full credit is used, whichever occurs first. The applicant shall not be entitled
125 to a tax credit for taxes imposed under sections 143.191 to 143.265. Applicants
126 entitled to receive such tax credits may transfer, sell, or assign the tax
127 credits. Tax credits granted to a partnership, a limited liability company taxed
128 as a partnership, or multiple owners of property shall be passed through to the
129 partners, members, or owners respectively pro rata or pursuant to an executed
130 agreement among the partners, members, or owners documenting an alternate
131 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, except for
135 sections 143.191 to 143.265. A seller, transferor, or assignor shall perfect such
136 transfer by notifying the department in writing within thirty calendar days
137 following the effective date of the transfer and shall provide any information as
138 may be required by the department to administer and carry out the provisions of
139 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] **quarterly** basis, an applicant
148 may file for the tax credit for the acquisition costs, and for the tax credit for the
149 interest costs, subject to the limitations of this section. If an applicant applying
150 for the tax credit meets the criteria required under this section, the department
151 shall issue a certificate in the appropriate amount. **The department shall**
152 **issue certificates on a first-come first-serve basis.** If an applicant receives
153 a tax credit for maintenance costs as a part of the applicant's acquisition costs,
154 the department shall post on its Internet website the amount and type of
155 maintenance costs and a description of the redevelopment project for which the

156 .applicant received a tax credit within thirty days after the department issues the
157 certificate to the applicant.

158 7. The total aggregate amount of tax credits authorized under this section
159 shall not exceed ninety-five million dollars. [At no time shall] **For all years**
160 **ending on or before December 31, 2011**, the annual amount of the tax credits
161 issued under this section **shall not** exceed twenty million dollars. **For all years**
162 **beginning on or after January 1, 2012, the annual amount of the tax**
163 **credits issued under this section shall not exceed fifteen million**
164 **dollars.** [If the tax credits that are to be issued under this section exceed, in any
165 year, the twenty million dollar limitation, the department shall either:

166 (1) Issue tax credits to the applicant in the amount of twenty million
167 dollars limitation, if there is only one applicant entitled to receive tax credits in
168 that year; or

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

179 8. Upon issuance of any tax credits pursuant to this section, the
180 department shall report to the municipal authority the applicant's name and
181 address, the parcel numbers of the eligible parcels for which the tax credits were
182 issued, the itemized acquisition costs and interest costs for which tax credits were
183 issued, and the total value of the tax credits issued. The municipal authority and
184 the state shall not consider the amount of the tax credits as an applicant's cost,
185 but shall include the tax credits in any sources and uses and cost benefit analysis
186 reviewed or created for the purpose of awarding other economic incentives. The
187 amount of the tax credits shall not be considered an applicant's cost in the
188 evaluation of the amount of any award of any other economic incentives, but shall
189 be considered in measuring the reasonableness of the rate of return to the
190 applicant with respect to such award of other economic incentives. The municipal
191 authority shall provide the report to any relevant commission, board, or entity
192 responsible for the evaluation and recommendation or approval of other economic
193 incentives to assist in the redevelopment of the eligible project area. Tax credits

194 authorized under this section shall constitute redevelopment tax credits, as such
195 term is defined under section 135.800, and shall be subject to all provisions
196 applicable to redevelopment tax credits provided under sections 135.800 to
197 135.830.

198 9. The department may promulgate rules to implement the provisions of
199 this section. Any rule or portion of a rule, as that term is defined in section
200 536.010, that is created under the authority delegated in this section shall
201 become effective only if it complies with and is subject to all of the provisions of
202 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
203 nonseverable and if any of the powers vested with the general assembly pursuant
204 to chapter 536 to review, to delay the effective date, or to disapprove and annul
205 a rule are subsequently held unconstitutional, then the grant of rulemaking
206 authority and any rule proposed or adopted after August 28, 2007, shall be
207 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, may,
47 subject to the limitations provided under subsection 8 of this section, receive a tax
48 credit against any tax otherwise due under the provisions of chapter 143,
49 excluding withholding tax imposed by sections 143.191 to 143.261, chapter 147,
50 or chapter 148, in the amount of fifty percent of any amount contributed in money
51 or property by the taxpayer to the development and reserve fund, the
52 infrastructure development fund or the export finance fund during the taxpayer's
53 tax year, provided, however, the total tax credits awarded in any calendar year
54 beginning after January 1, 1994, shall not be the greater of ten million dollars or
55 five percent of the average growth in general revenue receipts in the preceding
56 three fiscal years. This limit may be exceeded only upon joint agreement by the
57 commissioner of administration, the director of the department of economic
58 development, and the director of the department of revenue that such action is
59 essential to ensure retention or attraction of investment in Missouri. If the board
60 receives, as a contribution, real property, the contributor at such contributor's
61 own expense shall have two independent appraisals conducted by appraisers
62 certified by the Master Appraisal Institute. Both appraisals shall be submitted

63 to the board, and the tax credit certified by the board to the contributor shall be
64 based upon the value of the lower of the two appraisals. The board shall not
65 certify the tax credit until the property is deeded to the board. Such credit shall
66 not apply to reserve participation fees paid by borrowers under sections 100.250
67 to 100.297. The portion of earned tax credits which exceeds the taxpayer's tax
68 liability may be carried forward for up to five years.

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

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

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

94 8. Provisions of subsections 1 to 7 of this section to the contrary
95 notwithstanding, no more than ten million dollars in tax credits provided under
96 this section, may be authorized or approved annually. The limitation on tax
97 credit authorization and approval provided under this subsection may be exceeded
98 only upon mutual agreement, evidenced by a signed and properly notarized letter,
99 by the commissioner of the office of administration, the director of the department
100 of economic development, and the director of the department of revenue that such

101 action is essential to ensure retention or attraction of investment in Missouri
102 provided, however, that in no case shall more than twenty-five million dollars in
103 tax credits be authorized or approved during such year. Taxpayers shall file,
104 with the board, an application for tax credits authorized under this section on a
105 form provided by the board. The provisions of this subsection shall not be
106 construed to limit or in any way impair the ability of the board to authorize tax
107 credits for issuance for projects authorized or approved, by a vote of the board,
108 on or before the thirtieth day following the effective date of this act, or a
109 taxpayer's ability to redeem such tax credits.

110 **9. Notwithstanding any provision of law to the contrary, no tax**
111 **credits provided under this section shall be authorized on or after**
112 **August 28, 2014. The provisions of this subsection shall not be**
113 **construed to limit or in any way impair the board's ability to issue tax**
114 **credits authorized prior to August 28, 2014, or a taxpayer's ability to**
115 **redeem such tax credits.**

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, excluding withholding tax imposed by sections
17 143.191 to 143.261, chapter 147, or chapter 148, in the amount of one hundred
18 percent of the unpaid principal of and unpaid interest on such bonds or notes
19 held by such owner in the taxable year of such owner following the calendar year
20 of the default of the loan by the borrower with respect to the project. The
21 occurrence of a default shall be governed by documents authorizing the issuance
22 of the bonds. The tax credit allowed pursuant to this section shall be available
23 to the original owners of the bonds or notes or any subsequent owner or owners

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

48 **4. Notwithstanding any provision of law to the contrary, no tax**
49 **credits provided under this section shall be authorized on or after**
50 **August 28, 2014. The provisions of this subsection shall not be**
51 **construed to limit or in any way impair the board's ability to issue tax**
52 **credits authorized prior to August 28, 2014, or a taxpayer's ability to**
53 **redeem such tax credits.**

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, for the purpose of
6 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, except withholding taxes imposed under the provisions of
17 sections 143.191 to 143.265, which were incurred during the tax period in which
18 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.

27 6. The director of revenue shall issue a refund to the approved company
28 to the extent that the amount of credits allowed in subsection 4 of this section
29 exceeds the amount of the approved company's income tax.

30 **7. Notwithstanding any provision of law to the contrary, no tax**
31 **credits provided under sections 100.700 to 100.850 shall be authorized**
32 **on or after August 28, 2017. The provisions of this subsection shall not**
33 **be construed to limit or in any way impair the board's ability to issue**
34 **tax credits authorized prior to August 28, 2017, or a taxpayer's ability**
35 **to redeem such tax credits.**

135.010. As used in sections 135.010 to 135.030 the following words and
2 terms mean:

3 (1) "Claimant", a person or persons claiming a credit under sections
4 135.010 to 135.030. If the persons are eligible to file a joint federal income tax
5 return and reside at the same address at any time during the taxable year, then
6 the credit may only be allowed if claimed on a combined Missouri income tax
7 return or a combined claim return reporting their combined incomes and property
8 taxes. A claimant shall not be allowed a property tax credit unless the claimant
9 or spouse has attained the age of sixty-five on or before the last day of the
10 calendar year and the claimant or spouse was a resident of Missouri for the entire
11 year, or the claimant or spouse is a veteran of any branch of the armed forces of

12 the United States or this state who became one hundred percent disabled as a
13 result of such service, or the claimant or spouse is disabled as defined in
14 subdivision (2) of this section, and such claimant or spouse provides proof of such
15 disability in such form and manner, and at such times, as the director of revenue
16 may require, or if the claimant has reached the age of sixty on or before the last
17 day of the calendar year and such claimant received surviving spouse Social
18 Security benefits during the calendar year and the claimant provides proof, as
19 required by the director of revenue, that the claimant received surviving spouse
20 Social Security benefits during the calendar year for which the credit will be
21 claimed. A claimant shall not be allowed a property tax credit if the claimant
22 filed a valid claim for a credit under section 137.106 in the year following the
23 year for which the property tax credit is claimed. The residency requirement
24 shall be deemed to have been fulfilled for the purpose of determining the
25 eligibility of a surviving spouse for a property tax credit if a person of the age of
26 sixty-five years or older who would have otherwise met the requirements for a
27 property tax credit dies before the last day of the calendar year. The residency
28 requirement shall also be deemed to have been fulfilled for the purpose of
29 determining the eligibility of a claimant who would have otherwise met the
30 requirements for a property tax credit but who dies before the last day of the
31 calendar year;

32 (2) "Disabled", the inability to engage in any substantial gainful activity
33 by reason of any medically determinable physical or mental impairment which
34 can be expected to result in death or which has lasted or can be expected to last
35 for a continuous period of not less than twelve months. A claimant shall not be
36 required to be gainfully employed prior to such disability to qualify for a property
37 tax credit;

38 (3) ["Gross rent", amount paid by a claimant to a landlord for the rental,
39 at arm's length, of a homestead during the calendar year, exclusive of charges for
40 health and personal care services and food furnished as part of the rental
41 agreement, whether or not expressly set out in the rental agreement. If the
42 director of revenue determines that the landlord and tenant have not dealt at
43 arm's length, and that the gross rent is excessive, then he shall determine the
44 gross rent based upon a reasonable amount of rent. Gross rent shall be deemed
45 to be paid only if actually paid prior to the date a return is filed. The director of
46 revenue may prescribe regulations requiring a return of information by a landlord
47 receiving rent, certifying for a calendar year the amount of gross rent received
48 from a tenant claiming a property tax credit and shall, by regulation, provide a
49 method for certification by the claimant of the amount of gross rent paid for any

50 calendar year for which a claim is made. The regulations authorized by this
51 subdivision may require a landlord or a tenant or both to provide data relating
52 to health and personal care services and to food. Neither a landlord nor a tenant
53 may be required to provide data relating to utilities, furniture, home furnishings
54 or appliances;

55 (4) "Homestead", the dwelling in Missouri owned [or rented] by the
56 claimant and not to exceed five acres of land surrounding it as is reasonably
57 necessary for use of the dwelling as a home. It may consist of part of a
58 multidwelling or multipurpose building and part of the land upon which it is
59 built. "Owned" includes a vendee in possession under a land contract and one or
60 more tenants by the entireties, joint tenants, or tenants in common and includes
61 a claimant actually in possession if he was the immediate former owner of record,
62 if a lineal descendant is presently the owner of record, and if the claimant
63 actually pays all taxes upon the property. It may include a mobile home;

64 [(5)] (4) "Income", Missouri adjusted gross income as defined in section
65 143.121 less two thousand dollars, or in the case of a homestead owned and
66 occupied, for the entire year, by the claimant, less four thousand dollars as an
67 exemption for the claimant's spouse residing at the same address, and increased,
68 where necessary, to reflect the following:

69 (a) Social Security, railroad retirement, and veterans payments and
70 benefits unless the claimant is a one hundred percent service-connected, disabled
71 veteran or a spouse of a one hundred percent service-connected, disabled
72 veteran. The one hundred percent service-connected disabled veteran shall not
73 be required to list veterans payments and benefits;

74 (b) The total amount of all other public and private pensions and
75 annuities;

76 (c) Public relief, public assistance, and unemployment benefits received
77 in cash, other than benefits received under this chapter;

78 (d) No deduction being allowed for losses not incurred in a trade or
79 business;

80 (e) Interest on the obligations of the United States, any state, or any of
81 their subdivisions and instrumentalities;

82 [(6)] (5) "Property taxes accrued", property taxes paid, exclusive of
83 special assessments, penalties, interest, and charges for service levied on a
84 claimant's homestead in any calendar year. Property taxes shall qualify for the
85 credit only if actually paid prior to the date a return is filed. The director of
86 revenue shall require a tax receipt or other proof of property tax payment. If a
87 homestead is owned only partially by claimant, then "property taxes accrued" is

88 that part of property taxes levied on the homestead which was actually paid by
89 the claimant. For purposes of this subdivision, property taxes are "levied" when
90 the tax roll is delivered to the director of revenue for collection. If a claimant
91 owns a homestead part of the preceding calendar year and rents it or a different
92 homestead for part of the same year, "property taxes accrued" means only taxes
93 levied on the homestead both owned and occupied by the claimant, multiplied by
94 the percentage of twelve months that such property was owned and occupied as
95 the homestead of the claimant during the year. When a claimant owns and
96 occupies two or more different homesteads in the same calendar year, property
97 taxes accrued shall be the sum of taxes allocable to those several properties
98 occupied by the claimant as a homestead for the year. If a homestead is an
99 integral part of a larger unit such as a farm, or multipurpose or multidwelling
100 building, property taxes accrued shall be that percentage of the total property
101 taxes accrued as the value of the homestead is of the total value. For purposes
102 of this subdivision "unit" refers to the parcel of property covered by a single tax
103 statement of which the homestead is a part[;

104 (7) "Rent constituting property taxes accrued", twenty percent of the gross
105 rent paid by a claimant and spouse in the calendar year].

135.025. 1. The property taxes accrued [and rent constituting property
2 taxes accrued] on each return shall be totaled. This total, up to [seven hundred
3 fifty dollars in rent constituting property taxes actually paid or] eleven hundred
4 dollars in actual property tax paid, shall be used in determining the property tax
5 credit. The director of revenue shall prescribe regulations providing for
6 allocations where part of a claimant's homestead is rented to another or used for
7 nondwelling purposes or where a homestead is owned [or rented] or used as a
8 dwelling for part of a year.

9 **2. The director of the department of revenue shall calculate the**
10 **amount of property tax credit that was attributable to renters in fiscal**
11 **year 2011. Beginning with the budget request for fiscal year 2013, the**
12 **director of the department of revenue shall annually request that such**
13 **amount be appropriated from the general revenue fund to the Missouri**
14 **senior services protection fund. The money in the Missouri senior**
15 **services protection fund shall be appropriated for the Missouri Rx plan**
16 **under section 208.782, for services for seniors through the area**
17 **agencies on aging, and other programs for low income seniors.**

18 **3. There is hereby created in the state treasury the "Missouri**
19 **Senior Services Protection Fund" which shall consist of money collected**
20 **under this section. The state treasurer shall be custodian of the fund.**

21 In accordance with sections 30.170 and 30.180, the state treasurer may
 22 approve disbursements. The fund shall be a dedicated fund and, upon
 23 appropriation, money in the fund shall be used solely for the
 24 administration of this section. Notwithstanding the provisions of
 25 section 33.080, to the contrary, any moneys remaining in the fund at the
 26 end of the biennium shall not revert to the credit of the general
 27 revenue fund. The state treasurer shall invest moneys in the fund in
 28 the same manner as other funds are invested. Any interest and moneys
 29 earned on such investments shall be credited to the fund.

135.030. 1. As used in this section:

2 (1) The term "maximum upper limit" shall, for each calendar year after
 3 December 31, 1997, but before calendar year 2008, be the sum of twenty-five
 4 thousand dollars. For all calendar years beginning on or after January 1, 2008,
 5 the maximum upper limit shall be the sum of twenty-seven thousand five
 6 hundred dollars. In the case of a homestead owned and occupied for the entire
 7 year by the claimant, the maximum upper limit shall be the sum of thirty
 8 thousand dollars;

9 (2) The term "minimum base" shall, for each calendar year after December
 10 31, 1997, but before calendar year 2008, be the sum of thirteen thousand
 11 dollars. For all calendar years beginning on or after January 1, 2008, the
 12 minimum base shall be the sum of fourteen thousand three hundred dollars.

13 2. If the income on a return is equal to or less than the maximum upper
 14 limit for the calendar year for which the return is filed, the property tax credit
 15 shall be determined from a table of credits based upon the amount by which the
 16 total property tax described in section 135.025 exceeds the percent of income in
 17 the following list:

18 If the income on the return is:	The percent is:
19 Not over the minimum base	0 percent with credit
20	not to exceed \$1,100
21	in actual property tax
22	[or rent equivalent] paid
23	[up to \$750]
24 Over the minimum base but	1/16 percent accumulative
25 not over the maximum upper	per \$300 from 0 percent
26 limit	to 4 percent.

27 The director of revenue shall prescribe a table based upon the preceding
 28 sentences. The property tax shall be in increments of twenty-five dollars and the
 29 income in increments of three hundred dollars. The credit shall be the amount

30 rounded to the nearest whole dollar computed on the basis of the property tax
31 and income at the midpoints of each increment. As used in this subsection, the
32 term "accumulative" means an increase by continuous or repeated application of
33 the percent to the income increment at each three hundred dollar level.

34 3. Notwithstanding subsection 4 of section 32.057, the department of
35 revenue or any duly authorized employee or agent shall determine whether any
36 taxpayer filing a report or return with the department of revenue who has not
37 applied for the credit allowed pursuant to section 135.020 may qualify for the
38 credit, and shall notify any qualified claimant of the claimant's potential
39 eligibility, where the department determines such potential eligibility exists.

40 **4. Notwithstanding any provision of law to the contrary, no tax**
41 **credits provided under sections 135.010 to 135.030 shall be authorized**
42 **on or after August 28, 2015. The provisions of this subsection shall not**
43 **be construed to limit or in any way impair the department's ability to**
44 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
45 **ability to redeem such tax credits.**

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 be allowed a credit against the tax otherwise due under chapter 143,
17 excluding withholding tax imposed by sections 143.191 to 143.265, in an amount
18 equal to the total amount of the property taxes on the surviving spouse's
19 homestead paid during the tax year for which the credit is claimed. A surviving
20 spouse may claim the credit authorized under this section for each tax year
21 beginning the year of death of the public safety officer spouse until the tax year
22 in which the surviving spouse remarries. No credit shall be allowed for the tax

23 year in which the surviving spouse remarries. If the amount allowable as a credit
24 exceeds the income tax reduced by other credits, then the excess shall be
25 considered an overpayment of the income tax.

26 3. The department of revenue shall promulgate rules to implement the
27 provisions of this section.

28 4. Any rule or portion of a rule, as that term is defined in section 536.010,
29 that is created under the authority delegated in this section shall become effective
30 only if it complies with and is subject to all of the provisions of chapter 536 and,
31 if applicable, section 536.028. This section and chapter 536 are nonseverable and
32 if any of the powers vested with the general assembly pursuant to chapter 536 to
33 review, to delay the effective date, or to disapprove and annul a rule are
34 subsequently held unconstitutional, then the grant of rulemaking authority and
35 any rule proposed or adopted after August 28, 2007, shall be invalid and void.

36 5. [Pursuant to section 23.253 of the Missouri sunset act:

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

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

43 (3) This section shall terminate on September first of the calendar year
44 immediately following the calendar year in which the program authorized under
45 this section is sunset.] **Pursuant to section 23.253 of the Missouri sunset**
46 **act, the provisions of the program authorized under this section are**
47 **hereby reauthorized and shall automatically sunset on August 28, 2015.**

135.155. 1. Notwithstanding any provision of the law to the contrary, no
2 revenue-producing enterprise other than headquarters as defined in subsection
3 10 of section 135.110 shall receive the incentives set forth in sections 135.100 to
4 135.150 for facilities commencing operations on or after January 1, 2005. No
5 headquarters shall receive the incentives set forth in subsections 9 to 14 of
6 section 135.110 for facilities commencing or expanding operations on or after
7 [January 1, 2020] **August 28, 2017.**

8 2. Notwithstanding subsection 9 of section 135.110 to the contrary,
9 expansions at headquarters facilities shall each be considered a separate new
10 business facility and each be entitled to the credits as set forth in subsections 9
11 to 14 of section 135.110 if the number of new business facility employees
12 attributed to each such expansion is at least twenty-five and the amount of new
13 business facility investment attributed to each such expansion is at least one

14 million dollars. In any year in which a new business facility is not created, the
15 jobs and investment for that year shall be included in calculating the credits for
16 the most recent new business facility and not an earlier created new business
17 facility.

18 3. Notwithstanding any provision of law to the contrary, for headquarters,
19 buildings on multiple noncontiguous real properties shall be considered one
20 facility if the buildings are located within the same county or within the same
21 municipality.

135.326. As used in sections 135.325 to 135.339, the following terms shall
2 mean:

3 (1) "Business entity", person, firm, a partner in a firm, corporation or a
4 shareholder in an S corporation doing business in the state of Missouri and
5 subject to the state income tax imposed by the provisions of chapter 143, or a
6 corporation subject to the annual corporation franchise tax imposed by the
7 provisions of chapter 147, or an insurance company paying an annual tax on its
8 gross premium receipts in this state, or other financial institution paying taxes
9 to the state of Missouri or any political subdivision of this state under the
10 provisions of chapter 148, or an express company which pays an annual tax on
11 its gross receipts in this state pursuant to chapter 153;

12 (2) "Handicap", a mental, physical, or emotional impairment that
13 substantially limits one or more major life activities, whether the impairment is
14 congenital or acquired by accident, injury or disease, and where the impairment
15 is verified by medical findings;

16 (3) "Nonrecurring adoption expenses", reasonable and necessary adoption
17 fees, court costs, attorney fees, and other expenses which are directly related to
18 the legal adoption of a special needs child and which are not incurred in violation
19 of federal, state, or local law. **"Nonrecurring adoption expenses" shall not**
20 **include expenses incurred as a result of an international adoption;**

21 (4) "Special needs child", a child for whom it has been determined by the
22 division of family services, or by a child-placing agency licensed by the state, or
23 by a court of competent jurisdiction to be a child:

24 (a) That cannot or should not be returned to the home of his or her
25 parents; and

26 (b) Who has a specific factor or condition such as ethnic background, age,
27 membership in a minority or sibling group, medical condition, or handicap
28 because of which it is reasonable to conclude that such child cannot be easily
29 placed with adoptive parents;

30 (5) "State tax liability", any liability incurred by a taxpayer under the

31 provisions of chapter 143, chapter 147, chapter 148, and chapter 153, exclusive
32 of the provisions relating to the withholding of tax as provided for in sections
33 143.191 to 143.265 and related provisions.

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, including an association
4 based in this state, affiliated with a national association, organized to provide
5 support to entities receiving funding from the court-appointed special advocate
6 fund;

7 (2) "Child advocacy centers", the regional child assessment centers listed
8 in subsection 2 of section 210.001;

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 other than taxes
21 withheld under sections 143.191 to 143.265.

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. Any business entity providing funds to an employee to enable that employee
27 to legally adopt a special needs child shall be eligible to receive a tax credit of up
28 to ten thousand dollars for nonrecurring adoption expenses for each child adopted
29 that may be applied to taxes due under such business entity's state tax liability,
30 except that only one ten thousand dollar credit is available for each special needs
31 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 provided, however, that beginning on or after July 1, 2004, two million dollars of
37 the tax credits allowed shall be allocated for the adoption of special needs
38 children who are residents or wards of residents of this state at the time the
39 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. For all fiscal years beginning on or after July 1, 2006, applications to
63 claim the adoption tax credit for special needs children who are residents or
64 wards of residents of this state at the time the adoption is initiated shall be filed
65 between July first and April fifteenth of each fiscal year. For all fiscal years
66 beginning on or after July 1, 2006, applications to claim the adoption tax credit
67 for special needs children who are not residents or wards of residents of this state
68 at the time the adoption is initiated shall be filed between July first and
69 December thirty-first of each fiscal year.

70 5. Notwithstanding any provision of law to the contrary, any individual
71 or business entity may assign, transfer or sell tax credits allowed in this
72 section. Any sale of tax credits claimed pursuant to this section shall be at a
73 discount rate of seventy-five percent or greater of the amount sold.

74 6. The director of revenue shall establish a procedure by which, for each
75 fiscal year, the cumulative amount of tax credits authorized in this section is
76 equally apportioned among all taxpayers within the two categories specified in
77 subsection 3 of this section claiming the credit in that fiscal year. To the
78 maximum extent possible, the director of revenue shall establish the procedure
79 described in this subsection in such a manner as to ensure that taxpayers within
80 each category can claim all the tax credits possible up to the cumulative amount
81 of tax credits available for the fiscal year.

82 7. For all tax years beginning on or after January 1, 2006, a tax credit
83 may be claimed in an amount equal to up to fifty percent of a verified
84 contribution to a qualified agency and shall be named the children in crisis tax
85 credit. The minimum amount of any tax credit issued shall not be less than fifty
86 dollars and shall be applied to taxes due under chapter 143, excluding sections
87 143.191 to 143.265. A contribution verification shall be issued to the taxpayer by
88 the agency receiving the contribution. Such contribution verification shall include
89 the taxpayer's name, Social Security number, amount of tax credit, amount of
90 contribution, the name and address of the agency receiving the credit, and the
91 date the contribution was made. The tax credit provided under this subsection
92 shall be initially filed for the year in which the verified contribution is made.

93 8. The cumulative amount of the tax credits redeemed shall not exceed the
94 unclaimed portion of the resident adoption category allocation as described in this
95 section. The director of revenue shall determine the unclaimed portion
96 available. The amount available shall be equally divided among the three
97 qualified agencies: CASA, child advocacy centers, or crisis care centers to be used
98 towards tax credits issued. In the event tax credits claimed under one agency do
99 not total the allocated amount for that agency, the unused portion for that agency
100 will be made available to the remaining agencies equally. In the event the total
101 amount of tax credits claimed for any one agency exceeds the amount available
102 for that agency, the amount redeemed shall and will be apportioned equally to all
103 eligible taxpayers claiming the credit under that agency. After all children in
104 crisis tax credits have been claimed, any remaining unclaimed portion of the
105 reserved allocation for adoptions of special needs children who are residents or
106 wards of residents of this state shall then be made available for adoption tax
107 credit claims of special needs children who are not residents or wards of residents
108 of this state at the time the adoption is initiated.

109 9. Prior to December thirty-first of each year, the entities listed under the
110 definition of qualified agency shall apply to the department of social services in
111 order to verify their qualified agency status. Upon a determination that the

112 agency is eligible to be a qualified agency, the department of social services shall
113 provide a letter of eligibility to such agency. No later than February first of each
114 year, the department of social services shall provide a list of qualified agencies
115 to the department of revenue. All tax credit applications to claim the children in
116 crisis tax credit shall be filed between July first and April fifteenth of each fiscal
117 year. A taxpayer shall apply for the children in crisis tax credit by attaching a
118 copy of the contribution verification provided by a qualified agency to such
119 taxpayer's income tax return.

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

122 11. (1) In the event a credit denial, due to lack of available funds, causes
123 a balance-due notice to be generated by the department of revenue, or any other
124 redeeming agency, the taxpayer will not be held liable for any penalty or interest,
125 provided the balance is paid, or approved payment arrangements have been
126 made, within sixty days from the notice of denial.

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

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

136 13. The department may promulgate such rules or regulations as are
137 necessary to administer the provisions of this section. Any rule or portion of a
138 rule, as that term is defined in section 536.010, that is created under the
139 authority delegated in this section shall become effective only if it complies with
140 and is subject to all of the provisions of chapter 536 and, if applicable, section
141 536.028. This section and chapter 536 are nonseverable and if any of the powers
142 vested with the general assembly pursuant to chapter 536 to review, to delay the
143 effective date, or to disapprove and annul a rule are subsequently held
144 unconstitutional, then the grant of rulemaking authority and any rule proposed
145 or adopted after August 28, 2006, shall be invalid and void.

146 14. [Pursuant to section 23.253 of the Missouri sunset act:

147 (1) The provisions of the new program authorized under subsections 7 to
148 12 of this section shall automatically sunset six years after August 28, 2006,
149 unless reauthorized by an act of the general assembly; and

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

153 (3) This section shall terminate on September first of the calendar year
154 immediately following the calendar year in which the program authorized under
155 this section is sunset.] **Notwithstanding any provision of law to the**
156 **contrary, no tax credits provided under sections 135.325 to 135.339 shall**
157 **be authorized on or after August 28, 2015. The provisions of this**
158 **subsection shall not be construed to limit or in any way impair the**
159 **department's ability to issue tax credits authorized prior to August 28,**
160 **2015, or a taxpayer's ability to redeem such tax credits.**

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

3 (1) "Commission", the Missouri housing development commission, or its
4 successor agency;

5 (2) "Director", director of the department of revenue;

6 (3) "Eligibility statement", a statement authorized and issued by the
7 commission certifying that a given project qualifies for the Missouri low-income
8 housing tax credit. The commission shall promulgate rules establishing criteria
9 upon which the eligibility statements will be issued. The eligibility statement
10 shall specify the amount of the Missouri low-income housing tax credit
11 allowed. The commission shall only authorize the tax credits to qualified projects
12 which begin after June 18, 1991;

13 (4) **"Federal credit period", the same meaning as is prescribed the**
14 **term "credit period" under section 42 of the 1986 Internal Revenue**
15 **Code, as amended;**

16 (5) "Federal low-income housing tax credit", the federal tax credit as
17 provided in section 42 of the 1986 Internal Revenue Code, as amended;

18 [(5)] (6) "Low-income project", a housing project which has restricted
19 rents that do not exceed thirty percent of median income for at least forty percent
20 of its units occupied by persons of families having incomes of sixty percent or less
21 of the median income, or at least twenty percent of the units occupied by persons
22 or families having incomes of fifty percent or less of the median income;

23 [(6)] (7) "Median income", those incomes which are determined by the
24 federal Department of Housing and Urban Development guidelines and adjusted
25 for family size;

26 [(7)] (8) "Qualified Missouri project", a qualified low-income building as
27 that term is defined in section 42 of the 1986 Internal Revenue Code, as

28 amended, which is located in Missouri;

29 ~~[(8)]~~ **(9)** "Taxpayer", person, firm or corporation subject to the state
30 income tax imposed by the provisions of chapter 143 (except withholding imposed
31 by sections 143.191 to 143.265) or a corporation subject to the annual corporation
32 franchise tax imposed by the provisions of chapter 147, or an insurance company
33 paying an annual tax on its gross premium receipts in this state, or other
34 financial institution paying taxes to the state of Missouri or any political
35 subdivision of this state under the provisions of chapter 148, or an express
36 company which pays an annual tax on its gross receipts in this state.

135.352. 1. A taxpayer owning an interest in a qualified Missouri project
2 shall, subject to the limitations provided under the provisions of subsection 3 of
3 this section, be allowed a state tax credit, whether or not allowed a federal tax
4 credit, to be termed the Missouri low-income housing tax credit, if the commission
5 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]~~ **credit** period, and such
11 amount shall be subtracted from the amount of state tax otherwise due for the
12 same tax period.

13 3. No more than six million dollars in tax credits shall be authorized each
14 fiscal year **ending on or before June 30, 2011**, for projects financed through
15 tax-exempt bond issuance.

16 4. **For purposes of the limitations provided under this**
17 **subsection, the aggregate amount of tax credits allowed over a federal**
18 **credit period shall be attributed to the fiscal year in which such credits**
19 **are authorized by the commission for a qualified Missouri project. For**
20 **each fiscal year beginning on or after July 1, 2011, there shall be a one**
21 **hundred ten million dollar cap on tax credit authorizations for projects**
22 **which are not financed through tax exempt bond issuance. For each**
23 **fiscal year beginning on or after July 1, 2011, but ending on or before**
24 **June 30, 2015, there shall be a twenty million dollar cap on tax credit**
25 **authorizations for projects which are financed through tax exempt**
26 **bond issuance. No tax credits shall be authorized after June 30, 2015,**
27 **for projects financed through tax-exempt bond issuance.**

28 5. The Missouri low-income housing tax credit shall be taken against the
29 taxes and in the order specified pursuant to section 32.115. The credit authorized

30 by this section shall not be refundable. Any amount of credit that exceeds the tax
31 due for a taxpayer's taxable year may be carried back to any of the taxpayer's
32 three prior taxable years or carried forward to any of the taxpayer's five
33 subsequent taxable years. **For projects authorized on or after July 1, 2011,**
34 **any amount of credit that exceeds the tax due for a taxpayer's taxable**
35 **year may be carried forward to any of the taxpayer's five subsequent**
36 **taxable years or carried back to any of the taxpayer's two prior taxable**
37 **years.**

38 [5.] **6.** All or any portion of Missouri tax credits issued in accordance with
39 the provisions of sections 135.350 to 135.362 may be allocated to parties who are
40 eligible pursuant to the provisions of subsection 1 of this section. Beginning
41 January 1, 1995, for qualified projects which began on or after January 1, 1994,
42 an owner of a qualified Missouri project shall certify to the director the amount
43 of credit allocated to each taxpayer. The owner of the project shall provide to the
44 director appropriate information so that the low-income housing tax credit can be
45 properly allocated.

46 [6.] **7.** In the event that recapture of Missouri low-income housing tax
47 credits is required pursuant to subsection 2 of section 135.355, any statement
48 submitted to the director as provided in this section shall include the proportion
49 of the state credit required to be recaptured, the identity of each taxpayer subject
50 to the recapture and the amount of credit previously allocated to such taxpayer.

51 **8. A taxpayer that receives state tax credits under the provisions**
52 **of sections 253.545 to 253.559 shall be ineligible to receive state tax**
53 **credits under the provisions of sections 135.350 to 135.363 for the same**
54 **project, if such project is not financed through tax exempt bond**
55 **issuance.**

56 [7.] **9.** The director of the department may promulgate rules and
57 regulations necessary to administer the provisions of this section. No rule or
58 portion of a rule promulgated pursuant to the authority of this section shall
59 become effective unless it has been promulgated pursuant to the provisions of
60 section 536.024.

61 **10. Notwithstanding any provision of law to the contrary, no tax**
62 **credits provided under this section shall be authorized on or after**
63 **August 28, 2018. The provisions of this subsection shall not be**
64 **construed to limit or in any way impair the department's ability to**
65 **issue tax credits authorized prior to August 28, 2018, or a taxpayer's**
66 **ability to redeem such tax credits.**

135.460. 1. This section and sections 620.1100 and 620.1103 shall be

2 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, any charitable organization which is
6 exempt from federal income tax and whose Missouri unrelated business taxable
7 income, if any, would be subject to the state income tax imposed under chapter
8 143, and individuals, individual proprietorships and partnerships.

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

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

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

38 (1) An adopt-a-school program. Components of the adopt-a-school
39 program shall include donations for school activities, seminars, and functions;

40 school-business employment programs; and the donation of property and
41 equipment of the corporation to the school;

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

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

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

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

53 (6) Mentor and role model programs;

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

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

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

61 (10) Nonviolent conflict resolution and mediation programs;

62 (11) Youth outreach and counseling programs.

63 6. Any program authorized in subsection 5 of this section shall, at least
64 annually, submit a report to the department of economic development outlining
65 the purpose and objectives of such program, the number of youth served, the
66 specific activities provided pursuant to such program, the duration of such
67 program and recorded youth attendance where applicable.

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

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

74 9. For the purposes of the credits described in this section, in the case of
75 a corporation described in section 143.471, partnership, limited liability company
76 described in section 347.015, cooperative, marketing enterprise, or partnership,
77 in computing Missouri's tax liability, such credits shall be allowed to the

78 following:

- 79 (1) The shareholders of the corporation described in section 143.471;
80 (2) The partners of the partnership;
81 (3) The members of the limited liability company; and
82 (4) Individual members of the cooperative or marketing enterprise. Such
83 credits shall be apportioned to the entities described in subdivisions (1) and (2)
84 of this subsection in proportion to their share of ownership on the last day of the
85 taxpayer's tax period.

86 **10. Notwithstanding any provision of law to the contrary, no tax**
87 **credits provided under this section shall be authorized on or after**
88 **August 28, 2015. The provisions of this subsection shall not be**
89 **construed to limit or in any way impair the department's ability to**
90 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
91 **ability to redeem such tax credits.**

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.

9 2. Any amount of credit which exceeds the tax liability of a taxpayer for
10 the tax year in which the credit is first claimed may be carried back to any of the
11 taxpayer's three prior tax years and carried forward to any of the taxpayer's five
12 subsequent tax years. A certificate of tax credit issued to a taxpayer by the
13 department may be assigned, transferred, sold or otherwise conveyed. Whenever
14 a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a
15 notarized endorsement shall be filed with the department specifying the name
16 and address of the new owner of the tax credit and the value of the credit.

17 3. The tax credits allowed pursuant to sections 135.475 to 135.487 may
18 not be claimed in addition to any other state tax credits, with the exception of the
19 historic structures rehabilitation tax credit authorized pursuant to sections
20 253.545 to 253.559, which insofar as sections 135.475 to 135.487 are concerned
21 may be claimed only in conjunction with the tax credit allowed pursuant to
22 subsection 4 of section 135.481. In order for a taxpayer eligible for the historic
23 structures rehabilitation tax credit to claim the tax credit allowed pursuant to
24 subsection 4 of section 135.481, the taxpayer must comply with the requirements

25 of sections 253.545 to 253.559, and in such cases, the amount of the tax credit
26 pursuant to subsection 4 of section 135.481 shall be limited to the lesser of twenty
27 percent of the taxpayer's eligible costs or forty thousand dollars.

28 **4. Notwithstanding any provision of law to the contrary, no tax**
29 **credits provided under sections 135.475 to 135.487 shall be authorized**
30 **on or after the effective date of this act. The provisions of this**
31 **subsection shall not be construed to limit or in any way impair the**
32 **department's ability to issue tax credits authorized prior to the**
33 **effective date of this act, or a taxpayer's ability to redeem such tax**
34 **credits.**

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 be allowed a credit not to exceed five thousand dollars against the tax
4 otherwise due pursuant to chapter 143, not including sections 143.191 to 143.265,
5 in an amount equal to fifty percent of all eligible access expenditures exceeding
6 the monetary cap provided by Section 44 of the Internal Revenue Code. For
7 purposes of this section, "eligible access expenditures" means amounts paid or
8 incurred by the taxpayer in order to comply with applicable access requirements
9 provided by the Americans With Disabilities Act of 1990, as further defined in
10 Section 44 of the Internal Revenue Code and federal rulings interpreting Section
11 44 of the Internal Revenue Code.

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

16 3. The director of the department of economic development and the
17 director of the department of revenue shall jointly administer the tax credit
18 authorized by this section. Both the director of the department of economic
19 development and the director of the department of revenue are authorized to
20 promulgate rules and regulations necessary to administer the provisions of this
21 section. No rule or portion of a rule promulgated pursuant to the authority of
22 this section shall become effective unless it has been promulgated pursuant to the
23 provisions of chapter 536.

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

26 **5. Notwithstanding any provision of law to the contrary, no tax**
27 **credits provided under this section shall be authorized on or after**
28 **August 28, 2015. The provisions of this subsection shall not be**

29 **construed to limit or in any way impair the department's ability to**
30 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
31 **ability to redeem such tax credits.**

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 receive a forty percent credit against income taxes owed
12 pursuant to chapter 143, 147 or 148, other than taxes withheld pursuant to
13 sections 143.191 to 143.265, for each of the three years after such move, if
14 approved by the department of economic development, which shall issue a
15 certificate of eligibility if the department determines that the taxpayer is eligible
16 for such credit. The maximum amount of credits per taxpayer set forth in this
17 subsection shall not exceed one hundred twenty-five thousand dollars for each of
18 the three years for which the credit is claimed. The department of economic
19 development, by means of rule or regulation promulgated pursuant to the
20 provisions of chapter 536, shall assign appropriate North American Industry
21 Classification System numbers to the companies which are eligible for the tax
22 credits provided for in this section. Such three-year credits shall be awarded only
23 one time to any company which moves its operations from outside of Missouri or
24 outside of a distressed community into a distressed community or to a company
25 which commences operations within a distressed community. A taxpayer shall
26 file an application for certification of the tax credits for the first year in which
27 credits are claimed and for each of the two succeeding taxable years for which
28 credits are claimed.

29 2. Employees of such facilities physically working and earning wages for
30 that work within a distressed community whose employers have been approved
31 for tax credits pursuant to subsection 1 of this section by the department of
32 economic development for whom payroll taxes are paid shall also be eligible to
33 receive a tax credit against individual income tax, imposed pursuant to chapter
34 143, equal to one and one-half percent of their gross salary paid at such facility
35 earned for each of the three years that the facility receives the tax credit provided

36 by this section, so long as they were qualified employees of such entity. The
37 employer shall calculate the amount of such credit and shall report the amount
38 to the employee and the department of revenue.

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

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

60 5. An existing corporation, partnership or sole proprietorship that is
61 located within a distressed community and that relocates employees from another
62 facility outside of the distressed community to its facility within the distressed
63 community, and an existing business located within a distressed community that
64 hires new employees for that facility may both be eligible for the tax credits
65 allowed by subsections 1 and 3 of this section. To be eligible for such tax credits,
66 such a business, during one of its tax years, shall employ within a distressed
67 community at least twice as many employees as were employed at the beginning
68 of that tax year. A business hiring employees shall have no more than one
69 hundred employees before the addition of the new employees. This subsection
70 shall only apply to a business which is a manufacturing, biomedical, medical
71 devices, scientific research, animal research, computer software design or
72 development, computer programming or telecommunications business, or a
73 professional firm.

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

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

93 8. A Missouri employer relocating into a distressed community and having
94 employees covered by a collective bargaining agreement at the facility from which
95 it is relocating shall not be eligible for the credits in subsection 1, 3, 4 or 5 of this
96 section, and its employees shall not be eligible for the credit in subsection 2 of
97 this section if the relocation violates or terminates a collective bargaining
98 agreement covering employees at the facility, unless the affected collective
99 bargaining unit concurs with the move.

100 9. Notwithstanding any provision of law to the contrary, no taxpayer shall
101 earn the tax credits allowed in this section and the tax credits otherwise allowed
102 in section 135.110, or the tax credits, exemptions, and refund otherwise allowed
103 in sections 135.200, 135.220, 135.225 and 135.245, respectively, for the same
104 business for the same tax period.

105 **10. Notwithstanding any provision of law to the contrary, no tax**
106 **credits provided under this section shall be authorized on or after the**
107 **effective date of this act. The provisions of this subsection shall not be**
108 **construed to limit or in any way impair the department's ability to**
109 **issue tax credits authorized prior to the effective date of this act, or a**
110 **taxpayer's ability to redeem such tax credits.**

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
5 state which meets the definition of a shelter for victims of domestic violence
6 pursuant to section 455.200 and which meets the requirements of section 455.220;

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

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

26 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's
27 state tax liability, in an amount equal to fifty percent of the amount such
28 taxpayer contributed to a shelter for victims of domestic violence.

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

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

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

48 6. The director of the department of social services shall establish a
49 procedure by which a taxpayer can determine if a facility has been classified as
50 a shelter for victims of domestic violence, and by which such taxpayer can then
51 contribute to such shelter for victims of domestic violence and claim a tax
52 credit. Shelters for victims of domestic violence shall be permitted to decline a
53 contribution from a taxpayer. The cumulative amount of tax credits which may
54 be claimed by all the taxpayers contributing to shelters for victims of domestic
55 violence in any one fiscal year shall not exceed two million dollars.

56 7. The director of the department of social services shall establish a
57 procedure by which, from the beginning of the fiscal year until some point in time
58 later in the fiscal year to be determined by the director of the department of
59 social services, the cumulative amount of tax credits are equally apportioned
60 among all facilities classified as shelters for victims of domestic violence. If a
61 shelter for victims of domestic violence fails to use all, or some percentage to be
62 determined by the director of the department of social services, of its apportioned
63 tax credits during this predetermined period of time, the director of the
64 department of social services may reapportion these unused tax credits to those
65 shelters for victims of domestic violence that have used all, or some percentage
66 to be determined by the director of the department of social services, of their
67 apportioned tax credits during this predetermined period of time. The director
68 of the department of social services may establish more than one period of time
69 and reapportion more than once during each fiscal year. To the maximum extent
70 possible, the director of the department of social services shall establish the
71 procedure described in this subsection in such a manner as to ensure that
72 taxpayers can claim all the tax credits possible up to the cumulative amount of
73 tax credits available for the fiscal year.

74 8. This section shall become effective January 1, 2000, and shall apply to
75 all tax years after December 31, 1999.

76 **9. Notwithstanding any provision of law to the contrary, no tax**
77 **credits provided under this section shall be authorized on or after**

78 **August 28, 2015. The provisions of this subsection shall not be**
79 **construed to limit or in any way impair the department's ability to**
80 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
81 **ability to redeem such tax credits.**

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 receive a tax credit against such taxpayer's Missouri income tax
13 liability in an amount equal to the lesser of fifty percent of such costs or two
14 thousand five hundred dollars per taxpayer per tax year. No taxpayer shall be
15 eligible to receive tax credits under this section in any tax year immediately
16 following a tax year in which such taxpayer received tax credits under the
17 provisions of this section.

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

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

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

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

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

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

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

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

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

53 10.] In no event shall the aggregate amount of all tax credits allowed
54 pursuant to this section exceed one hundred thousand dollars in any given fiscal
55 year. The tax credits issued pursuant to this section shall be on a first-come,
56 first-served filing basis.

57 **10. Notwithstanding any provision of law to the contrary, no tax**
58 **credits provided under this section shall be authorized on or after**
59 **August 28, 2015. The provisions of this subsection shall not be**
60 **construed to limit or in any way impair the department's ability to**
61 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
62 **ability to redeem such tax credits.**

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, chapter 147,
10 chapter 148, and chapter 153, exclusive of the provisions relating to the

11 withholding of tax as provided for in sections 143.191 to 143.265, and related
12 provisions, and in the case of an individual taxpayer, any liability incurred by
13 such taxpayer pursuant to the provisions of chapter 143;

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

27 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's
28 state tax liability, in an amount equal to fifty percent of the amount such
29 taxpayer contributed to a maternity home.

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

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

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

48 6. The director of the department of social services shall establish a

49 procedure by which a taxpayer can determine if a facility has been classified as
50 a maternity home, and by which such taxpayer can then contribute to such
51 maternity home and claim a tax credit. Maternity homes shall be permitted to
52 decline a contribution from a taxpayer. The cumulative amount of tax credits
53 which may be claimed by all the taxpayers contributing to maternity homes in
54 any one fiscal year shall not exceed two million dollars.

55 7. The director of the department of social services shall establish a
56 procedure by which, from the beginning of the fiscal year until some point in time
57 later in the fiscal year to be determined by the director of the department of
58 social services, the cumulative amount of tax credits are equally apportioned
59 among all facilities classified as maternity homes. If a maternity home fails to
60 use all, or some percentage to be determined by the director of the department of
61 social services, of its apportioned tax credits during this predetermined period of
62 time, the director of the department of social services may reapportion these
63 unused tax credits to those maternity homes that have used all, or some
64 percentage to be determined by the director of the department of social services,
65 of their apportioned tax credits during this predetermined period of time. The
66 director of the department of social services may establish more than one period
67 of time and reapportion more than once during each fiscal year. To the maximum
68 extent possible, the director of the department of social services shall establish
69 the procedure described in this subsection in such a manner as to ensure that
70 taxpayers can claim all the tax credits possible up to the cumulative amount of
71 tax credits available for the fiscal year.

72 8. This section shall become effective January 1, 2000, and shall apply to
73 all tax years after December 31, 1999.

74 **9. Notwithstanding any provision of law to the contrary, no tax**
75 **credits provided under this section shall be authorized on or after**
76 **August 28, 2015. The provisions of this subsection shall not be**
77 **construed to limit or in any way impair the department's ability to**
78 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
79 **ability to redeem such tax credits.**

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, excluding sections 143.191 to 143.265 and related provisions, and in the
24 case of an individual taxpayer, any liability incurred by such taxpayer pursuant
25 to the provisions of chapter 143, excluding sections 143.191 to 143.265 and
26 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, or a
30 corporation subject to the annual corporation franchise tax imposed by the
31 provisions of chapter 147, or an insurance company paying an annual tax on its
32 gross premium receipts in this state, or other financial institution paying taxes
33 to the state of Missouri or any political subdivision of this state pursuant to the
34 provisions of chapter 148, or an express company which pays an annual tax on
35 its gross receipts in this state pursuant to chapter 153, or an individual subject
36 to the state income tax imposed by the provisions of chapter 143, or any
37 charitable organization which is exempt from federal income tax and whose
38 Missouri unrelated business taxable income, if any, would be subject to the state
39 income tax imposed under chapter 143.

40 2. For all tax years beginning on or after January 1, 2007, a taxpayer
41 shall be allowed to claim a tax credit against the taxpayer's state tax liability in
42 an amount equal to fifty percent of the amount such taxpayer contributed to a
43 pregnancy resource center.

44 3. The amount of the tax credit claimed shall not exceed the amount of the
45 taxpayer's state tax liability for the taxable year for which the credit is claimed,

46 and such taxpayer shall not be allowed to claim a tax credit in excess of fifty
47 thousand dollars per taxable year. However, any tax credit that cannot be
48 claimed in the taxable year the contribution was made may be carried over to the
49 next four succeeding taxable years until the full credit has been claimed.

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

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

61 6. The director shall establish a procedure by which a taxpayer can
62 determine if a facility has been classified as a pregnancy resource
63 center. Pregnancy resource centers shall be permitted to decline a contribution
64 from a taxpayer. The cumulative amount of tax credits which may be claimed by
65 all the taxpayers contributing to pregnancy resource centers in any one fiscal year
66 shall not exceed two million dollars. Tax credits shall be issued in the order
67 contributions are received.

68 7. The director shall establish a procedure by which, from the beginning
69 of the fiscal year until some point in time later in the fiscal year to be determined
70 by the director, the cumulative amount of tax credits are equally apportioned
71 among all facilities classified as pregnancy resource centers. If a pregnancy
72 resource center fails to use all, or some percentage to be determined by the
73 director, of its apportioned tax credits during this predetermined period of time,
74 the director may reapportion these unused tax credits to those pregnancy
75 resource centers that have used all, or some percentage to be determined by the
76 director, of their apportioned tax credits during this predetermined period of
77 time. The director may establish more than one period of time and reapportion
78 more than once during each fiscal year. To the maximum extent possible, the
79 director shall establish the procedure described in this subsection in such a
80 manner as to ensure that taxpayers can claim all the tax credits possible up to
81 the cumulative amount of tax credits available for the fiscal year.

82 8. Each pregnancy resource center shall provide information to the
83 director concerning the identity of each taxpayer making a contribution to the

84 pregnancy resource center who is claiming a tax credit pursuant to this section
85 and the amount of the contribution. The director shall provide the information
86 to the director of revenue. The director shall be subject to the confidentiality and
87 penalty provisions of section 32.057 relating to the disclosure of tax information.

88 9. Notwithstanding any other law to the contrary, any tax credits granted
89 under this section may be assigned, transferred, sold, or otherwise conveyed
90 without consent or approval. Such taxpayer, hereinafter the assignor for
91 purposes of this section, may sell, assign, exchange, or otherwise transfer earned
92 tax credits:

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

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

97 10. [Pursuant to section 23.253 of the Missouri sunset act:

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

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

104 (3) This section shall terminate on September first of the calendar year
105 immediately following the calendar year in which a program authorized under
106 this section is sunset.] **Pursuant to section 23.253 of the Missouri sunset
107 act, the provisions of the program authorized under this section are
108 hereby reauthorized and shall automatically sunset on August 28, 2015.**

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, excluding withholding tax imposed by
11 sections 143.191 to 143.265.

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 be allowed a credit against the tax otherwise
15 due under chapter 143, excluding withholding tax imposed by sections 143.191
16 to 143.265, in an amount equal to fifty percent of the value of the donations made
17 to the extent such amounts that have been subtracted from federal adjusted gross
18 income or federal taxable income are added back in the determination of Missouri
19 adjusted gross income or Missouri taxable income before the credit can be
20 claimed. Each taxpayer claiming a tax credit under this section shall file an
21 affidavit with the income tax return verifying the amount of their
22 contributions. The amount of the tax credit claimed shall not exceed the amount
23 of the taxpayer's state tax liability for the tax year that the credit is claimed, and
24 shall not exceed two thousand five hundred dollars per taxpayer claiming the
25 credit. Any amount of credit that the taxpayer is prohibited by this section from
26 claiming in a tax year shall not be refundable, but may be carried forward to any
27 of the taxpayer's three subsequent taxable years. No tax credit granted under
28 this section shall be transferred, sold, or assigned. No taxpayer shall be eligible
29 to receive a credit pursuant to this section if such taxpayer employs persons who
30 are not authorized to work in the United States under federal law.

31 3. The cumulative amount of tax credits under this section which may be
32 allocated to all taxpayers contributing to a local food pantry in any one fiscal year
33 shall not exceed two million dollars. The director of revenue shall establish a
34 procedure by which the cumulative amount of tax credits is apportioned among
35 all taxpayers claiming the credit by April fifteenth of the fiscal year in which the
36 tax credit is claimed. To the maximum extent possible, the director of revenue
37 shall establish the procedure described in this subsection in such a manner as to
38 ensure that taxpayers can claim all the tax credits possible up to the cumulative
39 amount of tax credits available for the fiscal year.

40 4. Any local food pantry may accept or reject any donation of food made
41 under this section for any reason. For purposes of this section, any donations of
42 food accepted by a local food pantry shall be valued at fair market value, or at
43 wholesale value if the taxpayer making the donation of food is a retail grocery
44 store, food broker, wholesaler, or restaurant.

45 5. The department of revenue shall promulgate rules to implement the
46 provisions of this section. Any rule or portion of a rule, as that term is defined
47 in section 536.010, that is created under the authority delegated in this section
48 shall become effective only if it complies with and is subject to all of the
49 provisions of chapter 536 and, if applicable, section 536.028. This section and
50 chapter 536 are nonseverable and if any of the powers vested with the general
51 assembly pursuant to chapter 536 to review, to delay the effective date, or to

52 disapprove and annul a rule are subsequently held unconstitutional, then the
53 grant of rulemaking authority and any rule proposed or adopted after August 28,
54 2007, shall be invalid and void.

55 6. [Under section 23.253 of the Missouri sunset act:

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

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

62 (3) This section shall terminate on September first of the calendar year
63 immediately following the calendar year in which the program authorized under
64 this section is sunset.] **Pursuant to section 23.253 of the Missouri sunset
65 act, the provisions of the program authorized under this section are
66 hereby reauthorized and shall automatically sunset on August 28, 2015.**

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
10 authority established in chapter 348;

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 excluding withholding tax imposed by sections 143.191 to 143.265, or otherwise
39 due under chapter 147;

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

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

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

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

47 3. For all taxable years beginning on or after January 1, 2009, [but ending
48 on or before December 31, 2016,] a taxpayer shall be allowed a tax credit for the
49 first qualifying sale and for a subsequent qualifying sale of all qualifying beef
50 animals. The tax credit amount for the first qualifying sale shall be ten cents per
51 pound, shall be based on the backgrounded weight of all qualifying beef animals
52 at the time of the first qualifying sale, and shall be calculated as follows: the
53 qualifying sale weight minus the baseline weight multiplied by ten cents, as long
54 as the qualifying sale weight is equal to or greater than two hundred pounds
55 above the baseline weight. The tax credit amount for each subsequent qualifying
56 sale shall be ten cents per pound, shall be based on the backgrounded weight of
57 all qualifying beef animals at the time of the subsequent qualifying sale, and
58 shall be calculated as follows: the qualifying sale weight minus the baseline
59 weight multiplied by ten cents, as long as the qualifying sale weight is equal to
60 or greater than two hundred pounds above the baseline weight. The authority
61 may waive no more than twenty-five percent of the two hundred pound weight

62 gain requirement, but any such waiver shall be based on a disaster declaration
63 issued by the U. S. Department of Agriculture.

64 4. The amount of the tax credit claimed shall not exceed the amount of the
65 taxpayer's state tax liability for the taxable year for which the credit is claimed.
66 No tax credit claimed under this section shall be refundable. The tax credit shall
67 be claimed in the taxable year in which the qualifying sale of the qualifying beef
68 occurred, but any amount of credit that the taxpayer is prohibited by this section
69 from claiming in a taxable year may be carried forward to any of the taxpayer's
70 five subsequent taxable years and carried backward to any of the taxpayer's three
71 previous taxable years. The amount of tax credits that may be issued to all
72 eligible applicants claiming tax credits authorized in this section in a fiscal year
73 shall not exceed three million dollars. Tax credits shall be issued on an
74 as-received application basis until the fiscal year limit is reached. Any credits
75 not issued in any fiscal year shall expire and shall not be issued in any
76 subsequent years.

77 5. To claim the tax credit allowed under this section, the taxpayer shall
78 submit to the authority an application for the tax credit on a form provided by the
79 authority and any application fee imposed by the authority. The application shall
80 be filed with the authority at the end of each calendar year in which a qualified
81 sale was made and for which a tax credit is claimed under this section. The
82 application shall include any certified documentation and information required
83 by the authority. All required information obtained by the authority shall be
84 confidential and not disclosed except by court order, subpoena, or as otherwise
85 provided by law. If the taxpayer and the qualified sale meet all criteria required
86 by this section and approval is granted by the authority, the authority shall issue
87 a tax credit certificate in the appropriate amount. Tax credit certificates issued
88 under this section may be assigned, transferred, sold, or otherwise conveyed, and
89 the new owner of the tax credit certificate shall have the same rights in the tax
90 credit as the original taxpayer. Whenever a tax credit certificate is assigned,
91 transferred, sold or otherwise conveyed, a notarized endorsement shall be filed
92 with the authority specifying the name and address of the new owner of the tax
93 credit certificate or the value of the tax credit.

94 6. Any information provided under this section shall be confidential
95 information, to be shared with no one except state and federal animal health
96 officials, except as provided in subsection 5 of this section.

97 7. The authority may promulgate rules to implement the provisions of this
98 section. Any rule or portion of a rule, as that term is defined in section 536.010,
99 that is created under the authority delegated in this section shall become effective

100 only if it complies with and is subject to all of the provisions of chapter 536 and,
101 if applicable, section 536.028. This section and chapter 536 are nonseverable and
102 if any of the powers vested with the general assembly pursuant to chapter 536 to
103 review, to delay the effective date, or to disapprove and annul a rule are
104 subsequently held unconstitutional, then the grant of rulemaking authority and
105 any rule proposed or adopted after August 28, 2007, shall be invalid and void.

106 **8. Notwithstanding any provision of law to the contrary, no tax**
107 **credits provided under this section shall be authorized on or after**
108 **August 28, 2014. The provisions of this subsection shall not be**
109 **construed to limit or in any way impair the authority's ability to issue**
110 **tax credits authorized prior to August 28, 2014, or a taxpayer's ability**
111 **to redeem such tax credits.**

112 **9.** This section shall not be subject to the Missouri sunset act, sections
113 23.250 to 23.298.

135.700. **1.** For all tax years beginning on or after January 1, 1999, a
2 grape grower or wine producer shall be allowed a tax credit against the state tax
3 liability incurred pursuant to chapter 143, exclusive of the provisions relating to
4 the withholding of tax as provided in sections 143.191 to 143.265, in an amount
5 equal to twenty-five percent of the purchase price of all new equipment and
6 materials used directly in the growing of grapes or the production of wine in the
7 state. Each grower or producer shall apply to the department of economic
8 development and specify the total amount of such new equipment and materials
9 purchased during the calendar year. The department of economic development
10 shall certify to the department of revenue the amount of such tax credit to which
11 a grape grower or wine producer is entitled pursuant to this section. The
12 provisions of this section notwithstanding, a grower or producer may only apply
13 for and receive the credit authorized by this section for five tax periods. **For all**
14 **tax years beginning on or after January 1, 2012, no more than two**
15 **hundred thousand dollars in tax credits provided under this section**
16 **may be authorized annually.**

17 **2. Notwithstanding any provision of law to the contrary, no tax**
18 **credits provided under this section shall be authorized on or after**
19 **August 28, 2014. The provisions of this subsection shall not be**
20 **construed to limit or in any way impair the department's ability to**
21 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's**
22 **ability to redeem such tax credits.**

135.815. **1.** Prior to authorization of any tax credit application, an
2 administering agency shall verify through the department of revenue that the tax

3 credit applicant does not owe any delinquent income, sales, or use taxes, or
4 interest or penalties on such taxes, and through the department of insurance,
5 financial institutions and professional registration that the applicant does not
6 owe any delinquent insurance taxes. Such delinquency shall not affect the
7 authorization of the application for such tax credits, except that the amount of
8 credits issued shall be reduced by the applicant's tax delinquency. If the
9 department of revenue or the department of insurance, financial institutions and
10 professional registration concludes that a taxpayer is delinquent after June
11 fifteenth but before July first of any year, and the application of tax credits to
12 such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then
13 the taxpayer shall be granted thirty days to satisfy the deficiency in which
14 interest, penalties, and additions to tax shall be tolled. After applying all
15 available credits towards a tax delinquency, the administering agency shall notify
16 the appropriate department, and that department shall update the amount of
17 outstanding delinquent tax owed by the applicant. If any credits remain after
18 satisfying all insurance, income, sales, and use tax delinquencies, the remaining
19 credits shall be issued to the applicant, subject to the restrictions of other
20 provisions of law.

21 2. Any applicant of a tax credit program contained in the definition of the
22 term "all tax credit programs" who purposely and directly employs unauthorized
23 aliens shall forfeit any tax credits issued to such applicant which have not been
24 redeemed, and shall repay the amount of any tax credits redeemed by such
25 applicant during the period of time such unauthorized alien was employed by the
26 applicant. As used in this subsection, the term "unauthorized alien" shall mean
27 an alien who does not have the legal right or authorization under federal law to
28 work in the United States, as defined under Section 8 U.S.C. 1324a(h)(3).

29 **3. Any administering agency may, by rule, provide for the**
30 **recapture of tax credits for noncompliance with program requirements.**

135.825. 1. The administering agencies for all tax credit programs shall,
2 in cooperation with the department of revenue, implement a system for tracking
3 the amount of tax credits authorized, issued, and redeemed. Any such agency
4 may promulgate rules for the implementation of this section.

5 2. The provisions of **subsection 1** of this section shall not apply to any
6 credit that is issued and redeemed simultaneously.

7 **3. The committee on legislative research shall conduct a review**
8 **of any tax credit program, in the manner provided under the provisions**
9 **of sections 23.250 to 23.298, by September first of the calendar year**
10 **prior to the year in which tax credit authorizations or issuances will**

11 **be prohibited for such tax credit program.**

12 4. Any rule or portion of a rule, as that term is defined in section 536.010,
13 that is created under the authority delegated in this section shall become effective
14 only if it complies with and is subject to all of the provisions of chapter 536 and,
15 if applicable, section 536.028. This section and chapter 536 are nonseverable and
16 if any of the powers vested with the general assembly pursuant to chapter 536 to
17 review, to delay the effective date, or to disapprove and annul a rule are
18 subsequently held unconstitutional, then the grant of rulemaking authority and
19 any rule proposed or adopted after August 28, 2004, shall be invalid and void.

 135.950. The following terms, whenever used in sections 135.950 to
2 **[135.970] 135.973** mean:

3 (1) "Average wage", the new payroll divided by the number of new jobs;

4 (2) "Blighted area", an area which, by reason of the predominance of
5 defective or inadequate street layout, unsanitary or unsafe conditions,
6 deterioration of site improvements, improper subdivision or obsolete platting, or
7 the existence of conditions which endanger life or property by fire and other
8 causes, or any combination of such factors, retards the provision of housing
9 accommodations or constitutes an economic or social liability or a menace to the
10 public health, safety, morals, or welfare in its present condition and use. The
11 term "blighted area" shall also include any area which produces or generates or
12 has the potential to produce or generate electrical energy from a renewable
13 energy resource, and which, by reason of obsolescence, decadence, blight,
14 dilapidation, deteriorating or inadequate site improvements, substandard
15 conditions, the predominance **[or] of** defective or inadequate street layout,
16 unsanitary or unsafe conditions, improper subdivision or obsolete platting, or the
17 existence of conditions which endanger the life or property by fire or other means,
18 or any combination of such factors, is underutilized, unutilized, or diminishes the
19 economic usefulness of the land, improvements, or lock and dam site within such
20 area for the production, generation, conversion, and conveyance of electrical
21 energy from a renewable energy resource;

22 (3) "Board", an enhanced enterprise zone board established pursuant to
23 section 135.957;

24 (4) "Commencement of commercial operations" shall be deemed to occur
25 during the first taxable year for which the new business facility is first put into
26 use by the taxpayer in the enhanced business enterprise in which the taxpayer
27 intends to use the new business facility;

28 (5) "County average wage", the average wages in each county as
29 determined by the department for the most recently completed full calendar

30 year. However, if the computed county average wage is above the statewide
31 average wage, the statewide average wage shall be deemed the county average
32 wage for such county for the purpose of determining eligibility. The department
33 shall publish the county average wage for each county at least
34 annually. Notwithstanding the provisions of this subdivision to the contrary, for
35 any taxpayer that in conjunction with their project is relocating employees from
36 a Missouri county with a higher county average wage, such taxpayer shall obtain
37 the endorsement of the governing body of the community from which jobs are
38 being relocated or the county average wage for their project shall be the county
39 average wage for the county from which the employees are being relocated;

40 (6) "Department", the department of economic development;

41 (7) "Director", the director of the department of economic development;

42 (8) "Employee", a person employed by the enhanced business enterprise
43 that is scheduled to work an average of at least one thousand hours per year, and
44 such person at all times has health insurance offered to him or her, which is
45 partially paid for by the employer;

46 (9) "Enhanced business enterprise", an industry or one of a cluster of
47 industries that is either:

48 (a) Identified by the department as critical to the state's economic security
49 and growth; or

50 (b) Will have an impact on industry cluster development, as identified by
51 the governing authority in its application for designation of an enhanced
52 enterprise zone and approved by the department; but excluding gambling
53 establishments (NAICS industry group 7132), retail trade (NAICS sectors 44 and
54 45), educational services (NAICS sector 61), religious organizations (NAICS
55 industry group 8131), public administration (NAICS sector 92), and food and
56 drinking places (NAICS subsector 722), however, notwithstanding provisions of
57 this section to the contrary, headquarters or administrative offices of an
58 otherwise excluded business may qualify for benefits if the offices serve a
59 multistate territory. In the event a national, state, or regional headquarters
60 operation is not the predominant activity of a project facility, the new jobs and
61 investment of such headquarters operation is considered eligible for benefits
62 under this section if the other requirements are satisfied. Service industries may
63 be eligible only if a majority of its annual revenues will be derived from out of the
64 state;

65 (10) "Existing business facility", any facility in this state which was
66 employed by the taxpayer claiming the credit in the operation of an enhanced
67 business enterprise immediately prior to an expansion, acquisition, addition, or

68 replacement;

69 (11) "Facility", any building used as an enhanced business enterprise
70 located within an enhanced enterprise zone, including the land on which the
71 facility is located and all machinery, equipment, and other real and depreciable
72 tangible personal property acquired for use at and located at or within such
73 facility and used in connection with the operation of such facility;

74 (12) "Facility base employment", the greater of the number of employees
75 located at the facility on the date of the notice of intent, or for the twelve-month
76 period prior to the date of the notice of intent, the average number of employees
77 located at the facility, or in the event the project facility has not been in operation
78 for a full twelve-month period, the average number of employees for the number
79 of months the facility has been in operation prior to the date of the notice of
80 intent;

81 (13) "Facility base payroll", the total amount of taxable wages paid by the
82 enhanced business enterprise to employees of the enhanced business enterprise
83 located at the facility in the twelve months prior to the notice of intent, not
84 including the payroll of owners of the enhanced business enterprise unless the
85 enhanced business enterprise is participating in an employee stock ownership
86 plan. For the purposes of calculating the benefits under this program, the
87 amount of base payroll shall increase each year based on the consumer price
88 index or other comparable measure, as determined by the department;

89 (14) "Governing authority", the body holding primary legislative authority
90 over a county or incorporated municipality;

91 (15) "Megaproject", any manufacturing or assembling facility, approved
92 by the department for construction and operation within an enhanced enterprise
93 zone, which satisfies the following:

94 (a) The new capital investment is projected to exceed three hundred
95 million dollars over a period of eight years from the date of approval by the
96 department;

97 (b) The number of new jobs is projected to exceed one thousand over a
98 period of eight years beginning on the date of approval by the department;

99 (c) The average wage of new jobs to be created shall exceed the county
100 average wage;

101 (d) The taxpayer shall offer health insurance to all new jobs and pay at
102 least eighty percent of such insurance premiums; and

103 (e) An acceptable plan of repayment, to the state, of the tax credits
104 provided for the megaproject has been provided by the taxpayer;

105 (16) "NAICS", the 1997 edition of the North American Industry

106 Classification System as prepared by the Executive Office of the President, Office
107 of Management and Budget. Any NAICS sector, subsector, industry group or
108 industry identified in this section shall include its corresponding classification in
109 subsequent federal industry classification systems;

110 (17) "New business facility", a facility that does not produce or generate
111 electrical energy from a renewable energy resource and satisfies the following
112 requirements:

113 (a) Such facility is employed by the taxpayer in the operation of an
114 enhanced business enterprise. Such facility shall not be considered a new
115 business facility in the hands of the taxpayer if the taxpayer's only activity with
116 respect to such facility is to lease it to another person or persons. If the taxpayer
117 employs only a portion of such facility in the operation of an enhanced business
118 enterprise, and leases another portion of such facility to another person or
119 persons or does not otherwise use such other portions in the operation of an
120 enhanced business enterprise, the portion employed by the taxpayer in the
121 operation of an enhanced business enterprise shall be considered a new business
122 facility, if the requirements of paragraphs (b), (c), and (d) of this subdivision are
123 satisfied;

124 (b) Such facility is acquired by, or leased to, the taxpayer after December
125 31, 2004. A facility shall be deemed to have been acquired by, or leased to, the
126 taxpayer after December 31, 2004, if the transfer of title to the taxpayer, the
127 transfer of possession pursuant to a binding contract to transfer title to the
128 taxpayer, or the commencement of the term of the lease to the taxpayer occurs
129 after December 31, 2004;

130 (c) If such facility was acquired by the taxpayer from another taxpayer
131 and such facility was employed immediately prior to the acquisition by another
132 taxpayer in the operation of an enhanced business enterprise, the operation of the
133 same or a substantially similar enhanced business enterprise is not continued by
134 the taxpayer at such facility; and

135 (d) Such facility is not a replacement business facility, as defined in
136 subdivision (27) of this section;

137 (18) "New business facility employee", an employee of the taxpayer in the
138 operation of a new business facility during the taxable year for which the credit
139 allowed by section 135.967 is claimed, except that truck drivers and rail and
140 barge vehicle operators and other operators of rolling stock for hire shall not
141 constitute new business facility employees;

142 (19) "New business facility investment", the value of real and depreciable
143 tangible personal property, acquired by the taxpayer as part of the new business

144 facility, which is used by the taxpayer in the operation of the new business
145 facility, during the taxable year for which the credit allowed by 135.967 is
146 claimed, except that trucks, truck-trailers, truck semitrailers, rail vehicles, barge
147 vehicles, aircraft and other rolling stock for hire, track, switches, barges, bridges,
148 tunnels, and rail yards and spurs shall not constitute new business facility
149 investments. The total value of such property during such taxable year shall be:

150 (a) Its original cost if owned by the taxpayer; or

151 (b) Eight times the net annual rental rate, if leased by the taxpayer. The
152 net annual rental rate shall be the annual rental rate paid by the taxpayer less
153 any annual rental rate received by the taxpayer from subrentals. The new
154 business facility investment shall be determined by dividing by twelve the sum
155 of the total value of such property on the last business day of each calendar
156 month of the taxable year. If the new business facility is in operation for less
157 than an entire taxable year, the new business facility investment shall be
158 determined by dividing the sum of the total value of such property on the last
159 business day of each full calendar month during the portion of such taxable year
160 during which the new business facility was in operation by the number of full
161 calendar months during such period;

162 (20) "New job", the number of employees located at the facility that
163 exceeds the facility base employment less any decrease in the number of the
164 employees at related facilities below the related facility base employment. No job
165 that was created prior to the date of the notice of intent shall be deemed a new
166 job;

167 (21) "Notice of intent", a form developed by the department which is
168 completed by the enhanced business enterprise and submitted to the department
169 which states the enhanced business enterprise's intent to hire new jobs and
170 request benefits under such program;

171 (22) "Related facility", a facility operated by the enhanced business
172 enterprise or a related company in this state that is directly related to the
173 operation of the project facility;

174 (23) "Related facility base employment", the greater of:

175 (a) The number of employees located at all related facilities on the date
176 of the notice of intent; or

177 (b) For the twelve-month period prior to the date of the notice of intent,
178 the average number of employees located at all related facilities of the enhanced
179 business enterprise or a related company located in this state;

180 (24) "Related taxpayer":

181 (a) A corporation, partnership, trust, or association controlled by the

182 taxpayer;

183 (b) An individual, corporation, partnership, trust, or association in control
184 of the taxpayer; or

185 (c) A corporation, partnership, trust or association controlled by an
186 individual, corporation, partnership, trust or association in control of the
187 taxpayer. "Control of a corporation" shall mean ownership, directly or indirectly,
188 of stock possessing at least fifty percent of the total combined voting power of all
189 classes of stock entitled to vote, "control of a partnership or association" shall
190 mean ownership of at least fifty percent of the capital or profits interest in such
191 partnership or association, and "control of a trust" shall mean ownership, directly
192 or indirectly, of at least fifty percent of the beneficial interest in the principal or
193 income of such trust; ownership shall be determined as provided in Section 318
194 of the Internal Revenue Code of 1986, as amended;

195 (25) "Renewable energy generation zone", an area which has been found,
196 by a resolution or ordinance adopted by the governing authority having
197 jurisdiction of such area, to be a blighted area and which contains land,
198 improvements, or a lock and dam site which is unutilized or underutilized for the
199 production, generation, conversion, and conveyance of electrical energy from a
200 renewable energy resource;

201 (26) "Renewable energy resource", shall include:

202 (a) Wind;

203 (b) Solar thermal sources or photovoltaic cells and panels;

204 (c) Dedicated crops grown for energy production;

205 (d) Cellulosic agricultural residues;

206 (e) Plant residues;

207 (f) Methane from landfills, agricultural operations, or wastewater
208 treatment;

209 (g) Thermal depolymerization or pyrolysis for converting waste material
210 to energy;

211 (h) Clean and untreated wood such as pallets;

212 (i) Hydroelectric power, which shall include electrical energy produced or
213 generated by hydroelectric power generating equipment, as such term is defined
214 in section 137.010;

215 (j) Fuel cells using hydrogen produced by one or more of the renewable
216 resources provided in paragraphs (a) to (i) of this subdivision; or

217 (k) Any other sources of energy, not including nuclear energy, that are
218 certified as renewable by rule by the department of natural resources;

219 (27) "Replacement business facility", a facility otherwise described in

220 subdivision (17) of this section, hereafter referred to in this subdivision as "new
221 facility", which replaces another facility, hereafter referred to in this subdivision
222 as "old facility", located within the state, which the taxpayer or a related taxpayer
223 previously operated but discontinued operating on or before the close of the first
224 taxable year for which the credit allowed by this section is claimed. A new
225 facility shall be deemed to replace an old facility if the following conditions are
226 met:

227 (a) The old facility was operated by the taxpayer or a related taxpayer
228 during the taxpayer's or related taxpayer's taxable period immediately preceding
229 the taxable year in which commencement of commercial operations occurs at the
230 new facility; and

231 (b) The old facility was employed by the taxpayer or a related taxpayer
232 in the operation of an enhanced business enterprise and the taxpayer continues
233 the operation of the same or substantially similar enhanced business enterprise
234 at the new facility. Notwithstanding the preceding provisions of this subdivision,
235 a facility shall not be considered a replacement business facility if the taxpayer's
236 new business facility investment, as computed in subdivision (19) of this section,
237 in the new facility during the tax period for which the credits allowed in section
238 135.967 are claimed exceed one million dollars and if the total number of
239 employees at the new facility exceeds the total number of employees at the old
240 facility by at least two;

241 (28) "Same or substantially similar enhanced business enterprise", an
242 enhanced business enterprise in which the nature of the products produced or
243 sold, or activities conducted, are similar in character and use or are produced,
244 sold, performed, or conducted in the same or similar manner as in another
245 enhanced business enterprise.

135.973. 1. After January 1, 2007, all enterprise zones designated before
2 January 1, 2006, shall be eligible to receive the tax benefits under sections
3 135.950 to 135.970.

4 **2. Notwithstanding any provision of law to the contrary, no tax**
5 **credits provided under sections 135.950 to 135.973 shall be authorized**
6 **on or after August 28, 2017. The provisions of this subsection shall not**
7 **be construed to limit or in any way impair the department's ability to**
8 **issue tax credits authorized prior to August 28, 2017, or a taxpayer's**
9 **ability to redeem such tax credits.**

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 care
14 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] **an individual, a firm, a
38 partner in a firm, sole proprietorship, partner in a limited or general
39 partnership, member of a limited liability company, corporation as
40 defined under section 143.441 or 143.471, a shareholder in an S
41 corporation doing business in this state and subject to the state income**

42 **tax imposed by chapter 143, excluding withholding tax imposed by**
43 **sections 143.191 to 143.265, or a charitable organization, trust, or public**
44 **or private foundation which is exempt from federal income tax and**
45 **whose Missouri unrelated business taxable income, if any, would be**
46 **subject to state income tax imposed under chapter 143.**

47 3. For all taxable years beginning on or after January 1, 2007, any
48 taxpayer shall be allowed a credit against the taxes otherwise due under chapter
49 147, 148, or 143, excluding withholding tax imposed by sections 143.191 to
50 143.265, in an amount equal to fifty percent of the amount of an eligible donation,
51 subject to the restrictions in this section. The amount of the tax credit claimed
52 shall not exceed the amount of the taxpayer's state income tax liability in the tax
53 year for which the credit is claimed. Any amount of credit that the taxpayer is
54 prohibited by this section from claiming in a tax year shall not be refundable, but
55 may be carried forward to any of the taxpayer's four subsequent taxable years.

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

- 60 (1) A valid application in the form and format required by the department;
61 (2) A statement attesting to the eligible donation received, which shall
62 include the name and taxpayer identification number of the individual making
63 the eligible donation, the amount of the eligible donation, and the date the
64 eligible donation was received by the agency; and
65 (3) Payment from the agency equal to the value of the tax credit for which
66 application is made. If the agency applying for the tax credit meets all criteria
67 required by this subsection, the department shall issue a certificate in the
68 appropriate amount.

69 5. An agency may apply for tax credits in an aggregate amount that does
70 not exceed [forty percent of] the payments made by the department to the agency
71 in the preceding twelve months.

72 6. Tax credits issued under this section may be assigned, transferred,
73 sold, or otherwise conveyed, and the new owner of the tax credit shall have the
74 same rights in the credit as the taxpayer. Whenever a certificate is assigned,
75 transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed
76 with the department specifying the name and address of the new owner of the tax
77 credit or the value of the credit.

78 7. The department shall promulgate rules to implement the provisions of
79 this section. Any rule or portion of a rule, as that term is defined in section

80 536.010, that is created under the authority delegated in this section shall
81 become effective only if it complies with and is subject to all of the provisions of
82 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
83 nonseverable and if any of the powers vested with the general assembly pursuant
84 to chapter 536 to review, to delay the effective date, or to disapprove and annul
85 a rule are subsequently held unconstitutional, then the grant of rulemaking
86 authority and any rule proposed or adopted after August 28, 2006, shall be
87 invalid and void.

88 8. [Under section 23.253 of the Missouri sunset act:

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

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

95 (3) This section shall terminate on September first of the calendar year
96 immediately following the calendar year in which the program authorized under
97 this section is sunset.] **Pursuant to section 23.253 of the Missouri sunset**
98 **act, the provisions of the program authorized under this section are**
99 **hereby reauthorized and shall automatically sunset on August 28, 2015.**

100 **135.1180. 1. This section shall be known and may be cited as the**
101 **"Developmental Disability Care Provider Tax Credit Program".**

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

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

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

105 (3) "Eligible donation", donations received, by a provider, from
106 a taxpayer that are used solely to provide direct care services to
107 persons with developmental disabilities who are residents of this
108 state. Eligible donations may include cash, publicly traded stocks and
109 bonds, and real estate that will be valued and documented according
110 to rules promulgated by the department of social services. For
111 purposes of this section, "direct care services" include, but are not
112 limited to, increasing the quality of care and service for persons with
113 developmental disabilities through improved employee compensation
114 and training;

115 (4) "Qualified developmental disability care provider" or
116 "provider", a care provider that provides assistance to persons with
117 developmental disabilities, and is under contract with the Missouri
118

19 department of social services or department of mental health to provide
20 treatment services for such persons, and that receives eligible
21 donations. Any provider that operates more than one facility or at
22 more than one location shall be eligible for the tax credit under this
23 section only for any eligible donation made to facilities or locations of
24 the provider which are licensed and accredited;

25 (5) "Taxpayer", any of the following individuals or entities who
26 make an eligible donation to a provider:

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

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

32 (c) An insurance company paying an annual tax on its gross
33 premium receipts in this state;

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

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

38 (f) Any charitable organization which is exempt from federal
39 income tax and whose Missouri unrelated business taxable income, if
40 any, would be subject to the state income tax imposed under chapter
41 143.

42 3. For all taxable years beginning on or after January 1, 2011,
43 any taxpayer shall be allowed a credit against the taxes otherwise due
44 under chapter 143, 147, or 148 excluding withholding tax imposed by
45 sections 143.191 to 143.265 in an amount equal to fifty percent of the
46 amount of an eligible donation, subject to the restrictions in this
47 section. The amount of the tax credit claimed shall not exceed the
48 amount of the taxpayer's state income tax liability in the tax year for
49 which the credit is claimed. Any amount of credit that the taxpayer is
50 prohibited by this section from claiming in a tax year shall not be
51 refundable, but may be carried forward to any of the taxpayer's four
52 subsequent taxable years.

53 4. To claim the credit authorized in this section, a provider shall
54 submit to the department an application for the tax credit authorized
55 by this section on behalf of taxpayers. The department shall verify that
56 the provider has submitted the following items accurately and

57 **completely:**

58 **(1) A valid application in the form and format required by the**
59 **department;**

60 **(2) A statement attesting to the eligible donation received, which**
61 **shall include the name and taxpayer identification number of the**
62 **individual making the eligible donation, the amount of the eligible**
63 **donation, and the date the eligible donation was received by the**
64 **provider; and**

65 **(3) Payment from the provider equal to the value of the tax**
66 **credit for which application is made.**

67 **If the provider applying for the tax credit meets all criteria required**
68 **by this subsection, the department shall issue a certificate in the**
69 **appropriate amount.**

70 **5. Tax credits issued under this section may be assigned,**
71 **transferred, sold, or otherwise conveyed, and the new owner of the tax**
72 **credit shall have the same rights in the credit as the**
73 **taxpayer. Whenever a certificate is assigned, transferred, sold, or**
74 **otherwise conveyed, a notarized endorsement shall be filed with the**
75 **department specifying the name and address of the new owner of the**
76 **tax credit or the value of the credit.**

77 **6. The department shall promulgate rules to implement the**
78 **provisions of this section. Any rule or portion of a rule, as that term is**
79 **defined in section 536.010, that is created under the authority delegated**
80 **in this section shall become effective only if it complies with and is**
81 **subject to all of the provisions of chapter 536, and, if applicable, section**
82 **536.028. This section and chapter 536, are nonseverable and if any of**
83 **the powers vested with the general assembly pursuant to chapter 536,**
84 **to review, to delay the effective date, or to disapprove and annul a rule**
85 **are subsequently held unconstitutional, then the grant of rulemaking**
86 **authority and any rule proposed or adopted after the effective date of**
87 **this act, shall be invalid and void.**

88 **7. Under section 23.253 of the Missouri sunset act:**

89 **(1) The provisions of the new program authorized under this**
90 **section shall automatically sunset four years after August 28, 2011,**
91 **unless reauthorized by an act of the general assembly; and**

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

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

 135.1500. 1. Sections 135.1500 to 135.1521, shall be known and
2 may be cited as the "Aerotropolis Trade Incentive and Tax Credit Act".

3 2. As used in sections 135.1500 to 135.1521, unless the context
4 clearly requires otherwise, the following terms shall mean:

5 (1) "Air export tax credit", the tax credit against the taxes
6 imposed under chapters 143, 147, and 148, except for sections 143.191
7 to 143.265, to be issued by the department to a claiming freight
8 forwarder for the shipment of air cargo on a qualifying outbound flight;

9 (2) "Airport", an airport which is owned and operated by a city
10 not within a county;

11 (3) "Cargo activity", all of the inbound cargo activity and
12 outbound cargo activity into and from an eligible facility;

13 (4) "Certificate of compliance", a certificate submitted with any
14 application for a tax credit or tax incentive specified in section
15 135.1513, that shall certify that all requisite requirements for the
16 issuance of such tax credits and tax incentives have been satisfied for
17 such eligible facility and shall provide evidence of such satisfaction;

18 (5) "Certificate of occupancy", the certificate or permit issued by
19 a municipality that permits the commercial use or occupancy of a
20 building or structure;

21 (6) "Chargeable kilo", the shipment of a kilo of freight, as
22 measured by the greater of:

23 (a) Actual weight; or

24 (b) A dimensional weight, as determined by the conversion
25 factors promulgated by the International Air Transport Association, on
26 a qualifying outbound flight or a qualifying inbound flight;

27 (7) "Claiming freight forwarder", the freight forwarder
28 designated as the "agent" on the airway bill for the qualifying outbound
29 flight for which such air export tax credit is sought;

30 (8) "Department", the Missouri department of economic
31 development;

32 (9) "Direct all cargo aircraft flight", a flight that flies directly to
33 its destination without stopping, except to receive fuel and
34 maintenance;

35 (10) "Economic incentive laws", any provision of Missouri law

36 under which economic incentives are provided to redevelopers of a
37 parcel or parcels to redevelop the land, such as tax abatement or
38 payments in lieu of taxes, or redevelopment plans or redevelopment
39 projects approved or adopted which include the use of economic
40 incentives to redevelop the land;

41 (11) "Eligible costs", the following costs associated with the
42 development and construction of an eligible facility:

43 (a) Costs and expenses of construction of the eligible facility,
44 including fixtures and equipment; and

45 (b) Demolition costs of vacant structures.

46 Eligible costs shall not include costs of site improvements or costs of
47 environmental remediation;

48 (12) "Eligible facility", a qualifying gateway facility, qualifying
49 cold-chain facility, or qualifying assembly and manufacturing facility;

50 (13) "Eligibility period", the time period, not to exceed seven
51 fiscal years, during which an owner of an eligible facility may receive
52 benefits under section 135.1513. Such time period shall begin to run
53 twelve months after the date on which the certificate of occupancy is
54 issued for each eligible facility, and shall continue for the next
55 subsequent seven fiscal years;

56 (14) "Fiscal year", the twelve consecutive month time period
57 beginning on the date, which is twelve months after the date on which
58 the certificate of occupancy is issued for an eligible facility, and ending
59 on the last day of the twelfth month thereafter, with each subsequent
60 fiscal year beginning on the anniversary of the date, which is twelve
61 months after the date of the issuance of such certificate of occupancy,
62 and ending on the last day of the twelfth month thereafter;

63 (15) "Freight forwarder", a person that assumes responsibility in
64 the ordinary course of its business for the transportation of cargo from
65 the place of receipt to the place of destination, including the utilization
66 of a qualifying outbound flight;

67 (16) "Full-time employee", an employee who is located at an
68 eligible facility and is scheduled to work an average of at least thirty-
69 five hours per week for a twelve-month period;

70 (17) "Gateway zone", an area within this state designated under
71 the provisions of sections 135.1500 to 135.1521, which shall be within:

72 (a) A site of at least one hundred contiguous acres located within
73 fifty miles of an airport; provided, however, such one hundred acres

74 need not be contiguous if the acreage is located within a larger
75 designated urban renewal area or redevelopment area under economic
76 incentive laws;

77 (b) An area within the boundaries of an airport; or

78 (c) Any area owned or managed by the port authority of a county
79 or a city not within a county;

80 (18) "Inbound cargo activity", the receipt of materials,
81 components, goods, and products at an eligible facility from another
82 destination through any mode of multimodal commerce. The term
83 "inbound cargo activity" shall not include road transportation from the
84 airport to the eligible facility;

85 (19) "Level one air cargo activity", where:

86 (a) At least twenty percent of the total outbound cargo activity
87 of an eligible facility consists of chargeable kilos shipped from such
88 facility, on a qualifying outbound flight by the owner of, or any tenant
89 in, such facility; or

90 (b) At least twenty percent of the total inbound cargo activity of
91 an eligible facility consists of chargeable kilos shipped on a qualifying
92 inbound flight to the owner of, or any tenant in, an eligible facility,
93 whether or not the inbound shipment is stored at any time within such
94 facility; or

95 (c) At least twenty percent of the total cargo activity of an
96 eligible facility consists of:

97 a. Chargeable kilos shipped from such facility, on a qualifying
98 outbound flight by the owner of, or any tenant in, such facility; and

99 b. Chargeable kilos shipped on a qualifying inbound flight to the
100 owner of, or any tenant in, an eligible facility, whether or not the
101 inbound shipment is stored at any time within such facility;

102 (20) "Level two air cargo activity", where:

103 (a) At least ten percent of the total outbound cargo activity of an
104 eligible facility consists of chargeable kilos shipped from such facility,
105 on a qualifying outbound flight by the owner of, or any tenant in, such
106 facility; or

107 (b) At least ten percent of the total inbound cargo activity of an
108 eligible facility consists of chargeable kilos shipped on a qualifying
109 inbound flight to the owner of, or any tenant in, an eligible facility,
110 whether or not the inbound shipment is stored at any time within such
111 facility; or

112 (c) At least ten percent of the total cargo activity of an eligible
113 facility consists of:

114 a. Chargeable kilos shipped from such facility, on a qualifying
115 outbound flight by the owner of, or any tenant in, such facility; and

116 b. Chargeable kilos shipped on a qualifying inbound flight to the
117 owner of, or any tenant in, an eligible facility, whether or not the
118 inbound shipment is stored at any time within such facility;

119 (21) "Multimodal commerce", modes of commerce for the
120 shipment of materials, components, goods, or products, including road
121 transportation, railroad transportation, water transportation, or
122 aircraft transportation;

123 (22) "Municipality", any city, town, village, or county;

124 (23) "New building", a new structure or building for which a
125 certificate of occupancy was issued on or after July 1, 2011 for
126 commercial activity, including fixtures and equipment;

127 (24) "New job", a person who was not employed at the eligible
128 facility as a full-time employee on or prior to the date of the issuance
129 of the certificate of occupancy for the eligible facility. No job that was
130 created prior to the date of the issuance of the certificate of occupancy
131 for the eligible facility shall be deemed a new job. An employee that
132 spends less than fifty percent of the employee's work time at the
133 eligible facility is still considered to be located at an eligible facility if
134 the employee receives his or her directions and control from that
135 facility, is on the facility's payroll, and one hundred percent of the
136 employee's income from such employment is Missouri income;

137 (25) "Outbound cargo activity", the shipment of materials,
138 components, goods, and products from an eligible facility to another
139 destination through any mode of multimodal commerce. The term
140 "outbound cargo activity" shall not include road transportation to the
141 airport from the eligible facility;

142 (26) "Perishable freight", agricultural products, including seeds,
143 garden products, live animals, and processed meat products such as
144 pork and beef;

145 (27) "Qualifying applicant", an owner of, or tenant in, an eligible
146 facility;

147 (28) "Qualifying assembly and manufacturing facility", a new
148 building located within a gateway zone that is equipped for
149 manufacturing or assembly and in which the receipt of production

150 materials or components or the shipment of finished goods or products,
151 or both, involves at least two modes of multimodal commerce;

152 (29) "Qualifying cargo activity", meeting or exceeding the
153 requirements for level one air cargo activity or level two air cargo
154 activity;

155 (30) "Qualifying cold-chain facility", a new building located
156 within a gateway zone which has within it equipment for maintaining
157 necessary temperatures for the processing, packaging, or distribution
158 of temperature-sensitive products, provided that at least eighty percent
159 of the usable square footage of such facility is refrigerated;

160 (31) "Qualifying gateway facility", a new building located within
161 a gateway zone in which qualifying cargo activity occurs, provided that
162 no more than twenty percent of the usable space within the qualifying
163 gateway facility is devoted to office or retail use;

164 (32) "Qualifying inbound flight", an all cargo aircraft flight
165 originating from an international destination to the airport;

166 (33) "Qualifying outbound flight", a direct all cargo aircraft flight
167 from the airport to an international destination; and

168 (34) "Tenant in an eligible facility", a tenant or subtenant who is
169 operating within an eligible facility and is a tenant or subtenant of the
170 owners of an eligible facility, or a licensee who is operating within an
171 eligible facility and is a licensee of such owner, tenant, or subtenant.

135.1503. 1. Any executive officer of a county or the mayor of
2 any city not within a county desiring to designate a gateway zone shall
3 cause the governing body of such county or city not within a county to
4 hold a public hearing for the purpose of obtaining the opinion and
5 suggestions of those persons who will be affected by such
6 designation. The county or the city not within a county shall publish
7 notice of such hearing in a newspaper of general circulation in the area
8 to be affected by such designation at least twenty days prior to the date
9 of the hearing but not more than thirty days prior to such
10 hearing. Such notice shall state the time, location, date, and purpose
11 of the hearing.

12 2. Following conclusion of the public hearing required by this
13 section, the executive officer of any county or the mayor of any city not
14 within a county shall notify the department in writing of the
15 designation of the gateway zone. Such notification shall include
16 evidence that the requisite public hearing has been conducted, a legal

17 description of the area of the gateway zone, the street location, if
18 available, the acreage of the gateway zone, a survey of the gateway
19 zone, a plan for the utilization and marketing of the gateway zone, and
20 confirmation that zoning has been obtained for the gateway zone or any
21 portion thereof which zoning is consistent with the uses of property as
22 contemplated under sections 135.1500 to 135.1521.

23 3. The department shall have a period of sixty calendar days to
24 verify that such gateway zone satisfies the requirements under section
25 135.1500. If the department does not notify the executive officer of the
26 county, or the mayor of any city not within a county, designating the
27 gateway zone, of its verification that the requirements are satisfied, or
28 the department does not notify such executive officer or such mayor of
29 its denial and provide a detailed description of the reason for the
30 denial of such verification within such sixty day time period, then the
31 requirements under section 135.1500 shall be deemed to have been
32 satisfied.

33 4. If the department provides such executive officer or mayor
34 with a detailed description of a reason for its denial within such sixty
35 day time period, such executive officer or mayor may submit a revised
36 notification. Any such revised notification shall be subject to the
37 provisions of subsection 3 of this section.

135.1505. 1. There shall be an annual special assessment levied
2 on any eligible facility, which receives benefits under sections 135.1500
3 to 135.1521, at the rate of twenty cents per rentable square foot of such
4 facility; provided however, any special assessments levied on such
5 eligible facilities located within the boundaries of the airport shall be
6 remitted to the airport. The county collector of revenue of the county
7 in which a gateway zone is located, or the collector of revenue for the
8 city in which a gateway zone is located if the gateway zone is located
9 in a city not within a county, shall annually levy the special
10 assessments in the same manner as real property taxes are collected.

11 2. On or before the first day of February of each year and after
12 deducting the reasonable and actual cost of such collection not to
13 exceed one percent of the total amount collected, the county or city
14 collector of revenue, who has collected the special assessments, shall
15 remit to the entities identified in subsection 3 of this section the
16 percentages of special assessments set forth in such subsection. Such
17 county or city collector of revenue shall collect the special assessments

18 prior to the fifteenth day of January of each year. Upon receipt of such
19 money, the entities, identified in subsection 3 of this section, shall
20 execute a receipt therefor, which the entities shall forward or deliver
21 to the county or city collector of revenue.

22 3. After the payment of any fees related to the collection of the
23 special assessments and the remittance of any special assessments
24 identified for remittance under subsection 1 of this section to the
25 airport, the remaining revenues collected from the special assessments
26 shall be utilized as follows:

27 (1) Fifty percent of such revenues shall be annually transferred
28 to the airport. The proceeds of the net special assessments shall be
29 placed in a special fund for marketing and promotion of the airport and
30 shall not be comingled with any other funds of the airport;

31 (2) The remaining fifty percent of such revenues shall be
32 annually transferred to a tax exempt regional or county economic
33 development association or associations, selected by the executive
34 officer of any county, or the mayor of a city not within a county, which
35 contains a gateway zone for the marketing and promotion of the
36 gateway zone. Such county or city shall enter into an agreement or
37 agreements with such tax exempt economic development association or
38 associations for the marketing and promotion of the gateway zone and
39 shall review and approve the annual budget of such association or
40 associations for such marketing and promotion. Such tax exempt
41 regional or county economic development association or associations
42 shall not comingle any of such revenues with any other funds of the
43 association or associations.

44 4. The airport and such tax exempt regional or county economic
45 development association or associations shall be subject to periodic
46 audits by the state auditor to be paid in accordance with section
47 29.230. The airport shall report, and such executive officer or mayor
48 shall cause the tax exempt regional or county economic development
49 association performing such marketing and promotion to report, to the
50 department the status of the gateway zone and the use of revenues
51 generated through the levying of special assessments under this
52 section.

135.1507. 1. For all taxable years beginning on or after January
2 1, 2011, a claiming freight forwarder shall be entitled to an air export
3 tax credit for the shipment of cargo on a qualifying outbound flight in

4 an amount equal to thirty cents per chargeable kilo.

5 2. For all taxable years beginning on or after January 1, 2011, a
6 claiming freight forwarder shall be entitled to an air export tax credit
7 for the shipment of perishable freight on a qualifying outbound flight
8 in an amount equal to thirty-five cents per chargeable kilo.

9 3. No claiming freight forwarder shall receive air export tax
10 credits under both subsections 1 and 2 of this section for a single
11 shipment on a qualifying outbound flight.

12 4. The department shall index the amount of the air export tax
13 credits to adjust each year depending upon fluctuations in the cost of
14 fuel for over-the-road transportation.

135.1509. 1. To receive benefits provided under section 135.1507,
2 a claiming freight forwarder shall file an application with the
3 department within one hundred twenty calendar days of the date that
4 the shipment for which air export tax credits are being sought was
5 transported on the qualifying outbound flight. The documentation to
6 be presented by the claiming freight forwarder in such an application
7 shall consist of the master airway bill for the shipment on the
8 qualifying outbound flight for which the claiming freight forwarder is
9 seeking air export tax credits. All master airway bills shall specify an
10 origin located within the United States of America for the shipments to
11 qualify for air export tax credits. The department shall establish
12 procedures to allow claiming freight forwarders that file applications
13 for air export tax credits to receive such tax credits within ten business
14 days of the date of the filing of the application for air export tax
15 credits relating to the qualifying outbound flight. No application shall
16 be approved for any continuing direct all cargo aircraft flights from the
17 airport to an international destination conducted by a carrier, which
18 conducted such flights on a scheduled basis prior to May 1, 2011, and
19 which continuing flights after May 1, 2011, would otherwise have
20 constituted qualifying outbound flights.

21 2. If the annual cap on the issuance of air export tax credits
22 provided under section 135.1511, is met in a given year, then the
23 amount of such tax credits which have been authorized, but remain
24 unissued, shall be carried forward and issued in the subsequent year.

25 3. No tax credits provided under this section shall be authorized
26 after August 28, 2019. Any tax credits authorized on or before August
27 28, 2019, but not issued prior to such date may be issued until all such

28 authorized tax credits have been issued.

135.1511. The total aggregate amount for air export tax credits
2 authorized under section 135.1507 shall not exceed sixty million
3 dollars. The amount of the air export tax credits issued under section
4 135.1507 shall not exceed:

5 (1) Three million six hundred thousand dollars for the taxable
6 year beginning on or after January 1, 2011, but ending on or before
7 December 31, 2011;

8 (2) Four million eight hundred thousand dollars for the taxable
9 year beginning on or after January 1, 2012, but ending on or before
10 December 31, 2012; and

11 (3) The greater of one million two hundred thousand dollars per
12 weekly qualifying outbound flight or three million six hundred
13 thousand dollars for all taxable years beginning on or after January 1,
14 2013.

15 The department shall annually determine the number of weekly
16 qualifying outbound flights, which shall be the average number of such
17 flights per week during the month of September of the previous year.

135.1513. 1. For all taxable years beginning on or after January
2 1, 2013, qualifying applicants shall be entitled to the following benefits:

3 (1) The owner of any eligible facility with level one air cargo
4 activity shall be entitled, during the eligibility period, to receive tax
5 credits against the taxes imposed under chapters 143, 147, and 148,
6 except for sections 143.191 to 143.265, equal to six percent of the
7 eligible costs for such facility for each year that such facility meets or
8 exceeds level one air cargo activity volumes, provided that the owner
9 can demonstrate that at least ten new jobs are projected to be created
10 at the facility by no later than the end of the eligibility period. The
11 total amount of tax credits issued for any such facility shall not exceed
12 thirty percent of such facility's eligible costs. No tax credits provided
13 under this subdivision shall be issued prior to January 1, 2013;

14 (2) The owner of any qualifying gateway facility with level two
15 air cargo activity, a qualifying assembly and manufacturing facility, or
16 a qualifying cold-chain facility shall be entitled, during the eligibility
17 period, to receive tax credits against the taxes imposed under chapters
18 143, 147, and 148, except for sections 143.191 to 143.265, equal to four
19 percent of the eligible costs for such facility for each year that such
20 facility satisfies the requirements of sections 135.1500 to 135.1521,

21 provided that the owner can demonstrate that at least ten new jobs are
22 projected to be created at the facility by no later than the end of the
23 eligibility period. The total amount of tax credits issued for such
24 facility shall not exceed twenty percent of such facility's eligible costs.
25 No tax credits provided under this subdivision shall be issued prior to
26 January 1, 2013; and

27 (3) Any tenant of an eligible facility and any individuals
28 employed by such tenants shall be exempt from the earnings tax
29 imposed by a city not within a county pursuant to sections 92.110 to
30 92.200 for each fiscal year during the eligibility period if such facility
31 satisfies the requirements of sections 135.1500 to 135.1521.

32 2. If an eligible facility receives a certificate of occupancy prior
33 to the sunset of the program, the owners of an eligible facility may
34 apply for benefits provided under this section for the term of the
35 eligibility period notwithstanding the sunsetting of the program prior
36 to the end of the term of the eligibility period for such facility.

135.1515. 1. In order for an owner of an eligible facility to
2 receive benefits provided under section 135.1513 for any fiscal year
3 during the eligibility period, the eligible facility shall satisfy all
4 applicable requirements provided under sections 135.1500 to 135.1521
5 for each such fiscal year by December thirty-first of the calendar year
6 in which an application is filed under subsection 2 of this section.

7 2. Owners of an eligible facility seeking benefits provided under
8 section 135.1513 shall file applications for such benefits, accompanied
9 by a certificate of compliance, on or before December thirty-first of
10 each year. If such facility, relating to which such owners are applying
11 for such tax credits satisfies the applicable requirements provided
12 under sections 135.1500 to 135.1521, the department shall grant such
13 benefits on or before July fifteenth of the next calendar year following
14 such time period.

15 3. If the annual cap for any of such tax credits provided under
16 section 135.1517 is met in a year, then the amount of such tax credits
17 authorized, but unissued, shall be carried forward and issued in the
18 subsequent year.

19 4. No tax credits provided under this section shall be authorized
20 after August 28, 2020. Any tax credits authorized on or before August
21 28, 2020, but not issued prior to such date may be issued until all such
22 authorized tax credits have been issued.

23 5. No owner of an eligible facility shall be entitled to receive
24 benefits provided under section 135.1513 unless a certificate of
25 occupancy has been issued for the eligible facility prior to August 28,
26 2020. An owner of an eligible facility for which a certificate of
27 occupancy has been issued prior to August 28, 2020, may be granted
28 benefits under this section.

 135.1517. The total aggregate amount for all of the tax credits
2 authorized under subdivisions (1) and (2) of subsection 1 of section
3 135.1513 shall not exceed three hundred million dollars. The annual
4 amount of the tax credits issued under subdivisions (1) and (2) of
5 subsection 1 of section 135.1513 shall not exceed:

6 (1) Two million dollars for the taxable year beginning on or after
7 January 1, 2013, and ending on or before December 31, 2013;

8 (2) Fifteen million dollars for the taxable year beginning on or
9 after January 1, 2014, and ending on or before December 31, 2014;

10 (3) Sixteen million dollars for the taxable year beginning on or
11 after January 1, 2015, and ending on or before December 31, 2015;

12 (4) Twenty million dollars for all taxable years beginning on or
13 after January 1, 2016, but ending on or before December 31, 2019;

14 (5) Thirty million dollars for all taxable years beginning on or
15 after January 1, 2020, but ending on or before December 31, 2024;

16 (6) Twenty-three million dollars for the taxable year beginning
17 on or after January 1, 2025, but ending on or before December 31, 2025;
18 and

19 (7) Seven million dollars for the taxable years beginning on or
20 after January 1, 2026, and ending on or before December 31, 2027.

 135.1519. If the amount of any tax credit authorized under
2 sections 135.1500 to 135.1521 exceeds the total tax liability for the year
3 in which the applicant is entitled to receive a tax credit, the amount
4 that exceeds the state tax liability may be carried forward for credit
5 against the taxes imposed under chapters 143, 147, and 148, except
6 sections 143.191 to 143.265, for the succeeding six years, or until the full
7 credit is used, whichever occurs first. Tax credits authorized under the
8 provisions of sections 135.1500 to 135.1521 may be transferred, sold, or
9 otherwise assigned. Tax credits granted to a partnership, a limited
10 liability company taxed as a partnership, or multiple owners of
11 property shall be passed through to the partners, members, or owners
12 respectively pro rata or under an executed agreement among the

13 **partners, members, or owners documenting an alternate distribution**
14 **method.**

135.1521. 1. The department may promulgate rules to implement
2 the provisions of sections 135.1500 to 135.1521. Any rule or portion of
3 a rule, as that term is defined in section 536.010 that is created under
4 the authority delegated in this section shall become effective only if it
5 complies with and is subject to all of the provisions of chapter 536, and,
6 if applicable, section 536.028. This section and chapter 536 are
7 nonseverable and if any of the powers vested with the general assembly
8 pursuant to chapter 536 to review, to delay the effective date, or to
9 disapprove and to annul a rule are subsequently held unconstitutional,
10 then the grant of rulemaking authority and any rule proposed or
11 adopted after the effective date of this act, shall be invalid and void.

12 2. The provisions of the new programs authorized under sections
13 135.1500 to 135.1521 shall automatically sunset sixteen years after the
14 effective date of this act, unless reauthorized by an act of the general
15 assembly. If such program is reauthorized, the program authorized
16 under this section shall automatically sunset six years after the
17 effective date of the reauthorization of this section. This section shall
18 terminate on September first of the calendar year immediately
19 following the calendar year in which the programs authorized under
20 sections 135.1500 to 135.1521 sunset.

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

2 (1) "Essential", an activity necessary and indispensable to the
3 process of manufacturing, without which the actual process of
4 manufacturing could not take place;

5 (2) "Manufacturing, processing, compounding, mining, or
6 producing", testing, installing, calibrating, maintaining, repairing,
7 restoring, and all other activities of the manufacturer, processor,
8 compounder, miner, or producer essential to manufacturing,
9 processing, compounding, mining, or producing;

10 (3) "Processing", any mode of treatment, act, or series of acts performed
11 upon materials to transform or reduce them to a different state or thing,
12 including treatment necessary to maintain or preserve such processing by the
13 producer at the production facility;

14 [(2)] (4) "Recovered materials", those materials which have been diverted
15 or removed from the solid waste stream for sale, use, reuse, or recycling, whether
16 or not they require subsequent separation and processing.

17 2. In addition to all other exemptions granted under this chapter, there
18 is hereby specifically exempted from the provisions of sections 144.010 to 144.525
19 and 144.600 to 144.761, and from the computation of the tax levied, assessed, or
20 payable under sections 144.010 to 144.525 and 144.600 to 144.761, electrical
21 energy and gas, whether natural, artificial, or propane, water, coal, and energy
22 sources, chemicals, machinery, equipment, and materials used or consumed in the
23 manufacturing, processing, compounding, mining, or producing of any product, or
24 used or consumed in the processing of recovered materials, or used in research
25 and development related to manufacturing, processing, compounding, mining, or
26 producing any product. **The exemptions granted in this subsection include**
27 **chemicals, machinery, equipment, and other materials essential to the**
28 **processes of repairing and maintaining manufacturing**
29 **equipment. Activities deemed nonessential and thus not exempt under**
30 **this section shall include, but are not limited to, transportation,**
31 **delivery, human resources activities, accounting, and other activities**
32 **that are not part of the manufacturing process.** The exemptions granted
33 in this subsection shall not apply to local sales taxes as defined in section 32.085
34 and the provisions of this subsection shall be in addition to any state and local
35 sales tax exemption provided in section 144.030.

36 3. In addition to all other exemptions granted under this chapter, there
37 is hereby specifically exempted from the provisions of sections 144.010 to 144.525
38 and 144.600 to 144.761, and section 238.235, and the local sales tax law as
39 defined in section 32.085, and from the computation of the tax levied, assessed,
40 or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section
41 238.235, and the local sales tax law as defined in section 32.085, all utilities,
42 machinery, and equipment used or consumed directly in television or radio
43 broadcasting and all sales and purchases of tangible personal property, utilities,
44 services, or any other transaction that would otherwise be subject to the state or
45 local sales or use tax when such sales are made to or purchases are made by a
46 contractor for use in fulfillment of any obligation under a defense contract with
47 the United States government, and all sales and leases of tangible personal
48 property by any county, city, incorporated town, or village, provided such sale or
49 lease is authorized under chapter 100, and such transaction is certified for sales
50 tax exemption by the department of economic development, and tangible personal
51 property used for railroad infrastructure brought into this state for processing,
52 fabrication, or other modification for use outside the state in the regular course
53 of business.

54 4. In addition to all other exemptions granted under this chapter, there

55 is hereby specifically exempted from the provisions of sections 144.010 to 144.525
56 and 144.600 to 144.761, and section 238.235, and the local sales tax law as
57 defined in section 32.085, and from the computation of the tax levied, assessed,
58 or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section
59 238.235, and the local sales tax law as defined in section 32.085, all sales and
60 purchases of tangible personal property, utilities, services, or any other
61 transaction that would otherwise be subject to the state or local sales or use tax
62 when such sales are made to or purchases are made by a private partner for use
63 in completing a project under sections 227.600 to 227.669.

144.810. 1. As used in this section, unless the context clearly
2 indicates otherwise, the following terms mean:

3 (1) "Commencement of commercial operations", shall be deemed
4 to occur during the first calendar year for which the data storage
5 center is first available for use by the operating taxpayer, or first
6 capable of being used by the operating taxpayer, as a data storage
7 center;

8 (2) "Constructing taxpayer", where more than one taxpayer is
9 responsible for a project, a taxpayer responsible for the construction
10 of the facility, as opposed to a taxpayer responsible for the equipping
11 and ongoing operations of the facility;

12 (3) "County average wage", the average wages in each county as
13 determined by the department for the most recently completed full
14 calendar year. However, if the computed county average wage is above
15 the statewide average wage, the statewide average wage shall be
16 deemed the county average wage for such county for the purpose of
17 determining eligibility;

18 (4) "Data storage center" or "facility", a facility constructed,
19 extended, improved, or operating under this section, provided that such
20 business facility is engaged primarily in:

21 (a) Data processing, hosting, and related services (NAICS
22 518210); or

23 (b) Internet publishing and broadcasting and web search portals
24 (NAICS 519130), at the business facility;

25 (5) "Existing facility", a data storage center in this state as it
26 existed prior to the effective date of this act, as determined by the
27 department;

28 (6) "Expanding facility" or "expanding data storage center", an
29 existing facility or replacement facility that expands its operations in

30 this state on or after the effective date of this act, and has net new
31 investment related to the expansion of operations in this state of at
32 least five million dollars during a period of up to twelve consecutive
33 months and results in the creation of at least five new jobs during a
34 period of up to twenty-four consecutive months from the date of
35 conditional approval for an exemption under this section, if the
36 average wage of the new jobs equals or exceeds one hundred and fifty
37 percent of the county average wage. An expanding facility shall
38 continue to be an expanding facility regardless of a subsequent change
39 in or addition of operating taxpayers or constructing taxpayers;

40 (7) "Expanding facility project" or "expanding data storage center
41 project", the construction, extension, improvement, equipping, and
42 operation of an expanding facility;

43 (8) "Investment", shall include the value of real and depreciable
44 personal property, acquired as part of the new or expanding facility
45 project which is used in the operation of the facility following
46 conditional approval of an exemption under this section;

47 (9) "NAICS", the 2007 edition of the North American Industry
48 Classification System as prepared by the Executive Office of the
49 President, Office of Management and Budget. Any NAICS sector,
50 subsector, industry group, or industry identified in this section shall
51 include its corresponding classification in previous and subsequent
52 federal industry classification systems;

53 (10) "New facility" or "new data storage center", a facility in this
54 state meeting the following requirements:

55 (a) The facility is acquired by, or leased to, an operating
56 taxpayer on or after the effective date of this act. A facility shall be
57 deemed to have been acquired by, or leased to, an operating taxpayer
58 on or after the effective date of this act, if the transfer of title to an
59 operating taxpayer, the transfer of possession under a binding contract
60 to transfer title to an operating taxpayer, or the commencement of the
61 term of the lease to an operating taxpayer occurs on or after the
62 effective date of this act, or, if the facility is constructed, erected, or
63 installed by or on behalf of an operating taxpayer, such construction,
64 erection, or installation is commenced on or after the effective date of
65 this act;

66 (b) If such facility was acquired by an operating or constructing
67 taxpayer from another person or persons on or after the effective date

68 of this act, and such facility was employed prior to the effective date
69 of this act, by any other person or persons in the operation of a data
70 storage center the facility shall not be considered a new facility;

71 (c) Such facility is not an expanding or replacement facility, as
72 defined in this section;

73 (d) The new facility project investment is at least thirty-seven
74 million dollars during a period of up to thirty-six consecutive months
75 from the date of the conditional approval for an exemption under this
76 section. Where more than one taxpayer is responsible for a project, the
77 investment requirement may be met by an operating taxpayer, a
78 constructing taxpayer, or a combination of constructing taxpayers and
79 operating taxpayers;

80 (e) At least thirty new jobs are created at the new facility during
81 a period of up to thirty-six consecutive months from the date of
82 conditional approval for an exemption under this section if the average
83 wage of the new jobs equals or exceeds one hundred fifty percent of the
84 county average wage; and

85 (f) A new facility shall continue to be a new facility regardless
86 of a subsequent change in or addition of operating taxpayers or
87 constructing taxpayers;

88 (11) "New data storage center project" or "new facility project",
89 the construction, extension, improvement, equipping, and operation of
90 a new facility;

91 (12) "New job", in the case of a new data center project, the total
92 number of full-time employees located at a new data storage center for
93 a period of up to thirty-six consecutive months from the date of
94 conditional approval for an exemption under this section. In the case
95 of an expanding data storage center project, the total number of full-
96 time employees located at the expanding data storage center that
97 exceeds the greater of the number of full-time employees located at the
98 project facility on the date of the submission of a project plan under
99 this section or for the twelve-month period prior to the date of the
100 submission of a project plan, the average number of full-time employees
101 located at the expanding data storage center facility. In the event the
102 expanding data storage center facility has not been in operation for a
103 full twelve-month period at the time of the submission of a project plan,
104 the average number of full-time employees for the number of months
105 the expanding data storage center facility has been in operation prior

106 to the date of the submission of the project plan;

107 (13) "Operating taxpayer", where more than one taxpayer is
108 responsible for a project, a taxpayer responsible for the equipping and
109 ongoing operations of the facility, as opposed to a taxpayer responsible
110 for the purchasing or construction of the facility;

111 (14) "Project taxpayers", each constructing taxpayer and each
112 operating taxpayer for a data storage center project;

113 (15) "Replacement facility", a facility in this state otherwise
114 described in subdivision (7) of this subsection, but which replaces
115 another facility located within the state, which the taxpayer or a
116 related taxpayer previously operated but discontinued operating within
117 one year prior to the commencement of commercial operations at the
118 new facility;

119 (16) "Taxpayer", the purchaser of tangible personal property or
120 a service that is subject to state or local sales or use tax and from
121 whom state or local sales or use tax is owed. Taxpayer shall not mean
122 the seller charged by law with collecting the sales tax from the
123 purchaser.

124 2. In addition to the exemptions granted under chapter 144,
125 project taxpayers for a new data storage center project shall be
126 entitled, for a project period not to exceed fifteen years from the date
127 of conditional approval under this section and subject to the
128 requirements of subsection 3 of this section, to an exemption of one
129 hundred percent of the state and local sales and use taxes defined,
130 levied, or calculated under section 32.085, sections 144.010 to 144.525,
131 sections 144.600 to 144.761, or section 238.235, limited to the net fiscal
132 benefit of the state calculated over a ten-year period, on:

133 (1) All electrical energy, gas, water, and other utilities including
134 telecommunication and internet services used in a new data storage
135 center;

136 (2) All machinery, equipment, and computers used in any new
137 data storage center; and

138 (3) All sales at retail of tangible personal property and materials
139 for the purpose of constructing any new data storage center.

140 The amount of any exemption provided under this subsection shall not
141 exceed the projected net fiscal benefit to the state over a period of ten
142 years, as determined by the department of economic development using
143 the Regional Economic Modeling, Inc. dataset or comparable data.

144 3. Any data storage center project seeking a tax exemption under
145 subsection 2 of this section shall submit a project plan to the
146 department of economic development, which shall identify each known
147 constructing taxpayer and known operating taxpayer for the project
148 and include any additional information the department of economic
149 development may require to determine eligibility for the
150 exemption. The department of economic development shall review the
151 project plan and determine whether the project is eligible for the
152 exemption under subsection 2 of this section, conditional upon
153 subsequent verification by the department that the project meets the
154 requirements in subsection 1 of this section for a new facility. The
155 department of economic development shall convey such conditional
156 approval to the department of revenue and the identified project
157 taxpayers. After a conditionally approved new facility has met the
158 requirements in subsection 1 of this section for a new facility and the
159 execution of the agreement specified in subsection 6 of this section, the
160 project taxpayers shall provide proof of the same to the department of
161 economic development. Upon verification of such proof, the
162 department of economic development shall certify the new facility to
163 the department of revenue as being eligible for the exemption dating
164 retroactively to the first day of the thirty-six month period. The
165 department of revenue, upon receipt of adequate proof of the amount
166 of sales taxes paid since the first day of the thirty-six month period,
167 shall issue a refund of taxes paid but eligible for exemption under
168 subsection 2 of this section to each operating taxpayer and each
169 constructing taxpayer and issue a certificate of exemption to each new
170 project taxpayer for ongoing exemptions under subsection 2 of this
171 section.

172 4. In addition to the exemptions granted under chapter 144, upon
173 approval by the department of economic development, project
174 taxpayers for expanding data center projects may, for a period not to
175 exceed ten years, be specifically exempted from state and local sales
176 and use taxes defined, levied, or calculated under section 32.085,
177 sections 144.010 to 144.525, sections 144.600 to 144.761, or section
178 238.235 on:

179 (1) All electrical energy, gas, water, and other utilities including
180 telecommunication and internet services used in an expanding data
181 storage center which, on an annual basis, exceeds the amount of

182 electrical energy, gas, water, and other utilities including
183 telecommunication and internet services used in the existing facility or
184 the replaced facility prior to the expansion. For purposes of this
185 subdivision only, "amount" shall be measured in kilowatt hours, gallons,
186 cubic feet, or other measures applicable to a utility service as opposed
187 to in dollars, to account for increases in utility rates;

188 (2) All machinery, equipment, and computers used in any
189 expanding data storage center, the cost of which, on an annual basis,
190 exceeds the average of the previous three years' expenditures on
191 machinery, equipment, and computers at the existing facility or the
192 replaced facility prior to the expansion. Existing facilities or replaced
193 facilities in existence for less than three years shall have the average
194 expenditures calculated based upon the applicable time of existence;
195 and

196 (3) All sales at retail of tangible personal property and materials
197 for the purpose of constructing, repairing, or remodeling any
198 expanding data storage center.

199 The amount of any exemption provided under this subsection shall not
200 exceed the projected net fiscal benefit to the state over a period of ten
201 years, as determined by the department of economic development.

202 5. Any data storage center project seeking a tax exemption under
203 subsection 4 of this section shall submit a project plan to the
204 department of economic development, which shall identify each known
205 constructing taxpayer and each known operating taxpayer for the
206 project and include any additional information the department of
207 economic development may reasonably require to determine eligibility
208 for the exemption. The department of economic development shall
209 review the project plan and determine whether the project is eligible
210 for the exemption under subsection 4 of this section, conditional upon
211 subsequent verification by the department that the project meets the
212 requirements in subsection 1 of this section for an expanding facility
213 project and the execution of the agreement specified in subsection 6 of
214 this section. The department of economic development shall convey
215 such conditional approval to the department of revenue and the
216 identified project taxpayers. After a conditional approved facility has
217 met the requirements in subsection 1 of this section, the project
218 taxpayers shall provide proof of the same to the department of
219 economic development. Upon verification of such proof, the

220 department of economic development shall certify the project to the
221 department of revenue as being eligible for the exemption dating
222 retroactively to the first day of the thirty-six month period. The
223 department of revenue, upon receipt of adequate proof of the amount
224 of sales taxes paid since the first day of the thirty-six month period,
225 shall issue a refund of taxes paid but eligible for exemption under
226 subsection 4 of this section to any applicable project taxpayer and issue
227 a certificate of exemption to any applicable project taxpayer for
228 ongoing exemptions under subsection 4 of this section.

229 6. (1) The exemptions in subsections 2 and 4 of this section shall
230 be tied to the new or expanding facility project. A certificate of
231 exemption in the hands of a taxpayer that is no longer an operating or
232 constructing taxpayer of the new or expanding facility project shall be
233 invalid as of the date the taxpayer was no longer an operating or
234 constructing taxpayer of the new or expanding facility project. New
235 certificates of exemption shall be issued to successor constructing
236 taxpayers and operating taxpayers at such new or expanding facility
237 projects. The right to the exemption by successor taxpayers shall exist
238 without regard to subsequent levels of investment in the new or
239 expanding facility by successor taxpayers.

240 (2) As a condition of receiving an exemption under subsection 2
241 or 4 of this section, the project taxpayers shall enter into an agreement
242 with the department of economic development providing for repayment
243 penalties in the event the data storage center project fails to comply
244 with any of the requirements of this section.

245 (3) The department of revenue shall credit any amounts remitted
246 by the project taxpayers under this subsection to the fund to which the
247 sales and use taxes exempted would have otherwise been credited.

248 7. The department of economic development and the department
249 of revenue shall cooperate in conducting random audits to ensure that
250 the intent of this section is followed.

251 8. Notwithstanding any other provision of law to the contrary,
252 no recipient of an exemption pursuant to this section shall be eligible
253 for benefits under any business recruitment tax credit, as defined in
254 section 135.800.

255 9. The department of economic development and the department
256 of revenue shall jointly prescribe such rules and regulations necessary
257 to carry out the provisions of this section. Any rule or portion of a

258 rule, as that term is defined in section 536.010, that is created under
259 the authority delegated in this section shall become effective only if it
260 complies with and is subject to all of the provisions of chapter 536 and,
261 if applicable, section 536.028. This section and chapter 536 are
262 nonseverable and if any of the powers vested with the general assembly
263 pursuant to chapter 536 to review, to delay the effective date, or to
264 disapprove and annul a rule are subsequently held unconstitutional,
265 then the grant of rulemaking authority and any rule proposed or
266 adopted after the effective date of this act, shall be invalid and void.

196.1109. All moneys that are appropriated by the general assembly from
2 the life sciences research trust fund shall be appropriated to the life sciences
3 research board to increase the capacity for quality of life sciences research at
4 public and private not-for-profit institutions in the state of Missouri and to
5 thereby:

6 (1) Improve the quantity and quality of life sciences research at public
7 and private not-for-profit institutions, including but not limited to basic research
8 (including the discovery of new knowledge), translational research (including
9 translating knowledge into a usable form), and clinical research (including the
10 literal application of a therapy or intervention to determine its efficacy), including
11 but not limited to health research in human development and aging, cancer,
12 endocrine, cardiovascular, neurological, pulmonary, and infectious disease, and
13 plant sciences, including but not limited to nutrition and food safety; and

14 (2) Enhance technology transfer and technology commercialization derived
15 from research at public and private not-for-profit institutions within the centers
16 for excellence. For purposes of sections 196.1100 to 196.1130, "technology
17 transfer and technology commercialization" includes stages of the regular
18 business cycle occurring after research and development of a life science
19 technology, including but not limited to reduction to practice, proof of concept,
20 and achieving federal Food and Drug Administration, United States Department
21 of Agriculture, or other regulatory requirements in addition to the definition in
22 section 348.251. Funds received by the board may be used for purposes
23 authorized in sections 196.1100 to 196.1130 and shall be subject to the
24 restrictions of sections 196.1100 to 196.1130, including but not limited to the
25 costs of personnel, supplies, equipment, and renovation or construction of physical
26 facilities; provided that in any single fiscal year no more than **[ten] thirty**
27 percent of the moneys appropriated shall be used for the construction of physical
28 facilities and further provided that in any fiscal year **up to** eighty percent of the
29 moneys shall be appropriated to build research capacity at public and private

30 not-for-profit institutions and **at least** twenty percent **and no more than fifty**
31 **percent** of the moneys shall be appropriated for grants to public or private
32 not-for-profit institutions to promote life science technology transfer and
33 technology commercialization. Of the moneys appropriated to build research
34 capacity, twenty percent of the moneys shall be appropriated to promote the
35 development of research of tobacco-related illnesses.

196.1115. 1. The moneys appropriated to the life sciences research board
2 that are not distributed by the board in any fiscal year to a center for excellence
3 or a center for excellence endorsed program pursuant to section 196.1112, if any,
4 shall be held in reserve by the board or shall be awarded on the basis of peer
5 review panel recommendations for capacity building initiatives proposed by public
6 and private not-for-profit academic, research, or health care institutions or
7 organizations, or individuals engaged in competitive research in targeted fields
8 consistent with the provisions of sections 196.1100 to 196.1130.

9 2. The life sciences research board may, in view of the limitations
10 expressed in section 196.1130:

11 (1) Award and enter into grants or contracts relating to increasing
12 Missouri's research capacity at public or private not-for-profit institutions;

13 (2) Make provision for peer review panels to recommend and review
14 research projects;

15 (3) Contract for [administrative and] support services;

16 (4) Lease or acquire facilities and equipment;

17 (5) Employ administrative staff; and

18 (6) Receive, retain, hold, invest, disburse or administer any moneys that
19 it receives from appropriations or from any other source.

20 3. **The Missouri technology corporation, established under**
21 **section 348.251, shall serve as the administrative agent for the life**
22 **sciences research board.**

23 4. The life sciences research board shall utilize as much of the moneys as
24 reasonably possible for building capacity at public and private not-for-profit
25 institutions to do research rather than for administrative expenses. The board
26 shall not in any fiscal year expend more than two percent of the total moneys
27 appropriated to it and of the moneys that it has in reserve or has received from
28 other sources for its own administrative expenses **for appropriations over**
29 **twenty million dollars; three percent for appropriations less than**
30 **twenty million dollars but more than fifteen million dollars; four**
31 **percent for appropriations less than fifteen million dollars but more**
32 **than ten million dollars; five percent for appropriations less than ten**

33 **million dollars**; provided, however, that the general assembly by appropriation
34 from the life sciences research trust fund may authorize a limited amount of
35 additional moneys to be expended for administrative costs.

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, excluding withholding tax
4 imposed by sections 143.191 to 143.265, and chapter 147, 148 or 153 provided,
5 however, that any money withdrawn for an unapproved use should be subject to
6 tax as required by law.

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

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, excluding withholding tax imposed by sections 143.191 to
14 143.265, and chapter 147, 148 or 153, pursuant to sections 208.750 to
15 208.775. **For all taxable years ending on or before December 31, 2011,**
16 **contributions up to fifty thousand dollars per program contributor are eligible for**
17 **the tax credit which shall not exceed fifty percent of the contribution**
18 **amount. For all taxable years beginning on or after January 1, 2012,**
19 **program contributors shall be eligible for the tax credit which shall not**
20 **exceed fifty percent of the amount of contributions made, if such**
21 **contributions are equal to or less than one thousand dollars. In**
22 **addition to the fifty percent credit allowed for contributions equal to**
23 **or less than one thousand dollars provided under this subsection,**
24 **program contributors that make contributions in excess of one**
25 **thousand dollars, shall be eligible for a credit equal to thirty-five**
26 **percent of such excess. Tax credits provided under this section may be**
27 **transferred, sold, or assigned.**

28 5. The department of economic development shall verify all tax credit
29 claims by contributors. The administrator of the community-based organization,
30 with the cooperation of the participating financial institutions, shall submit the
31 names of contributors and the total amount each contributor contributes to a
32 family development account reserve fund for the calendar year. The director shall
33 determine the date by which such information shall be submitted to the
34 department by the local administrator. The department shall submit verification
35 of qualified tax credits pursuant to sections 208.750 to 208.775 to the department

36 of revenue.

37 6. For all fiscal years ending on or before June 30, 2010, the total tax
38 credits authorized pursuant to sections 208.750 to 208.775 shall not exceed four
39 million dollars in any fiscal year. For all fiscal years beginning on or after July
40 1, 2010, the total tax credits authorized under sections 208.750 to 208.775 shall
41 not exceed three hundred thousand dollars in any fiscal year.

42 **7. Notwithstanding any provision of law to the contrary, no tax**
43 **credits provided under this section shall be authorized on or after**
44 **August 28, 2015. The provisions of this subsection shall not be**
45 **construed to limit or in any way impair the department's ability to**
46 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
47 **ability to redeem such tax credits.**

 253.545. As used in sections 253.545 to 253.559, the following terms
2 mean, unless the context requires otherwise:

3 (1) "Certified historic structure", a property located in Missouri and listed
4 individually on the National Register of Historic Places;

5 (2) "Deed in lieu of foreclosure or voluntary conveyance", a transfer of title
6 from a borrower to the lender to satisfy the mortgage debt and avoid foreclosure;

7 (3) "Eligible property", property located in Missouri and offered or used
8 for residential or business purposes;

9 (4) "Leasehold interest", a lease in an eligible property for a term of not
10 less than thirty years;

11 (5) "Principal", a managing partner, general partner, or president of a
12 taxpayer;

13 (6) "Structure in a certified historic district", a structure located in
14 Missouri which is certified by the department of natural resources as contributing
15 to the historic significance of a certified historic district listed on the National
16 Register of Historic Places, or a local district that has been certified by the
17 United States Department of the Interior;

18 (7) "Taxpayer", any person, firm, partnership, trust, estate, limited
19 liability company, or corporation;

20 **(8) "Total costs and expenses of rehabilitation", all costs and**
21 **expenses related to the rehabilitation of eligible property that is a**
22 **certified historic structure or a structure in a certified historic district**
23 **including, but not limited to, qualified rehabilitation expenditures as**
24 **defined in Section 47(c)(2)(A) of the Internal Revenue Code of 1986, as**
25 **amended, and any related regulations promulgated under such**
26 **section. Such costs and expenses shall include, but not be limited to,**

27 **rehabilitation work in progress and accrued developer fees. Provided**
28 **however, that accrued developer fees shall only be considered "total**
29 **costs and expenses of rehabilitation" if an agreement or other**
30 **contractual document provides for the payment of such fees within no**
31 **more than six years of completion of the rehabilitation.**

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, except for sections 143.191 to 143.265, on such taxpayer
6 in an amount equal to twenty-five percent of the total costs and expenses of
7 rehabilitation incurred after January 1, 1998, which shall include, but not be
8 limited to, qualified rehabilitation expenditures as defined under section
9 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended, and the related
10 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 fiscal year beginning on or after July 1, 2010, **but**
22 **ending on or before June 30, 2011**, 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. The limitations provided
27 under this subsection shall not apply to applications approved under the
28 provisions of subsection 3 of section 253.559 for projects to receive less than two
29 hundred seventy-five thousand dollars in tax credits.

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

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

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

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

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

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

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

52 5. For each fiscal year beginning on or after July 1, 2011, the
53 department of economic development shall not approve applications for
54 tax credits under the provisions of subsections 3 and 8 of section
55 253.559 which, in the aggregate, exceed eighty million dollars,
56 increased by any amount of tax credits for which approval shall be
57 rescinded under the provisions of section 253.559. The limitations
58 provided under this subsection shall not apply to applications approved
59 under the provisions of subsection 3 of section 253.559 for projects to
60 receive less than two hundred seventy-five thousand dollars in tax
61 credits.

62 6. For all applications for tax credits approved on or after the
63 effective date of this act, no more than one hundred and twenty-five
64 thousand dollars in tax credits may be issued for eligible costs and
65 expenses incurred in the rehabilitation of an eligible property which
66 is a nonincome producing single-family, owner-occupied residential
67 property and is either a certified historic structure or a structure in a
68 certified historic district.

69 7. In lieu of the limitations on tax credit authorization provided
70 under the provisions of subsections 5 and 6 of this section, the
71 limitations on tax credit authorization provided under the provisions

72 of subsections 2 and 3 of this section shall apply to:

73 (1) Any application submitted by a taxpayer, which has received
74 approval from the department prior to the effective date of this act; or

75 (2) Any application for tax credits provided under this section
76 for a project, which on or before the effective date of this act:

77 (a) Received an approved Part I from the Secretary of the United
78 States Department of Interior and has incurred costs and expenses for
79 an eligible property which exceed the lesser of fifteen percent of the
80 total project costs or three million dollars; or

81 (b) Has received certification, by the state historic preservation
82 officer, that the rehabilitation plan meets the standards consistent with
83 the standards of the Secretary of the United States Department of the
84 Interior, and the rehabilitation costs and expenses associated with such
85 rehabilitation would, upon completion, be expected to exceed fifty
86 percent of the total basis in the property.

87 8. For each fiscal year beginning on or after July 1, 2011, the
88 department of economic development shall not approve applications for
89 projects to receive less than two hundred seventy-five thousand dollars
90 in tax credits which, in the aggregate, exceed ten million dollars,
91 increased by any amount of tax credits for which approval shall be
92 rescinded under the provisions of section 253.559. The limitations on
93 tax credit authorization provided under the provisions of this
94 subsection, shall not apply to:

95 (1) Any application submitted by a taxpayer, which has received
96 approval from the department prior to the effective date of this act; or

97 (2) Any application for tax credits provided under this section
98 for a project, which on or before the effective date of this act:

99 (a) Received an approved Part I from the Secretary of the United
100 States Department of Interior and has incurred costs and expenses for
101 an eligible property which exceed five percent of the total project costs;
102 or

103 (b) Has received certification, by the state historic preservation
104 officer, that the rehabilitation plan meets the standards consistent with
105 the standards of the Secretary of the United States Department of the
106 Interior, and the rehabilitation costs and expenses associated with such
107 rehabilitation would, upon completion, be expected to exceed fifty
108 percent of the total basis in the property.

253.557. 1. If the amount of such credit exceeds the total tax liability for

2 the year in which the rehabilitated property is placed in service, the amount that
3 exceeds the state tax liability may be carried back to any of the three preceding
4 years and carried forward for credit against the taxes imposed pursuant to
5 chapter 143 and chapter 148, except for sections 143.191 to 143.265 for the
6 succeeding ten years, or until the full credit is used, whichever occurs first. **For**
7 **all tax credits authorized under the provisions of sections 253.545 to**
8 **253.559 on or after July 1, 2011, if the total amount of such credit**
9 **exceeds the total tax liability for the year in which the rehabilitated**
10 **property is placed in service, the amount that exceeds the state tax**
11 **liability may be carried back to the preceding year and carried forward**
12 **for credit against the taxes imposed pursuant to chapter 143 and**
13 **chapter 148, except for sections 143.191 to 143.265 for the succeeding**
14 **five years, or until the full credit is used, whichever occurs**
15 **first.** Not-for-profit entities, including but not limited to corporations organized
16 as not-for-profit corporations pursuant to chapter 355 shall be ineligible for the
17 tax credits authorized under sections 253.545 [through 253.561] **to 253.559.** Any
18 **taxpayer that receives state tax credits under the provisions of sections**
19 **135.350 to 135.363 for a project that is not financed through tax exempt**
20 **bonds issuance shall be ineligible for the state tax credits authorized**
21 **under sections 253.545 to 253.559 for the same project.** Taxpayers eligible
22 for such tax credits may transfer, sell or assign the credits **to any other**
23 **taxpayer including, but not limited to, a not-for-profit entity.** Credits
24 granted to a partnership, a limited liability company taxed as a partnership or
25 multiple owners of property shall be passed through to the partners, members or
26 owners **including, but not limited to, any not-for-profit entity that is a**
27 **partner, member, or owner,** respectively pro rata or pursuant to an executed
28 agreement among [the] **such** partners, members or owners documenting an
29 alternate distribution method.

30 2. The assignee of the tax credits, hereinafter the assignee for purposes
31 of this subsection, may use acquired credits to offset up to one hundred percent
32 of the tax liabilities otherwise imposed pursuant to chapter 143 and chapter 148,
33 except for sections 143.191 to 143.265. The assignor shall perfect such transfer
34 by notifying the department of economic development in writing within thirty
35 calendar days following the effective date of the transfer and shall provide any
36 information as may be required by the department of economic development to
37 administer and carry out the provisions of this section.

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
59 bankruptcy. **Upon any such change in ownership, the taxpayer contained**
60 **in such application shall notify the department of such change.**

61 5. In the event that the department of economic development grants
62 approval for tax credits equal to the **applicable** total amount available under
63 subsection 2, **5, or 8** of section 253.550, or sufficient that when totaled with all
64 other approvals, the **applicable** amount available under subsection 2, **5, or 8** of
65 section 253.550 is exhausted, all taxpayers with applications then awaiting
66 approval or thereafter submitted for approval shall be notified by the department
67 of economic development that no additional approvals shall be granted during the
68 fiscal year and shall be notified of the priority given to such taxpayer's
69 application then awaiting approval. Such applications shall be kept on file by the
70 department of economic development and shall be considered for approval for tax
71 credits in the order established in this section in the event that additional credits
72 become available due to the rescission of approvals or when a new fiscal year's
73 allocation of credits becomes available for approval.

74 6. All taxpayers with applications receiving approval on or after the
75 effective date of this act shall commence rehabilitation within two years of the
76 date of issuance of the letter from the department of economic development
77 granting the approval for tax credits. "Commencement of rehabilitation" shall
78 mean that as of the date in which actual physical work, contemplated by the

79 architectural plans submitted with the application, has begun, the taxpayer has
80 incurred no less than ten percent of the estimated costs of rehabilitation provided
81 in the application. Taxpayers with approval of a project shall submit evidence of
82 compliance with the provisions of this subsection. If the department of economic
83 development determines that a taxpayer has failed to comply with the
84 requirements provided under this section, the approval for the amount of tax
85 credits for such taxpayer shall be rescinded and such amount of tax credits shall
86 then be included in the **applicable** total amount of tax credits, provided under
87 subsection 2, **5, or 8** of section 253.550, from which approvals may be
88 granted. Any taxpayer whose approval shall be subject to rescission shall be
89 notified of such from the department of economic development and, upon receipt
90 of such notice, may submit a new application for the project.

91 7. To claim the credit authorized under sections 253.550 to 253.559, a
92 taxpayer with approval shall apply for final approval and issuance of tax credits
93 from the department of economic development [which,]. **Such application for**
94 **final approval and issuance of tax credits shall include a cost and**
95 **expense certification, prepared by a licensed certified public**
96 **accountant that is not an affiliate of the applicant, certifying the total**
97 **costs and expenses of rehabilitation and the total amount of tax credits**
98 **for which such taxpayer is eligible under sections 253.550 to**
99 **253.559. Cost and expense certifications required under this section**
100 **shall separately state any accrued developer fees. No later than forty-**
101 **five calendar days following receipt of a taxpayer's application for final**
102 **approval and issuance of tax credits, the department of economic**
103 **development shall determine,** in consultation with the department of natural
104 resources, [shall determine the final amount of eligible rehabilitation costs and
105 expenses and] whether the completed rehabilitation meets the standards of the
106 Secretary of the United States Department of the Interior for rehabilitation as
107 determined by the state historic preservation officer of the Missouri department
108 of natural resources. **If the completed rehabilitation meets such**
109 **standards, the department of economic development shall, within forty-**
110 **five calendar days following the receipt of the taxpayer's application**
111 **for final approval and tax credit issuance, inform such taxpayer of its**
112 **initial determination by letter and issue such taxpayer an initial tax**
113 **credit issuance. A taxpayer receiving an initial tax credit issuance**
114 **shall receive tax credit certificates in an amount equal to the lesser of**
115 **seventy-five percent of the total amount of tax credits for which the**
116 **taxpayer is eligible under sections 253.550 to 253.559, as certified in the**

117 **cost and expense certification, or the amount of tax credits approved**
118 **for such project under subsection 3 of this section. Within one hundred**
119 **and fifty calendar days following receipt of a taxpayer's application for**
120 **final approval and tax credit issuance, the department shall determine**
121 **the final amount of eligible rehabilitation costs and expenses. For a**
122 **taxpayer receiving an initial tax credit issuance, no later than one**
123 **hundred and fifty calendar days following receipt of such taxpayer's**
124 **application for final approval and tax credit issuance, the department**
125 **shall notify such taxpayer of its final determination by letter and issue**
126 **such taxpayer tax credit certificates in an amount equal to the lesser**
127 **of the remaining amount of tax credits for which such taxpayer is**
128 **eligible to receive under sections 253.550 to 253.559, as determined by**
129 **the department, or the remaining amount of tax credits for which such**
130 **taxpayer was approved under subsection 3 of this section, but not**
131 **issued under the initial tax credit issuance. If the department of**
132 **economic development determines that the amount of tax credits issued**
133 **to a taxpayer in the initial tax credit issuance is in excess of the total**
134 **amount of tax credits such taxpayer is eligible to receive under**
135 **sections 253.550 to 253.559, the department shall notify such taxpayer**
136 **and such taxpayer shall repay the state an amount equal to such**
137 **excess. For financial institutions credits authorized pursuant to sections**
138 **253.550 to 253.561 shall be deemed to be economic development credits for**
139 **purposes of section 148.064. The approval of all applications and the issuing of**
140 **certificates of eligible credits to taxpayers shall be performed by the department**
141 **of economic development. [The department of economic development shall inform**
142 **a taxpayer of final approval by letter and shall issue, to the taxpayer, tax credit**
143 **certificates.] The taxpayer shall attach the certificate to all Missouri income tax**
144 **returns on which the credit is claimed. Taxpayers which receive tax credit**
145 **certificates under sections 253.550 to 253.559, attributable to accrued**
146 **developer fees shall, within six years of completion of rehabilitation,**
147 **submit an additional cost and expense certification verifying the total**
148 **amount of developer fees actually accrued and paid. To the extent the**
149 **amount of developer fees contained in a taxpayer's cost and expense**
150 **certification included with such taxpayers application for final**
151 **approval and tax credit issuance exceeds the amount of developer fees**
152 **actually accrued and paid, as evidenced by the additional cost and**
153 **expense certification, such taxpayer shall repay to the state an amount**
154 **equal to twenty-five percent of such excess.**

155 8. Except as expressly provided in this subsection, tax credit certificates
156 shall be issued in the final year that costs and expenses of rehabilitation of the
157 project are incurred, or within the twelve-month period immediately following the
158 conclusion of such rehabilitation. In the event the amount of eligible
159 rehabilitation costs and expenses incurred by a taxpayer would result in the
160 issuance of an amount of tax credits in excess of the amount provided under such
161 taxpayer's approval granted under subsection 3 of this section, such taxpayer may
162 apply to the department for issuance of tax credits in an amount equal to such
163 excess. Applications for issuance of tax credits in excess of the amount provided
164 under a taxpayer's application shall be made on a form prescribed by the
165 department. Such applications shall be subject to all provisions regarding
166 priority provided under subsection 1 of this section.

167 9. The department of economic development shall determine, on an annual
168 basis, the overall economic impact to the state from the rehabilitation of eligible
169 property.

170 **10. (1) Taxpayers or duly authorized representatives may appeal**
171 **any official decision, including all preliminary or final approvals and**
172 **denials of approvals, made by the department or the department of**
173 **natural resources with regard to an application submitted under**
174 **sections 253.550 to 253.559 to an independent third-party appeals**
175 **officer designated by the department. Such appeals under this section**
176 **shall constitute an administrative review of the decision appealed from**
177 **and shall not be conducted as an adjudicative proceeding.**

178 **(2) Appeals shall be submitted to the designated appeals officer**
179 **in writing within thirty days of receipt by the taxpayer or the**
180 **taxpayer's duly authorized representative of the decision that is the**
181 **subject of the appeal, and shall include all information the appellant**
182 **wishes the appeals officer to consider in deciding the appeal.**

183 **(3) Upon receipt of an appeal, the appeals officer shall notify the**
184 **department or the department of natural resources that an appeal is**
185 **pending, identify the decision being appealed, and forward a copy of**
186 **the information submitted by the appellant. The department or the**
187 **department of natural resources may submit a written response to the**
188 **appeal.**

189 **(4) The appellant shall be entitled to one meeting with the**
190 **appeals officer to discuss the appeal, but the appeals officer may**
191 **schedule additional meetings at the officer's discretion. The**
192 **department or the department of natural resources may appear at all**

193 meetings.

194 (5) The appeals officer shall consider the record of the decision
195 in question, any further written submissions by the appellant and the
196 department or the department of natural resources, and other available
197 information, and shall deliver a written decision to all parties as
198 promptly as circumstances permit.

199 11. Notwithstanding any provision of law to the contrary, no tax
200 credits provided under sections 253.545 to 253.559 shall be authorized
201 on or after August 28, 2018. The provisions of this subsection shall not
202 be construed to limit or in any way impair the department's ability to
203 issue tax credits authorized prior to August 28, 2018, or a taxpayer's
204 ability to redeem such tax credits.

205 12. By no later than January 1, 2012, the department shall
206 propose rules to implement the provisions of sections 253.550 to
207 253.559. Prior to proposing such rules, the department shall conduct
208 a stakeholder process designed to solicit input from interested
209 parties. Any rule or portion of a rule, as that term is defined in section
210 536.010, that is created under the authority delegated herein shall
211 become effective only if it complies with and is subject to all of the
212 provisions of chapter 536 and, if applicable, section 536.028. This
213 section and chapter 536 are nonseverable and if any of the powers
214 vested with the general assembly pursuant to chapter 536 to review, to
215 delay the effective date, or to disapprove and annul a rule are
216 subsequently held unconstitutional, then the grant of rulemaking
217 authority and any rule proposed or adopted after the effective date of
218 this act, shall be invalid and void.

348.250. Sections 348.250 to 348.275 shall be known and may be
2 cited as the "Missouri Science and Innovation Reinvestment Act".

348.251. 1. As used in sections 348.251 to 348.266, the following terms
2 mean:

3 (1) "Applicable percentage", six percent for the fiscal year
4 beginning July 1, 2012, and the next fourteen consecutive fiscal years;
5 five percent for the immediately subsequent five fiscal years; and four
6 percent for the immediately subsequent five fiscal years;

7 (2) "Applied research", any activity that seeks to utilize,
8 synthesize, or apply existing knowledge, information, or resources to
9 the resolution of a specific problem, question, or issue of science and
10 innovation, including but not limited to translational research;

- 11 (3) "Base year", fiscal year ending June 30, 2010;
- 12 (4) "Base year gross wages", gross wages paid by science and
13 innovation companies to science and innovation employees during
14 fiscal year ending June 30, 2010;
- 15 (5) "Basic research", any original investigation for the
16 advancement of scientific or technical knowledge of science and
17 innovation;
- 18 (6) "Commercialization", any of the full spectrum of activities
19 required for a new technology, product, or process to be developed
20 from the basic research or conceptual stage through applied research
21 or development to the marketplace, including without limitation, the
22 steps leading up to and including licensing, sales, and service;
- 23 (7) "Corporation", the Missouri technology corporation
24 established under this section;
- 25 (8) "Fields of applicable expertise", any of the following fields:
26 science and innovation research, development, or commercialization,
27 including basic research and applied research; corporate finance,
28 venture capital, and private equity related to science and innovation;
29 the business and management of science and innovation companies;
30 education related to science and innovation; or civic or corporate
31 leadership in areas related to science and innovation;
- 32 (9) "Inherent conflict of interest", a fundamental or systematic
33 conflict of interest that prevents a person from serving as a
34 disinterested director of the corporation and from routinely performing
35 his or her duties as a director of the corporation;
- 36 (10) "NAICS industry groups" or "NAICS codes", the North
37 American Industry Classification System developed under the auspices
38 of the United States Office of Management and Budget and adopted in
39 1997, as may be amended, revised, or replaced by similar classification
40 systems for similar uses from time to time;
- 41 (11) "Science and innovation", the use of compositions and
42 methods in research, development, and manufacturing processes for
43 such diverse areas as agriculture-biotechnology, animal health,
44 biochemistry, bioinformatics, energy, environment, forestry, homeland
45 security, information technology, medical devices, medical diagnostics,
46 medical instruments, medical therapeutics, microbiology,
47 nanotechnology, pharmaceuticals, plant biology, and veterinary
48 medicine, including future developments in such areas;

49 **(12) "Science and innovation company", a corporation, limited**
50 **liability company, S corporation, partnership, registered limited**
51 **liability partnership, foundation, association, nonprofit entity, sole**
52 **proprietorship, business trust, person, group, or other entity that is:**

53 **(a) Engaged in the research, development, commercialization, or**
54 **business of science and innovation in the state, including, without**
55 **limitation, research, development, or production directed toward**
56 **developing or providing science and innovation products, processes, or**
57 **services for specific commercial or public purposes, including**
58 **hospitals, nonprofit research institutions, incubators, accelerators, and**
59 **universities currently located or involved in the research, development,**
60 **commercialization, or business of science and innovation in the state;**
61 **or**

62 **(b) Identified by the following NAICS industry groups or NAICS**
63 **codes or any amended or successor code sections covering such areas**
64 **of research, development, and commercial endeavors: 3251; 3253; 3254;**
65 **3391; 51121; 54138; 54171; 62231; 111191; 111421; 111920; 111998; 311119;**
66 **311211; 311221; 311222; 311223; 325193; 325199; 325221; 325222; 325611;**
67 **325612; 325613; 325311; 325312; 325314; 325320; 325411; 325412; 325414;**
68 **333298; 334510; 334516; 334517; 339111; 339112; 339113; 339114; 339115;**
69 **339116; 424910; 541710; 621511; and 621512.**

70 **Each of the above listed four-digit and five-digit codes shall include all**
71 **six-digit codes in such four-digit and five-digit industry; however, each**
72 **six-digit code shall stand alone and not indicate the inclusion of other**
73 **omitted six-digit codes that also are subsets of the pertinent four-digit**
74 **or five-digit industry to which the included six-digit code belongs;**

75 **(13) "Science and innovation employee", any employee, officer, or**
76 **director of a science and innovation company who is a state income**
77 **taxpayer and any employee of a university who is associated with or**
78 **supports the research, development, commercialization, or business of**
79 **science and technology in the state and is obligated to pay state income**
80 **tax to the state;**

81 **(14) "Technology application", the introduction and adaptation of refined**
82 **management practices in fields such as scheduling, inventory management,**
83 **marketing, product development, and training in order to improve the quality,**
84 **productivity and profitability of an existing firm. Technology application shall**
85 **be considered a component of business modernization;**

86 **[(2) "Technology commercialization", the process of moving**

87 investment-grade technology from a business, university or laboratory into the
88 marketplace for application;

89 (3)] (15) "Technology development", strategically focused research
90 directed at developing investment-grade technologies which are important for
91 market competitiveness.

92 2. The governor may, on behalf of the state and in accordance with
93 chapter 355, RSMo, establish a private not-for-profit corporation named the
94 "Missouri Technology Corporation", to carry out the provisions of sections 348.251
95 to 348.266. As used in sections [348.251 to 348.266] **348.250 to 348.275** the
96 word "corporation" means the Missouri technology corporation authorized by this
97 section. Before certification by the governor, the corporation shall conduct a
98 public hearing for the purpose of giving all interested parties an opportunity to
99 review and comment [upon] **on** the articles of incorporation, bylaws and [method]
100 **methods** of operation of the corporation. Notice of the hearing shall be given at
101 least fourteen days prior to the hearing.

348.256. 1. The articles of incorporation [and], bylaws, **and methods of**
2 **operation** of the Missouri technology corporation shall [provide that:] **be**
3 **consistent with the provisions of sections 348.250 to 348.275.**

4 [(1)] 2. The purposes of the corporation are to contribute to the
5 strengthening of the economy of the state through the development of science and
6 [technology] **innovation**, to promote the modernization of Missouri businesses
7 by supporting the transfer of science, technology and quality improvement
8 methods to the workplace[, and]; to enhance the productivity and modernization
9 of Missouri businesses by providing leadership in the establishment of methods
10 of technology application, technology commercialization and technology
11 development; **to make Missouri businesses, institutions, and universities**
12 **more competitive and increase their likelihood of success; to support**
13 **and enhance local and regional strategies and initiatives that capitalize**
14 **on the unique science and innovation assets across the state; to make**
15 **Missouri a highly desirable state in which to conduct, facilitate,**
16 **support, fund, and perform science and innovation research,**
17 **development, and commercialization; to facilitate and effect the**
18 **creation, attraction, retention, growth, and enhancement of both**
19 **existing and new science and innovation companies in the state; to**
20 **make Missouri a national and international leader in economic activity**
21 **based on science and innovation; to enhance workforce development;**
22 **to create and retain quality jobs; to advance scientific knowledge; and**
23 **to improve the quality of life for the citizens of the state of Missouri in**

24 **both urban and rural communities.**

25 [(2)] **3.** The board of directors of the corporation [is] **shall be** composed
26 of fifteen persons. The governor shall annually appoint one of its members, who
27 must be from the private sector, as [chairman] **chairperson.** The board shall
28 consist of the following members:

29 [(a)] **(1)** The director of the department of economic development, or the
30 director's designee;

31 [(b)] **(2)** The president of the University of Missouri system, or the
32 president's designee;

33 [(c)] **(3)** A member of the state senate, appointed by the president pro
34 tem of the senate;

35 [(d)] **(4)** A member of the house of representatives, appointed by the
36 speaker of the house;

37 [(e)] **(5)** Eleven members appointed by the governor, [two of which shall
38 be from the public sector and nine members from the private sector who shall
39 include, but shall not be limited to, individuals who represent technology-based
40 businesses and industrial interests;

41 [(f)] **with the advice and consent of the senate, who are recognized**
42 **for outstanding knowledge, leadership, and expertise in one or more of**
43 **the fields of applicable expertise.**

44 Each of the directors of the corporation who is appointed by the governor shall
45 serve for a term of four years and until a successor is duly appointed[; except
46 that, of the directors serving on the corporation as of August 28, 1995, three
47 directors shall be designated by the governor to serve a term of four years, three
48 directors shall be designated to serve a term of three years, three directors shall
49 be designated to serve a term of two years, and two directors shall be designated
50 to serve a term of one year. Each director shall continue to serve until a
51 successor is duly appointed by the governor;

52 (3) The corporation may receive money from any source, may borrow
53 money, may enter into contracts, and may expend money for any activities
54 appropriate to its purpose;

55 (4) The corporation may appoint staff and do all other things necessary
56 or incidental to carrying out the functions listed in section 348.261;

57 (5)].

58 **4.** Any changes in the articles of incorporation or bylaws must be
59 approved by the governor[;].

60 [(6) The corporation shall submit an annual report to the governor and to
61 the Missouri general assembly. The report shall be due on the first day of

62 November for each year and shall include detailed information on the structure,
63 operation and financial status of the corporation. The corporation shall conduct
64 an annual public hearing to receive comments from interested parties regarding
65 the report, and notice of the hearing shall be given at least fourteen days prior
66 to the hearing; and

67 (7)] **5. At the discretion of the state auditor**, the corporation is
68 subject to an [annual] audit [by the state auditor] and [that] the corporation
69 shall bear the full cost of the audit.

70 **6. Each of the directors of the corporation provided for in**
71 **subdivisions (1) and (2) of subsection 3 of this section shall remain a**
72 **director until the designating individual specified in such subdivisions**
73 **designates a replacement by sending a written communication to the**
74 **governor and the chairperson of the board of the corporation; provided**
75 **however, that if the director of economic development or the president**
76 **of the University of Missouri system designates himself or herself to the**
77 **corporation board, such person's service as a corporation director shall**
78 **cease immediately when that person no longer serves as the director of**
79 **economic development or as the president of the University of Missouri**
80 **system. Each of the directors of the corporation provided for in**
81 **subdivisions (3) and (4) of subsection 3 of this section shall remain a**
82 **director until the appointing member of the general assembly specified**
83 **in such subdivisions appoints a replacement by sending a written**
84 **communication to the governor and the chairperson of the corporation**
85 **board; provided however, that if the speaker of the house or the**
86 **president pro tem of the senate appoints himself or herself to the**
87 **corporation board, such person's service as a corporation director shall**
88 **cease immediately when that person no longer serves as the speaker of**
89 **the house or the president pro tem of the senate.**

90 **7. Each of the eleven members of the board appointed by the**
91 **governor shall:**

92 **(1) Hold office for the term of appointment and until the**
93 **governor duly appoints his or her successor; provided that if a vacancy**
94 **is created by the death, permanent disability, resignation, or removal**
95 **of a director, such vacancy shall become immediately effective;**

96 **(2) Be eligible for reappointment, but members of the board shall**
97 **not be eligible to serve more than two consecutive four-year terms and**
98 **shall not be reappointed to the board until they have not served on the**
99 **board for a period of at least four interim years;**

100 **(3) Not have a known inherent conflict of interest at the time of**
101 **appointment; and**

102 **(4) Not have served in an elected office or a cabinet position in**
103 **state government for a period of two years prior to appointment, unless**
104 **otherwise provided in this section.**

105 **8. Any member of the board may be removed by affirmative vote**
106 **of eleven members of the board for malfeasance or misfeasance in**
107 **office, regularly failing to attend meetings, failure to comply with the**
108 **corporation's conflicts of interest policy, conviction of a felony, or for**
109 **any cause that renders the member incapable of or unfit to discharge**
110 **the duties of a director of the corporation.**

111 **9. The board shall meet at least four times per year and at such**
112 **other times as it deems appropriate, or upon call by the president or**
113 **the chairperson, or upon written request of a majority of the directors**
114 **of the board. Unless otherwise restricted by Missouri law, the directors**
115 **may participate in a meeting of the board by means of telephone**
116 **conference or other electronic communications equipment whereby all**
117 **persons participating in the meeting can communicate clearly with**
118 **each other, and participation in a meeting in such manner will**
119 **constitute presence in person at such meeting.**

120 **10. A majority of the total voting membership of the board shall**
121 **constitute a quorum for meetings. The board may act by a majority of**
122 **those at any meeting where a quorum is present, except upon such**
123 **issues as the board may determine shall require a vote of more**
124 **members of the board for approval or as required by law. All**
125 **resolutions and orders of the board shall be recorded and**
126 **authenticated by the signature of the secretary or any assistant**
127 **secretary of the board.**

128 **11. Members of the board shall serve without**
129 **compensation. Members of the board attending meetings of the board,**
130 **or attending committee or advisory meetings thereof, shall be paid**
131 **mileage and all other applicable expenses, provided that such expenses**
132 **are reasonable, consistent with policies established from time to time**
133 **by the board, and not otherwise inconsistent with law.**

134 **12. The board may adopt, repeal, and amend such articles of**
135 **incorporation, bylaws, and methods of operation that are not contrary**
136 **to law or inconsistent with sections 348.250 to 348.275, as it deems**
137 **expedient for its own governance and for the governance and**

138 management of the corporation and its committees and advisory
139 boards; provided that any changes in the articles of incorporation or
140 bylaws approved by the board must also be approved by the governor.

141 13. A president shall direct and supervise the administrative
142 affairs and the general management of the corporation. The president
143 shall be a person of national prominence that has expertise and
144 credibility in one or more of the fields of applicable expertise with a
145 demonstrated track record of success in leading a mission-driven
146 organization. The president's salary and other terms and conditions of
147 employment shall be set by the board. The board may negotiate and
148 enter into an employment agreement with the president of the
149 corporation, which may provide for compensation, allowances, benefits,
150 and expenses. The president of the corporation shall not be eligible to
151 serve as a member of the board until two years after the end of his or
152 her employment with the corporation. The president of the corporation
153 shall be bound by, and agree to obey, the corporation's conflicts of
154 interest policy, including annually completing and submitting to the
155 board a disclosure and compliance certificate in accordance with such
156 conflicts of interest policy.

157 14. The corporation may employ such employees as it may
158 require and upon such terms and conditions as it may establish that
159 are consistent with state and federal law. The corporation may
160 establish personnel, payroll, benefit, and other such systems as
161 authorized by the board, and provide death and disability
162 benefits. Corporation employees, including the president, shall be
163 considered state employees for the purposes of membership in the
164 Missouri state employees' retirement system and the Missouri
165 consolidated health care plan. Compensation paid by the corporation
166 shall constitute pay from a department for purposes of accruing
167 benefits under the Missouri state employees' retirement system. The
168 corporation may also adopt, in accordance with requirements of the
169 federal Internal Revenue Code of 1986, as amended, a defined
170 contribution plan sponsored by the corporation with respect to
171 employees, including the president, employed by the
172 corporation. Nothing in sections 348.250 to 348.275 shall be construed
173 as placing any officer or employee of the corporation or member of the
174 board in the classified or the unclassified service of the state of
175 Missouri under Missouri laws and regulations governing civil service.

176 No employee of the corporation shall be eligible to serve as a member
177 of the board until two years immediately following the end of his or her
178 employment with the corporation. All employees of the corporation
179 shall be bound by, and agree to obey, the corporation's conflicts of
180 interest policy, including annually completing and submitting to the
181 board a disclosure and compliance certificate in accordance with such
182 conflicts of interest policy.

183 15. No later than the first day of January each year, the
184 corporation shall submit an annual report to the governor and to the
185 Missouri general assembly which the corporation may contract with a
186 third party to prepare and which shall include:

187 (1) A complete and detailed description of the operating and
188 financial conditions of the corporation during the prior fiscal year;

189 (2) Complete and detailed information about the distributions
190 from the Missouri science and innovation reinvestment fund and from
191 any income of the corporation;

192 (3) Information about the growth of science and innovation
193 research and industry in the state;

194 (4) Information regarding financial or performance audits
195 performed in such year, including any recommendations with reference
196 to additional legislation or other action that may be necessary to carry
197 out the purposes of the corporation; and

198 (5) Whether or not the corporation made any distribution during
199 the prior fiscal year to a research project or other project for which a
200 report shall be filed under subsection 4 of section 38(d) of article III of
201 the Constitution of the State of Missouri. If such a distribution was
202 made, the corporation shall disclose in the annual report the amount
203 of the distribution, the recipient of the distribution, and the project
204 description.

205 16. The corporation shall keep its books and records in
206 accordance with generally accepted accounting procedures. Within
207 four months following the end of each fiscal year, the corporation shall
208 cause a firm of independent certified public accountants of national
209 repute to conduct and deliver to the board an audit of the financial
210 statements of the corporation and an opinion thereon, to be conducted
211 in accordance with generally accepted audit standards, provided,
212 however, that this section shall be inapplicable if the board of directors
213 of the corporation determines that insufficient funds have been

214 appropriated to pay for the costs of compliance with these
215 requirements.

216 17. Within four months following the end of every odd numbered
217 fiscal year, beginning with fiscal year 2016, the corporation shall cause
218 an independent firm of national repute that has expertise in science
219 and innovation research and industry to conduct and deliver to the
220 board an evaluation of the performance of the corporation for the prior
221 two fiscal years, including detailed recommendations for improving the
222 performance of the corporation, provided, however, that this section
223 shall be inapplicable if the board of directors of the corporation
224 determines that insufficient funds have been appropriated to pay for
225 the costs of compliance with these requirements.

226 18. The corporation shall provide the state auditor a copy of the
227 financial and performance evaluations prepared under subsections 16
228 and 17 of this section.

229 19. The corporation shall have perpetual existence until an act
230 of law expressly dissolves the corporation; provided that no such law
231 shall take effect so long as the corporation has obligations or bonds
232 outstanding unless adequate provision has been made for the payment
233 or retirement of such debts or obligations. Upon any such dissolution
234 of the corporation, all property, funds, and assets thereof shall be
235 vested in the state.

236 20. Except as provided under section 348.266, the state hereby
237 pledges to, and agrees with, recipients of corporation funding or
238 beneficiaries of corporation programs under sections 348.250 to 348.275
239 that the state shall not limit or alter the rights vested in the
240 corporation under sections 348.250 to 348.275 to fulfill the terms of any
241 agreements made or obligations incurred by the corporation with or to
242 such third parties, or in any way impair the rights and remedies of
243 such third parties until the obligations of the corporation and the state
244 are fully met and discharged in accordance with sections 348.250 to
245 348.275.

246 21. The corporation shall be exempt from:

247 (1) Any general ad valorem taxes upon any property of the
248 corporation acquired and used for its public purposes;

249 (2) Any taxes or assessments upon any projects or upon any
250 operations of the corporation or the income therefrom;

251 (3) Any taxes or assessments upon any project or any property

252 or local obligation acquired or used by the corporation under the
253 provisions of sections 348.250 to 348.275, or upon income therefrom.
254 Purchases by the corporation to be used for its public purposes shall
255 not be subject to sales or use tax under chapter 144. The exemptions
256 hereby granted shall not extend to persons or entities conducting
257 business on the corporations' property for which payment of state and
258 local taxes would otherwise be required.

259 22. No funds of the corporation shall be distributed to its
260 employees or members of the board; except that, the corporation may
261 make reasonable payments for expenses incurred on its behalf relating
262 to any of its lawful purposes and the corporation shall be authorized
263 and empowered to pay reasonable compensation for services rendered
264 to, or for, its benefit relating to any of its lawful purposes, including to
265 pay its employees reasonable compensation.

266 23. The corporation shall adopt and maintain a conflicts of
267 interest policy to protect the corporation's interests by requiring
268 disclosure by an interested party, appropriate recusal by such person,
269 and appropriate action by the interested party or the board where a
270 conflict of interest may exist or arise between the corporation and a
271 director, officer, employee, or agent of the corporation.

 348.257. 1. The board shall establish an executive committee of
2 the corporation, to be composed of the chairperson, the vice-
3 chairperson, and the secretary of the corporation, and two additional
4 directors. The chairperson of the corporation shall serve as the
5 chairperson of the executive committee.

6 2. The executive committee, in intervals between meetings of the
7 board, may transact any business of the board that has been expressly
8 delegated to the executive committee by the board. If so stipulated by
9 the board, action delegated to the executive committee may be subject
10 to subsequent ratification by the board; provided, however that until
11 ratified or rejected by the board, any action delegated to, and taken by,
12 the executive committee between meetings of the board will be binding
13 upon the corporation as if ratified, and may be relied upon by third
14 parties.

15 3. The board shall establish an audit committee of the
16 corporation, to be composed of the chairperson of the corporation and
17 four additional directors. The secretary of the corporation shall serve
18 as the chairperson of the audit committee. The audit committee shall

19 be responsible for oversight of the administration of the conflicts of
20 interest policy, working with the president of the corporation to
21 facilitate communications with the corporation's contract auditors, and
22 such other responsibilities delegated to it by the board.

23 4. The board shall establish and maintain a research alliance of
24 Missouri to be comprised of the chief research officers, or their
25 designee, of the state's leading research universities and a
26 representative of other leading not-for-profit research institutes
27 headquartered in Missouri. Members of the research alliance of
28 Missouri shall be selected for such terms of membership under such
29 terms and conditions as the board deems necessary and appropriate to
30 advance the purposes of sections 348.250 to 348.275 and as comparable
31 to other similar public sector bodies. The research alliance of Missouri
32 shall elect a chairperson on an annual basis. The research alliance of
33 Missouri shall prepare annual reports at the direction of the
34 corporation that:

35 (1) Evaluate the specific areas of Missouri's research strengths
36 and weaknesses and outline current research priorities of the state;

37 (2) Evaluate the ability of each member to realign their research
38 and development resources, policies, and practices to seize emerging
39 opportunities;

40 (3) Evaluate and summarize the best national and international
41 practices for technology commercialization of university research and
42 describe efforts that each university member has undertaken to
43 implement best practices, including a description of the specific
44 outcomes university members have achieved in technology
45 commercialization; and

46 (4) Describe research collaborations by and between members
47 and identify collaboration best practices that can or should be
48 instituted in Missouri.

49 5. The board may establish other committees, both permanent
50 and temporary, as it deems necessary. Such committees may include
51 national strategic, scientific and/or commercialization advisory boards
52 comprised of individuals of national or international prominence in
53 science and innovation and/or the business and commercialization of
54 science and innovation.

55 6. The board may establish rules, policies, and procedures for the
56 selection and conduct of committees and advisory boards, and the

57 **research alliance of Missouri; provided however, that the members of**
58 **such committees and advisory boards agree to be bound by a conflict**
59 **of interest policy consistent with the highest ethical standards that is**
60 **suitable for such advisory roles and annually complete and certify to**
61 **the board a disclosure and compliance certificate in accordance with**
62 **such conflicts of interest policy.**

348.261. 1. The corporation[, after being certified by the governor as
2 provided by section 348.251, may] **shall have all of the powers necessary or**
3 **convenient to carry out the purposes and provisions of sections 348.250**
4 **to 348.275, including the powers as specified therein, and without**
5 **limitation, the power to:**

6 (1) Establish a statewide business modernization network to assist
7 Missouri businesses in identifying ways to enhance productivity and market
8 competitiveness;

9 (2) Identify scientific and technological problems and opportunities related
10 to the economy of Missouri and formulate proposals to overcome those problems
11 or realize those opportunities;

12 (3) Identify specific areas where scientific research and technological
13 investigation will contribute to the improvement of productivity of Missouri
14 manufacturers and farmers;

15 (4) Determine specific areas in which financial investment in scientific
16 and technological research and development from private businesses located in
17 Missouri could be enhanced or increased if state resources were made available
18 to assist in financing activities;

19 (5) Assist in establishing cooperative associations of universities in
20 Missouri and of private enterprises for the purpose of coordinating research and
21 development programs that will, consistent with the primary educational function
22 of the universities, aid in the creation of new jobs in Missouri;

23 (6) Assist in financing the establishment and continued development of
24 technology-intensive businesses in Missouri;

25 (7) Advise universities of the research needs of Missouri business and
26 improve the exchange of scientific and technological information for the mutual
27 benefit of universities and private business;

28 (8) Coordinate programs established by universities to provide Missouri
29 businesses with scientific and technological information;

30 (9) Establish programs in scientific education which will support the
31 accelerated development of technology-intensive businesses in Missouri;

32 (10) Provide financial assistance through contracts, grants and loans to

33 programs of scientific and technological research and development;

34 (11) Determine how public universities can increase income derived from
35 the sale or licensure of products or processes having commercial value that are
36 developed as a result of university sponsored research programs;

37 (12) Contract with innovation centers, as established in section 348.271,
38 small business development corporations, as established in sections 620.1000 to
39 620.1007, centers for advanced technology, as established in section 348.272, and
40 other entities or organizations for the provision of technology application,
41 technology commercialization and technology development services. [Such
42 contracting procedures shall not be subject to the provisions of chapter 34; and];

43 (13) Make direct seed capital or venture capital investments in Missouri
44 business investment funds or businesses [which] **that** demonstrate the promise
45 of growth and job creation. Investments from the corporation may be in the form
46 of debt or equity in the respective businesses;

47 **(14) Make and execute contracts, guarantees, or any other**
48 **instruments and agreements necessary or convenient for the exercise**
49 **of its powers and functions;**

50 **(15) Contract for and to accept any gifts, grants, and loans of**
51 **funds, property, or any other aid in any form from the federal**
52 **government, the state, any state agency, or any other source, or any**
53 **combination thereof, and to comply with the provisions of the terms**
54 **and conditions thereof;**

55 **(16) Procure such insurance, participate in such insurance plans,**
56 **or provide such self insurance or both as it deems necessary or**
57 **convenient; provided however, the purchase of insurance, participation**
58 **in an insurance plan, or creation of a self-insurance fund by the**
59 **corporation shall not be deemed as a waiver or relinquishment of any**
60 **sovereign immunity to which the corporation or its officers, directors,**
61 **employees, or agents are otherwise entitled;**

62 **(17) Partner with universities or other research institutions in**
63 **Missouri to attract and recruit world-class science and innovation**
64 **talent to Missouri;**

65 **(18) Expend any and all funds from the Missouri science and**
66 **innovation reinvestment fund and all other assets and resources of the**
67 **corporation for the exclusive purpose of fulfilling any purpose, power,**
68 **or duty of the corporation under sections 348.250 to 348.275, including**
69 **but not limited to implementing the powers, purposes, and duties of the**
70 **corporation as enumerated in this section;**

71 **(19) Participate in joint ventures and collaborate with any**
72 **taxpayer, governmental body or agency, insurer, university, or college**
73 **of the state, or any other entity to facilitate any activities or programs**
74 **consistent with the purpose and intent of sections 348.250 to 348.275;**
75 **and**

76 **(20) In carrying out any activities authorized by sections 348.250**
77 **to 348.275, the corporation provides appropriate assistance, including**
78 **the making of investments, grants, and loans, and providing time of**
79 **employees, to any taxpayer, governmental body, or agency, insurer,**
80 **university, or college of the state, or any other entity, whether or not**
81 **any such taxpayer, governmental body or agency, insurer, university,**
82 **or college of the state, or any other entity, is owned or controlled in**
83 **whole or in part, directly or indirectly, by the corporation.**

84 **2. The corporation shall endeavor to maximize the amount of**
85 **leveraging of nonstate resources, including public and private, cash**
86 **and in-kind, attained with its investments, grants, loans, or other forms**
87 **of support. In the case of investments, grants, loans, or other forms of**
88 **support that emphasize or are specifically intended to impact a**
89 **particular Missouri county, municipality, or other geographic**
90 **subdivision of the state, or are otherwise local in nature, the**
91 **corporation shall give consideration and weight to local matching funds**
92 **and other matching resources, public and private.**

93 **3. Except as expressly provided in sections 348.250 to 348.275, all**
94 **monies earned or received by the corporation, including all funds**
95 **derived from the commercialization of science and innovation products,**
96 **methods, services, and technology by the corporation, or any affiliate**
97 **or subsidiary thereof, or from the Missouri science and innovation**
98 **reinvestment fund, shall belong exclusively to and be subject to the**
99 **exclusive control of the corporation.**

100 **4. The corporation shall have all the powers of a not-for-profit**
101 **corporation established under Missouri law.**

102 **5. The corporation shall assume all moneys, property, or other**
103 **assets remaining with the Missouri seed capital investment board,**
104 **established in section 620.641. All powers, duties, and functions**
105 **performed by the Missouri seed capital investment board shall be**
106 **transferred to the Missouri technology corporation.**

107 **6. The corporation shall not be subject to the provisions of**
108 **chapter 34.**

348.262. In order to assist the corporation in achieving the objectives
2 identified in section 348.261, the department of economic development may
3 contract with the corporation for activities consistent with the corporation's
4 purpose, as specified in [section 348.256] **sections 348.250 to 348.275**. When
5 contracting with the corporation under the provisions of this section, the
6 department of economic development may directly enter into agreements with the
7 corporation and shall not be bound by the provisions of chapter 34, RSMo.

348.263. 1. [The Missouri business modernization and technology
2 corporation shall replace the corporation for science and technology. All moneys,
3 property or any other assets remaining with the corporation for science and
4 technology after all obligations are satisfied on August 28, 1993, shall be
5 transferred to the Missouri business modernization and technology corporation.
6 All powers, duties and functions performed by the Missouri corporation of science
7 and technology on August 28, 1993, shall be transferred to the Missouri business
8 modernization and technology corporation.] **Except as otherwise provided in
9 sections 348.250 to 348.275, the corporation shall be subject to
10 requirements applicable to governmental bodies and records contained
11 in sections 610.010 to 610.225.**

2. [The Missouri technology corporation shall replace the Missouri
13 business modernization and technology corporation. All moneys, property or any
14 other assets remaining with the Missouri business modernization and technology
15 corporation after all obligations are satisfied on August 28, 1994, shall be
16 transferred to the Missouri technology corporation. All powers, duties and
17 functions performed by the Missouri business modernization and technology
18 corporation on August 28, 1994, shall be transferred to the Missouri technology
19 corporation.] **In addition to the exceptions available under sections
20 610.010 to 610.225, the records of the corporation shall not be subject
21 to the provisions of sections 610.010 to 610.225, when, upon
22 determination by the corporation, the disclosure of the information in
23 the records would be harmful to the competitive position of the
24 corporation and such records contain:**

25 **(1) Proprietary information gathered by, or in the possession of,
26 the corporation from third parties pursuant to a promise of
27 confidentiality;**

28 **(2) Contract cost estimates prepared for confidential use in
29 awarding contracts for research, development, construction,
30 renovation, commercialization, or the purchase of goods or services;**

31 **(3) Data, records, or information of a proprietary nature**

32 produced or collected by, or for, the corporation, its employees,
33 officers, or members of its board;

34 (4) Third-party financial statements, records, and related data
35 not publicly available that may be shared with the corporation;

36 (5) Consulting or other reports paid for by the corporation to
37 assist the corporation in connection with its strategic planning and
38 goals; or

39 (6) The determination of marketing and operational strategies
40 where disclosure of such strategies would be harmful to the
41 competitive position of the corporation.

42 3. In addition to the exceptions available under sections 610.010
43 to 610.225, the corporation, including the board, executive committee,
44 audit committee, and research alliance of Missouri, or other such
45 committees or boards that the corporation may authorize from time to
46 time, may discuss, consider, and take action on any the following in
47 closed session, when upon determination by the corporation, including
48 as appropriate the board, executive committee, audit committee, and
49 research alliance of Missouri, or other such committees or boards that
50 the corporation may authorize from time to time, disclosure of such
51 items would be harmful to the competitive position of the corporation:

52 (1) Plans that could affect the value of property, real or personal,
53 owned, or desirable for ownership by the corporation;

54 (2) The condition, acquisition, use, or disposition of real or
55 personal property; or

56 (3) Contracts for applied research; basic research; science and
57 innovation product development, manufacturing, or commercialization;
58 construction and renovation of science and innovation facilities; or
59 marketing or operational strategies.

348.264. [1.] There is hereby established in the state treasury a special
2 fund to be known as the "Missouri [Technology Investment] **Science and**
3 **Innovation Reinvestment** Fund", which shall consist of all moneys which may
4 be appropriated to it by the general assembly **based on the applicable**
5 **percentage of the amount by which science and innovation employees'**
6 **gross wages for the year exceeds the base year gross wages pursuant**
7 **to section 348.265; other funds appropriated to it by the general**
8 **assembly**, and also any gifts, contributions, grants or bequests received from
9 federal, private or other sources. [Such moneys shall include federal funds which
10 may be received from the National Institute for Science and Technology, the

11 Small Business Administration and the Department of Defense through its
12 Technology Reinvestment Program.] Money in the Missouri [technology
13 investment program] **science and innovation reinvestment fund** shall be
14 used to carry out the provisions of sections [348.251] **348.250** to 348.275. Moneys
15 for business modernization programs, technology application programs,
16 technology commercialization programs and technology development programs
17 established pursuant to the provisions of sections [348.251] **348.250** to 348.275
18 shall be available from appropriations made by the general assembly from the
19 Missouri [technology investment] **science and innovation reinvestment**
20 fund. Any moneys remaining in the Missouri [technology investment] **science**
21 **and innovation reinvestment** fund at the end of any fiscal year shall not lapse
22 to the general revenue fund, as provided in section 33.080, but shall remain in
23 the Missouri [technology investment] **science and innovation reinvestment**
24 fund.

25 [2. Notwithstanding the provisions of sections 173.500 to 173.565, RSMo,
26 the Missouri technology investment fund shall be utilized to fund projects which
27 would previously have been funded through the higher education applied projects
28 fund.]

348.265. 1. As soon as practicable after the effective date of this
2 **act, the director of the department of economic development, with the**
3 **assistance of the director of the department of revenue, shall establish**
4 **the base year gross wages and report the amount of the base year gross**
5 **wages to the president and board of the corporation, the governor, and**
6 **the general assembly. Within one hundred eighty days after the end of**
7 **each fiscal year beginning with the fiscal year ending June 30, 2011,**
8 **and for each subsequent fiscal year prior to the end of the last funding**
9 **year, the director of economic development, with the assistance of the**
10 **director of the department of revenue, shall determine and report to**
11 **the president and board of the corporation, governor, and general**
12 **assembly the amount by which aggregate science and innovation**
13 **employees' gross wages for the fiscal year exceeds the base year gross**
14 **wages. The director of economic development and the director of the**
15 **department of revenue may consider any verifiable evidence, including**
16 **but not limited to the NAICS codes assigned or recorded by the United**
17 **States Department of Labor for companies with employees in the state,**
18 **when determining which organizations should be classified as science**
19 **and innovation companies.**

20 **2. Notwithstanding section 23.250 to the contrary, for each of the**

21 twenty-five funding years, beginning July 1, 2012, subject to
22 appropriation, the director of revenue shall transfer to the Missouri
23 science and innovation reinvestment fund an amount not to exceed an
24 amount equal to the product of the applicable percentage multiplied by
25 an amount equal to the increase in aggregate science and innovation
26 employees' gross wages for the prior fiscal year, over the base year
27 gross wages. The director of revenue may make estimated payments to
28 the Missouri science and innovation reinvestment fund more frequently
29 based on estimates provided by the director of revenue and reconciled
30 annually.

31 3. Local political subdivisions may contribute to the Missouri
32 science and innovation reinvestment fund through a grant, contract, or
33 loan by dedicating a portion of any sales tax or property tax increase
34 resulting from increases in science and innovation company economic
35 activity occurring after the effective date of this act, or other such
36 taxes or fees as such local political subdivisions may establish.

37 4. Funding generated by the provisions of this section shall be
38 expended by the corporation to further its purposes as specified in
39 section 348.256.

40 5. Upon enactment of this section, the corporation shall prepare
41 a strategic plan for the use of the funding to be generated by the
42 provisions of this section, and may consult with science and innovation
43 partners, including, but not limited to the research alliance of Missouri,
44 as established in section 348.257; the life sciences research board
45 established in section 196.1103; and the innovation centers or centers
46 for advanced technology, as established in section 348.272. The
47 corporation shall make a draft strategic plan available for public
48 comment prior to publication of the final strategic plan.

348.269. 1. Nothing contained in sections 348.250 to 348.275 shall
2 be construed as a restriction or limitation upon any powers that the
3 corporation might otherwise have under chapter 355, and the
4 provisions of sections 348.250 to 348.275 are cumulative to such powers.

5 2. Nothing in sections 348.250 to 348.275 shall be construed as
6 allowing the board to sell the corporation or substantially all of the
7 assets of the corporation, or to merge the corporation with another
8 institution, without prior authorization by the general assembly.

9 3. Notwithstanding the provisions of section 23.253 to the
10 contrary, the provisions of sections 348.250 to 348.275 shall not sunset.

11 **4. The provisions of sections 348.250 to 348.275 shall not**
12 **terminate before the satisfaction of all outstanding obligations, notes,**
13 **and bonds provided for under sections 348.250 to 348.275.**

14 **5. If any provision of this act or the application thereof is held**
15 **invalid, the invalidity shall not affect other provisions or applications**
16 **of the act that can be given effect without the invalid provision or**
17 **application, and to this end the provisions of this act are**
18 **severable. Insofar as the provisions of sections 348.250 to 348.275 are**
19 **inconsistent with the provisions of any other law, general, specific or**
20 **local, the provisions of sections 348.250 to 348.275 shall be controlling.**

 348.271. 1. In order to foster the growth of Missouri's economy and to
2 stimulate the creation of new jobs in [technology-based] **science and**
3 **innovation-based** industry for the state's work force, the Missouri technology
4 corporation, in accordance with the provisions of this section and within the
5 limits of appropriations therefor is authorized to contract with Missouri
6 not-for-profit corporations for the operation of innovation centers within the
7 state. The primary emphasis of some, if not of all innovation centers, shall be in
8 the areas of [technology commercialization, finance and business
9 modernization. Innovation centers operated under the provisions of this section
10 shall provide assistance to individuals and business organizations during the
11 early stages of the development of new technology-based] **science and**
12 **innovation-based** business ventures. Such assistance may include the provision
13 of facilities, equipment, administrative and managerial support, planning
14 assistance, and such other services and programs that enhance the development
15 of such ventures and such assistance may be provided for fees or other
16 consideration.

17 2. The innovation centers operated under this section shall counsel and
18 assist the new [technology-based] **science and innovation-based** business
19 ventures in finding a suitable site in the state of Missouri for location of the
20 business upon its graduation from the innovation program. Each innovation
21 center shall annually submit a report of its activities to the department of
22 economic development and the Missouri technology corporation which shall
23 include, but not be limited to, the success rate of the businesses graduating from
24 the center, the progress and locations of businesses which have graduated from
25 the center, the types of businesses which have graduated from the center, and the
26 number of jobs created by the businesses involved in the center.

27 **3. Any contract signed between the corporation and any not-for-**
28 **profit organization to operate an innovation center in accordance with**

29 **the provisions of this section shall require that the not-for-profit**
30 **organization must provide at least a one-hundred-percent match for the**
31 **funding received from the corporation pursuant to appropriation**
32 **therefor.**

348.300. As used in sections 348.300 to 348.318, the following terms
2 mean:

3 (1) "Commercial activity located in Missouri", any research, development,
4 prototype fabrication, and subsequent precommercialization activity, or any
5 activity related thereto, conducted in Missouri for the purpose of producing a
6 service or a product or process for manufacture, assembly or sale or developing
7 a service based on such a product or process by any person, corporation,
8 partnership, joint venture, unincorporated association, trust or other organization
9 doing business in Missouri. Subsequent to January 1, 1999, a commercial activity
10 located in Missouri shall mean only such activity that is located within a
11 distressed community, as defined in section 135.530;

12 (2) "Follow-up capital", capital provided to a commercial activity located
13 in Missouri in which a qualified fund has previously invested seed capital or
14 start-up capital and which does not exceed ten times the amount of such seed and
15 start-up capital;

16 (3) "Person", any individual, corporation, partnership, or other entity,
17 including any charitable corporation which is exempt from federal income tax and
18 whose Missouri unrelated business taxable income, if any, would be subject to the
19 state income tax imposed under chapter 143;

20 (4) "Qualified contribution", cash contribution to a qualified fund;

21 (5) "Qualified economic development organization", any corporation
22 organized under the provisions of chapter 355 which has as of January 1, 1991,
23 obtained a contract with the department of economic development to operate an
24 innovation center to promote, assist and coordinate the research and development
25 of new services, products or processes in the state of Missouri; and the Missouri
26 technology corporation organized pursuant to the provisions of sections [348.253
27 to 348.266] **348.250 to 348.275**;

28 (6) "Qualified fund", any corporation, partnership, joint venture,
29 unincorporated association, trust or other organization which is established under
30 the laws of Missouri after December 31, 1985, which meets all of the following
31 requirements established by this subdivision. The fund shall have as its sole
32 purpose and business the making of investments, of which at least ninety percent
33 of the dollars invested shall be qualified investments. The fund shall enter into
34 a contract with one or more qualified economic development organizations which

35 shall entitle the qualified economic development organizations to receive not less
36 than ten percent of all distributions of equity and dividends or other earnings of
37 the fund. Such contracts shall require the qualified fund to transfer to the
38 Missouri technology corporation organized pursuant to the provisions of sections
39 [348.253 to 348.266] **348.250 to 348.275** this interest and make corresponding
40 distributions thereto in the event the qualified economic development
41 organization holding such interest is dissolved or ceases to do business for a
42 period of one year or more;

43 (7) "Qualified investment", any investment of seed capital, start-up
44 capital, or follow-up capital in any commercial activity located in Missouri;

45 (8) "Seed capital", capital provided to a commercial activity located in
46 Missouri for research, development and precommercialization activities to prove
47 a concept for a new product or process or service, and for activities related
48 thereto;

49 (9) "Start-up capital", capital provided to a commercial activity located in
50 Missouri for use in preproduction product development or service development or
51 initial marketing thereof, and for activities related thereto;

52 (10) "State tax liability", any state tax liability incurred by a taxpayer
53 under the provisions of chapters 143, 147 and 148, exclusive of the provisions
54 relating to the withholding of tax as provided for in sections 143.191 to 143.265
55 and related provisions;

56 (11) "Uninvested capital", the amount of any distribution, other than of
57 earnings, by a qualified fund made within five years of the issuance of a
58 certificate of tax credit as provided by sections 348.300 to 348.318; or the portion
59 of all qualified contributions to a qualified fund which are not invested as
60 qualified investments within five years of the issuance of a certificate of tax credit
61 as provided by sections 348.300 to 348.318 to the extent that the amount not so
62 invested exceeds ten percent of all such qualified contributions.

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, **located within a rural area**,
9 producing either a good derived from an agricultural commodity or using a
10 process to produce a good derived from an agricultural product;

11 (4) "Eligible new generation cooperative", a nonprofit cooperative
12 association formed pursuant to chapter 274, or incorporated pursuant to chapter
13 357, for the purpose of operating within this state a development facility or a
14 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, **located within a**
26 **rural area**, producing an energy source which is derived from a renewable,
27 domestically grown, organic compound capable of powering machinery, including
28 an engine or power plant, and any by-product derived from such energy source;

29 (7) "Rural area", a county in Missouri, which according to the
30 **most recent federal decennial census:**

31 (a) **Has a population of not more than seventy-five thousand**
32 **inhabitants; or**

33 (b) **Does not contain an individual city with a population greater**
34 **than fifty thousand inhabitants.**

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

49 4. A contributor shall submit to the authority an application for the tax
50 credit authorized by this section on a form provided by the authority. If the
51 contributor meets all criteria prescribed by this section and the authority, the
52 authority shall issue a tax credit certificate in the appropriate amount. Tax
53 credits issued pursuant to this section may be claimed in the taxable year in
54 which the contributor contributes funds to the authority. For all fiscal years
55 beginning on or after July 1, 2004, tax credits allowed pursuant to this section
56 may be carried back to any of the contributor's three prior tax years and may be
57 carried forward to any of the contributor's five subsequent taxable years. Tax
58 credits issued pursuant to this section may be assigned, transferred or sold and
59 the new owner of the tax credit shall have the same rights in the credit as the
60 contributor. Whenever a certificate of tax credit is assigned, transferred, sold or
61 otherwise conveyed, a notarized endorsement shall be filed with the authority
62 specifying the name and address of the new owner of the tax credit or the value
63 of the credit.

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

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

82 **7. Notwithstanding any provision of law to the contrary, no tax**
83 **credits provided under this section shall be authorized on or after**
84 **August 28, 2014. The provisions of this subsection shall not be**
85 **construed to limit or in any way impair the authority's ability to issue**
86 **tax credits authorized prior to August 28, 2014, or a taxpayer's ability**

87 to redeem such tax credits.

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, **located within a rural area**,
7 producing either a good derived from an agricultural commodity or using a
8 process to produce a good derived from an agricultural product;

9 (3) "Eligible new generation cooperative", a nonprofit cooperative
10 association formed pursuant to chapter 274 or incorporated pursuant to chapter
11 357 for the purpose of operating within this state a development facility or a
12 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, **located within a**
33 **rural area**, producing an energy source which is derived from a renewable,
34 domestically grown, organic compound capable of powering machinery, including
35 an engine or power plant, and any by-product derived from such energy source;

36 (9) "**Rural area**", a county in Missouri, which according to the
37 **most recent federal decennial census**;

38 **(a) Has a population of not more than seventy-five thousand**
39 **inhabitants; or**

40 **(b) Does not contain an individual city with a population greater**
41 **than fifty thousand inhabitants;**

42 **(10) "Small capital project", an eligible new generation cooperative with**
43 **capital costs of no more than one million dollars.**

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

51 4. For all tax years beginning on or after January 1, 2003, any producer
52 member who invests cash funds in an eligible new generation cooperative or
53 eligible new generation processing entity may receive a credit against the tax or
54 estimated quarterly tax otherwise due pursuant to chapter 143, other than taxes
55 withheld pursuant to sections 143.191 to 143.265, chapter 147 or chapter 148, in
56 an amount equal to the lesser of fifty percent of such producer member's
57 investment or fifteen thousand dollars. Tax credits claimed in a taxable year may
58 be done so on a quarterly basis and applied to the estimated quarterly tax
59 pursuant to subsection 3 of this section. If a quarterly tax credit claim or series
60 of claims contributes to causing an overpayment of taxes for a taxable year, such
61 overpayment shall not be refunded but shall be applied to the next taxable year.

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

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

84 7. Ninety percent of the tax credits authorized pursuant to this section
85 initially shall be offered in any fiscal year to employee-qualified capital projects
86 and large capital projects. If any portion of the ninety percent of tax credits
87 offered to employee-qualified capital projects and large capital costs projects is
88 unused in any fiscal year, then the unused portion of tax credits may be offered
89 to small capital projects. The maximum tax credit allowed per employee-qualified
90 capital project is three million dollars and the maximum tax credit allowed per
91 large capital project is one million five hundred thousand dollars. If the
92 authority approves the maximum tax credit allowed for any employee-qualified
93 capital project or any large capital project, then the authority, by rule, shall
94 determine the method of distribution of such maximum tax credit. In addition,
95 if the authority receives more tax credit applications for employee-qualified
96 capital projects and large capital projects than the amount of tax credits
97 authorized therefor, then the authority, by rule, shall determine the method of
98 distribution of tax credits authorized for employee-qualified capital projects and
99 large capital projects.

100 **8. Notwithstanding any provision of law to the contrary, no tax**
101 **credits provided under this section shall be authorized on or after**
102 **August 28, 2014. The provisions of this subsection shall not be**
103 **construed to limit or in any way impair the authority's ability to issue**
104 **tax credits authorized prior to August 28, 2014, or a taxpayer's ability**
105 **to redeem such tax credits.**

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] **ending on or before June 30, 2011**, the
10 authority may determine the extent of tax credits, pursuant to section 348.432,
11 that will be utilized in each fiscal year. If 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. For all fiscal years beginning on or after July 1, 2011, the**
18 **authority shall allocate tax credits for authorization under the**
19 **provisions of sections 348.430 and 348.432 in a manner sufficient to**
20 **provide the greatest state benefit while providing the least amount of**
21 **tax credits necessary.**

348.500. 1. This section shall be known and may be cited as the "Family
2 Farms Act".

3 [2. As used in this section, "small farmer" means a farmer who is a
4 Missouri resident and who has less than two hundred fifty thousand dollars in
5 gross sales per year.

6 3. The agricultural and small business development authority shall
7 establish a family farm breeding livestock loan program for small farmers for the
8 purchase of beef cattle, dairy cattle, sheep and goats, and swine only.

9 4. To participate in the loan program, a small farmer shall first obtain
10 approval for a family farm livestock loan from a lender as defined in section
11 348.015. Each small farmer shall be eligible for only one family farm livestock
12 loan per family and for only one type of livestock.

13 5. The maximum amount of the family farm livestock loan for each type
14 of livestock shall be as follows:

- 15 (1) Seventy-five thousand dollars for beef cattle;
16 (2) Seventy-five thousand dollars for dairy cattle;
17 (3) Thirty-five thousand dollars for swine; and
18 (4) Thirty thousand dollars for sheep and goats.

19 6. Eligible borrowers under the program:

20 (1) Shall use the proceeds of the family farm loan to acquire breeding
21 livestock;

22 (2) Shall not finance more than ninety percent of the anticipated cost of
23 the purchase of such livestock through the family farm livestock loan; and

24 (3) Shall not be charged interest by the lender, as defined in section
25 348.015, for the first year of the qualified family farm livestock loan.

26 7. Upon approval of the family farm livestock loan by a lender under
27 subsection 4 of this section, the loan shall be submitted for approval by the
28 agricultural and small business development authority. The authority shall
29 promulgate rules establishing eligibility under this section, taking into
30 consideration:

- 31 (1) The eligible borrower's ability to repay the family farm livestock loan;
32 (2) The general economic conditions of the area in which the farm is
33 located;
34 (3) The prospect of a financial return for the small farmer for the type of
35 livestock for which the family farm livestock loan is sought; and
36 (4) Such other factors as the authority may establish.

37 8. For eligible borrowers participating in the program, the authority shall
38 be responsible for reviewing the purchase price of any livestock to be purchased
39 by an eligible borrower under the program to determine whether the price to be
40 paid is appropriate for the type of livestock purchased. The authority may impose
41 a one-time loan review fee of one percent which shall be collected by the lender
42 at the time of the loan and paid to the authority.

43 9. Nothing in this section shall preclude a small farmer from participating
44 in any other agricultural program.

45 10. Any rule or portion of a rule, as that term is defined in section
46 536.010, that is created under the authority delegated in this section shall
47 become effective only if it complies with and is subject to all of the provisions of
48 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
49 nonseverable and if any of the powers vested with the general assembly pursuant
50 to chapter 536 to review, to delay the effective date, or to disapprove and annul
51 a rule are subsequently held unconstitutional, then the grant of rulemaking
52 authority and any rule proposed or adopted after August 28, 2006, shall be
53 invalid and void.]

54 **2. For purposes of this section, the following terms shall mean:**

- 55 **(1) "Authority", the Missouri agricultural and small business**
56 **development authority;**
57 **(2) "Breeding livestock", beef, dairy cattle, swine, sheep, and**
58 **goats;**
59 **(3) "Eligible purchase", the lesser of the purchase price of**
60 **breeding livestock paid by a small farmer or:**
61 **(a) Seventy-five thousand dollars for beef cattle;**
62 **(b) Seventy-five thousand dollars for dairy cattle;**
63 **(c) Thirty-five thousand dollars for swine; and**

64 (d) Thirty thousand dollars for sheep and goats;

65 (4) "Small farmer", a farmer who is a Missouri resident and who
66 has less than two hundred fifty thousand dollars in gross sales per year;

67 (5) "State tax liability", any state tax liability incurred by a
68 taxpayer under the provisions of chapters 143, 147, and 148, exclusive
69 of the provisions relating to the withholding of tax as provided for in
70 sections 143.191 to 143.265 and related provisions.

71 3. For all taxable years beginning on or after January 1, 2012, a
72 small farmer shall be entitled to receive a tax credit equal to seven
73 percent of an eligible purchase. The tax credit shall be evidenced by
74 a tax credit certificate issued by the agricultural and small business
75 development authority and may be used to satisfy the state tax liability
76 of the owner of such certificate that becomes due in the tax year in
77 which the eligible purchase is made. No small farmer may receive a tax
78 credit under this section unless such person presents a tax credit
79 certificate to the department of revenue for payment of such state tax
80 liability. The total amount of all tax credits that may be issued to small
81 farmers claiming tax credits authorized in this section in a fiscal year
82 shall not exceed three hundred thousand dollars.

83 4. The agricultural and small business development authority
84 shall be responsible for the administration and issuance of the
85 certificate of tax credits authorized by this section. The authority shall
86 issue a certificate of tax credit at the request of any small farmer. Each
87 request shall include a true copy of the receipt for the eligible
88 purchase, the name of the small farmer who is to receive a certificate
89 of tax credit, the type of state tax liability against which the tax credit
90 is to be used, and the amount of the certificate of tax credit to be issued
91 to the small farmer based on the eligible purchase.

92 5. The Missouri department of revenue shall accept a certificate
93 of tax credit in lieu of other payment in such amount as is equal to the
94 lesser of the amount of the tax or the remaining unused amount of the
95 credit as indicated on the certificate of tax credit, and shall indicate on
96 the certificate of tax credit the amount of tax thereby paid and the date
97 of such payment.

98 6. The following provisions shall apply to tax credits authorized
99 under this section:

100 (1) Tax credits claimed in a taxable year may be claimed on a
101 quarterly basis and applied to the estimated quarterly tax of the small

102 farmer;

103 (2) Any amount of tax credit which exceeds the tax due,
104 including any estimated quarterly taxes paid by the small farmer under
105 subdivision (1) of this subsection which results in an overpayment of
106 taxes for a taxable year, shall not be refunded but may be carried over
107 to any subsequent taxable year, not to exceed a total of three years;

108 (3) Notwithstanding any provision of law to the contrary, a small
109 farmer may assign, transfer, or sell tax credits authorized under this
110 section, with the new owner of the tax credit receiving the same rights
111 in the tax credit as the small farmer. For any tax credits assigned,
112 transferred, sold, or otherwise conveyed, a notarized endorsement shall
113 be filed by the small farmer with the authority specifying the name and
114 address of the new owner of the tax credit and the value of such tax
115 credit.

116 7. Notwithstanding any provision of law to the contrary, no tax
117 credits provided under this section shall be authorized on or after
118 August 28, 2014. The provisions of this subsection shall not be
119 construed to limit or in any way impair the authority's ability to issue
120 tax credits authorized prior to August 28, 2014, or a taxpayer's ability
121 to redeem such tax credits.

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 and sections 135.200 to 135.257. The tax credits allowed
8 pursuant to this subsection shall be used to offset the tax imposed by chapter
9 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax
10 otherwise imposed by chapter 147, or the tax otherwise imposed by chapter
11 148. **Notwithstanding any provisions of law to the contrary, the**
12 **department shall not authorize tax credits and exemptions pursuant to**
13 **this subsection after the effective date of this act.** For purposes of this
14 subsection:

15 (1) For receipt of the ad valorem tax abatement pursuant to section
16 135.215, the eligible project must create at least ten new jobs or retain businesses
17 which supply at least twenty-five existing jobs. The city, or county if the eligible
18 project is not located in a city, must provide ad valorem tax abatement of at least

19 fifty percent for a period not less than ten years and not more than twenty-five
20 years;

21 (2) For receipt of the income tax exemption pursuant to section 135.220
22 and tax credit for new or expanded business facilities pursuant to sections
23 135.100 to 135.150, and 135.225, the eligible project must create at least ten new
24 jobs or retain businesses which supply at least twenty-five existing jobs, or
25 combination thereof. For purposes of sections 447.700 to 447.718, the tax credits
26 described in section 135.225 are modified as follows: the tax credit shall be four
27 hundred dollars per employee per year, an additional four hundred dollars per
28 year for each employee exceeding the minimum employment thresholds of ten and
29 twenty-five jobs for new and existing businesses, respectively, an additional four
30 hundred dollars per year for each person who is a person difficult to employ as
31 defined by section 135.240, and investment tax credits at the same amounts and
32 levels as provided in subdivision (4) of subsection 1 of section 135.225;

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

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

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

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

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

57 period immediately preceding the time the person was employed by that taxpayer
58 to work at, or in connection with, the eligible project on a full-time
59 basis. "Full-time basis" means the employee works an average of at least
60 thirty-five hours per week during the taxpayer's tax period for which the tax
61 credits are earned. For the purposes of this section, related taxpayer has the
62 same meaning as defined in subdivision (9) of section 135.100;

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

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

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

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

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

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

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

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

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

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

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

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

171 4. In the exercise of the sound discretion of the director of the department
172 of economic development or the director's designee, the tax credits and
173 exemptions described in this section may be terminated, suspended or revoked,
174 if the eligible project fails to continue to meet the conditions set forth in this
175 section. In making such a determination, the director shall consider the severity
176 of the condition violation, actions taken to correct the violation, the frequency of
177 any condition violations and whether the actions exhibit a pattern of conduct by
178 the eligible facility owner and operator. The director shall also consider changes
179 in general economic conditions and the recommendation of the director of the
180 department of natural resources, or his or her designee, concerning the severity,
181 scope, nature, frequency and extent of any violations of the environmental
182 compliance conditions. The taxpayer or person claiming the tax credits or
183 exemptions may appeal the decision regarding termination, suspension or
184 revocation of any tax credit or exemption in accordance with the procedures
185 outlined in subsections 4 to 6 of section 135.250. The director of the department
186 of economic development shall notify the directors of the departments of natural
187 resources and revenue of the termination, suspension or revocation of any tax
188 credits as determined in this section or pursuant to the provisions of section
189 447.716.

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

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

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

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

209 the taxpayer operates, in addition to the eligible facility, any other facilities in
210 Missouri. In no case shall a taxpayer operating more than one eligible project in
211 Missouri be allowed to offset more than twenty-five percent of the taxpayer's
212 business income in any tax period. That portion of the taxpayer's income
213 attributed to the eligible project as referenced in subdivision (1) of this
214 subsection, for which the credits allowed in sections 135.110 and 135.225 and
215 subsection 3 of this section, may apply, shall be determined in the same manner
216 as prescribed in subdivision (6) of section 135.100. That portion of the taxpayer's
217 franchise tax attributed to the eligible project for which the remediation tax
218 credit may offset, shall be determined in the same manner as prescribed in
219 paragraph (a) of subdivision (6) of section 135.100.

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

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

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

246 10. In the case where an operator and assignor of an eligible project has

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

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

262 (1) The shareholders of the corporation described in section 143.471;
263 (2) The partners of the partnership. The credit provided in this
264 subsection shall be apportioned to the entities described in subdivisions (1) and
265 (2) of this subsection in proportion to their share of ownership on the last day of
266 the taxpayer's tax period.

267 **12. For each fiscal year beginning on or after July 1, 2011, but**
268 **ending on or before June 30, 2015, the total amount of tax credits**
269 **authorized under the provisions of sections 447.700 to 447.718 shall not**
270 **exceed forty million dollars. No more than a total of ten million dollars**
271 **in tax credits authorized under the provisions of sections 447.700 to**
272 **447.718 shall be authorized in any fiscal year beginning on or after July**
273 **1, 2011, but ending on or before June 30, 2015, for projects which**
274 **receive benefits under the provisions of section 99.1205. For each fiscal**
275 **year beginning on or after July 1, 2015, the total amount of tax credits**
276 **authorized under the provisions of sections 447.700 to 447.718 shall not**
277 **exceed thirty five million dollars. No more than a total of five million**
278 **dollars in tax credits authorized under the provisions of sections**
279 **447.700 to 447.718 shall be authorized in any fiscal year beginning on**
280 **or after July 1, 2015, for projects which receive benefits under the**
281 **provisions of section 99.1205.**

282 **13. Notwithstanding any provision of law to the contrary, no tax**
283 **credits provided under sections 447.700 to 447.718 shall be authorized**
284 **on or after August 28, 2018. The provisions of this subsection shall not**

285 **be construed to limit or in any way impair the department's ability to**
286 **issue tax credits authorized prior to August 28, 2018, or a taxpayer's**
287 **ability to redeem such tax credits.**

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; **and**

59 **(4) Loans and grants shall only be available upon receipt of**
60 **matching private funds.**

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

65 (1) Secure title on a facility for the program or a lease of a facility for the
66 program;

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

69 (3) Furnish and equip the program to provide business services to the
70 tenants and participants;

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

72 (5) Provide financial consulting, marketing and management assistance
73 services or arrange for the provision of these services for tenants and participants

74 of the incubator, including assistance in accessing private financial markets;

75 (6) Set rental and service fees;

76 (7) Encourage the sharing of ideas between tenants and participants and
77 otherwise aid the tenants and participants in an innovative manner while they
78 are within the incubator;

79 (8) Establish policies and criteria for the acceptance of tenants and
80 participants into the incubator and for the termination of occupancy of tenants
81 so as to maximize the opportunity to succeed for the greatest number of tenants,
82 consistent with those specified in this section.

83 7. The department:

84 (1) May adopt such rules, statements of policy, procedures, forms and
85 guidelines as may be necessary for the implementation of this section;

86 (2) May make loans, loan guarantees and grants to local sponsors for
87 incubators;

88 (3) Shall ensure that local sponsors receiving loans, loan guarantees or
89 grants meet the conditions of this section;

90 (4) Shall receive and evaluate annual reports from local sponsors. Such
91 annual reports shall include, but need not be limited to, a financial statement for
92 the incubator, evidence that all tenants and participants in the program are
93 eligible under the terms of this section, and a list of companies in the incubator.

94 8. The department of economic development is also hereby authorized to
95 review any previous loans made under this program and, where appropriate in
96 the department's judgment, convert such loans to grant status.

97 9. On or before January first of each year, the department shall provide
98 a report to the governor, the chief clerk of the house of representatives and the
99 secretary of the senate which shall include, but need not be limited to:

100 (1) The number of applications for incubators submitted to the
101 department;

102 (2) The number of applications for incubators approved by the
103 department;

104 (3) The number of incubators created through the small business
105 incubator program;

106 (4) The number of tenants and participants engaged in each incubator;

107 (5) The number of jobs provided by each incubator and tenants and
108 participant of each incubator;

109 (6) The occupancy rate of each incubator;

110 (7) The number of firms still operating in the state after leaving
111 incubators and the number of jobs they have provided.

112 10. There is hereby established in the state treasury a special fund to be
113 known as the "Missouri Small Business Incubators Fund", which shall consist of
114 all moneys which may be appropriated to it by the general assembly, and also any
115 gifts, contributions, grants or bequests received from federal, private or other
116 sources. Moneys for loans, loan guarantees and grants under the small business
117 incubator program may be obtained from appropriations made by the general
118 assembly from the Missouri small business incubators fund. Any moneys
119 remaining in the Missouri small business incubators fund at the end of any fiscal
120 year shall not lapse to the general revenue fund, as provided in section 33.080,
121 but shall remain in the Missouri small business incubators fund.

122 11. For any taxable year beginning after December 31, 1989, a taxpayer,
123 including any charitable organization which is exempt from federal income tax
124 and whose Missouri unrelated business taxable income, if any, would be subject
125 to the state income tax imposed under chapter 143, shall be entitled to a tax
126 credit against any tax otherwise due under the provisions of chapter 143, or
127 chapter 147, or chapter 148, excluding withholding tax imposed by sections
128 143.191 to 143.265, in the amount of fifty percent of any amount contributed by
129 the taxpayer to the Missouri small business incubators fund during the taxpayer's
130 tax year or any contribution by the taxpayer to a local sponsor after the local
131 sponsor's application has been accepted and approved by the department. The
132 tax credit allowed by this subsection shall be claimed by the taxpayer at the time
133 he files his return and shall be applied against the income tax liability imposed
134 by chapter 143, or chapter 147, or chapter 148, after all other credits provided by
135 law have been applied. That portion of earned tax credits which exceeds the
136 taxpayer's tax liability may be carried forward for up to five years. The aggregate
137 of all tax credits authorized under this section shall not exceed five hundred
138 thousand dollars in any taxable year. **Notwithstanding provisions of law to
139 the contrary, no tax credits authorized under the provision of this
140 section shall be authorized on or after the effective date of this
141 act. The provisions of this subsection shall not be construed to limit or
142 in any way impair the department's ability to issue tax credits
143 authorized prior to the effective date of this act, or a taxpayer's ability
144 to redeem such tax credits.**

145 12. Notwithstanding any provision of Missouri law to the contrary, any
146 taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits
147 allowed in subsection 11 of this section under the terms and conditions prescribed
148 in subdivisions (1) and (2) of this subsection. Such taxpayer, hereinafter the
149 assignor for the purpose of this subsection, may sell, assign, exchange or

150 otherwise transfer earned tax credits:

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

153 (2) In an amount not to exceed one hundred percent of annual earned
154 credits. The taxpayer acquiring earned credits, hereinafter the assignee for the
155 purpose of this subsection, may use the acquired credits to offset up to one
156 hundred percent of the tax liabilities otherwise imposed by chapter 143, or
157 chapter 147, or chapter 148 excluding withholding tax imposed by sections
158 143.191 to 143.265. Unused credits in the hands of the assignee may be carried
159 forward for up to five years. The assignor shall enter into a written agreement
160 with the assignee establishing the terms and conditions of the agreement and
161 shall perfect such transfer by notifying the department of economic development
162 in writing within thirty calendar days following the effective day of the transfer
163 and shall provide any information as may be required by the department of
164 economic development to administer and carry out the provisions of this
165 section. The director of the department of economic development shall prescribe
166 the method for submitting applications for claiming the tax credit allowed under
167 subsection 11 of this section and shall, if the application is approved, certify to
168 the director of revenue that the taxpayer claiming the credit has satisfied all the
169 requirements specified in this section and is eligible to claim the credit.

**620.800. The following additional terms used in sections 620.800
2 to 620.809 shall mean:**

3 (1) "Agreement", the agreement between a qualified company, a
4 community college district, and the department concerning a training
5 project. Any such agreement shall comply with the provisions of
6 section 620.017;

7 (2) "Board of trustees", the board of trustees of a community
8 college district established under the provisions of chapter 178;

9 (3) "Certificate", new or retained jobs training certificates issued
10 under section 620.809;

11 (4) "Committee", the MO jobs training joint legislative oversight
12 committee, established by the department under the provisions of
13 section 620.803;

14 (5) "MO Jobs Training Program", the training program
15 established under sections 620.800 to 620.809;

16 (6) "Department", the Missouri department of economic
17 development;

18 (7) "Employee", a person employed by a qualified company;

19 (8) "Full-time employee", an employee of the qualified company
20 that is scheduled to work an average of at least thirty-five hours per
21 week for a twelve-month period, and one for which the qualified
22 company offers health insurance and pays at least fifty percent of such
23 insurance premiums;

24 (9) "Local education agency", a community college, two-year state
25 technical college, or a technical career education center;

26 (10) "New capital investment", shall include funds spent by the
27 qualified company at the project facility after the approval of the
28 notice of intent for real or personal property, and may include the
29 present value of finance or capital leases for real or personal property
30 for the term of such lease at the project facility executed after approval
31 of the notice of intent;

32 (11) "New job", the number of full-time employees located at the
33 project facility that exceeds the project facility base employment less
34 any decrease in the number of full-time employees at related facilities
35 below the related facility base employment. No job that was created
36 prior to the date of the notice of intent shall be deemed a new job. An
37 employee that spends less than fifty percent of the employee's work
38 time at the facility is still considered to be located at a facility if the
39 employee receives his or her directions and control from that facility,
40 is on the facility's payroll, one hundred percent of the employee's
41 income from such employment is Missouri income, and the employee is
42 paid at or above the applicable percentage of the county average wage;

43 (12) "New jobs credit", the credit from withholding remitted by
44 a qualified company provided under subsection 6 of section 620.809;

45 (13) "Notice of intent", a form developed by the department,
46 completed by the qualified company and submitted to the department
47 which states the qualified company's intent to request benefits under
48 this program;

49 (14) "Project facility", the building or buildings used by a
50 qualified company at which new or retained jobs and any new capital
51 investment are or will be located. A project facility may include
52 separate buildings located within sixty miles of each other such that
53 their purpose and operations are interrelated; provided, that where the
54 buildings making up the project facility are not located within the same
55 county, the average wage of the new payroll must exceed the highest
56 county average wage among the counties in which the buildings are

57 located. Upon approval by the department, a subsequent project
58 facility may be designated if the qualified company demonstrates a
59 need to relocate to the subsequent project facility at any time during
60 the project period;

61 (15) "Project facility base employment", the greater of the
62 number of full-time employees located at the project facility on the date
63 of the notice of intent or, for the twelve-month period prior to the date
64 of the notice of intent, the average number of full-time employees
65 located at the project facility. In the event the project facility has not
66 been in operation for a full twelve-month period, the average number
67 of full-time employees for the number of months the project facility has
68 been in operation prior to the date of the notice of intent;

69 (16) "Qualified company", a firm, partnership, joint venture,
70 association, private or public corporation whether organized for profit
71 or not, or headquarters of such entity registered to do business in
72 Missouri that is the owner or operator of a project facility, offers health
73 insurance to all full-time employees of all facilities located in this state,
74 and pays at least fifty percent of such insurance premiums. For the
75 purposes of sections 620.800 to 620.809, the term "qualified company"
76 shall not include:

77 (a) Gambling establishments (NAICS industry group 7132);

78 (b) Retail trade establishments (NAICS sectors 44 and 45), except
79 with respect to any company headquartered in this state with a
80 majority of its full-time employees engaged in operations not within the
81 NAICS codes specified in this subdivision;

82 (c) Food and drinking places (NAICS subsector 722);

83 (d) Public utilities (NAICS 221 including water and sewer
84 services);

85 (e) Any company that is delinquent in the payment of any
86 nonprotested taxes or any other amounts due the state or federal
87 government or any other political subdivision of this state;

88 (f) Any company requesting benefits for retained jobs that has
89 filed for or has publicly announced its intention to file for bankruptcy
90 protection. However, a company that has filed for or has publicly
91 announced its intention to file for bankruptcy, may be a qualified
92 company provided that such company:

93 a. Certifies to the department that it plans to reorganize and not
94 to liquidate; and

95 **b. After its bankruptcy petition has been filed, it produces proof,**
96 **in a form and at times satisfactory to the department, that it is not**
97 **delinquent in filing any tax returns or making any payment due to the**
98 **state of Missouri, including but not limited to all tax payments due**
99 **after the filing of the bankruptcy petition and under the terms of the**
100 **plan of reorganization.**

101 **Any taxpayer who is awarded benefits under this subsection and who**
102 **files for bankruptcy under Chapter 7 of the United States Bankruptcy**
103 **Code, Title 11 U.S.C., shall immediately notify the department and shall**
104 **forfeit such benefits and shall repay the state an amount equal to any**
105 **state tax credits unredeemed and any withholding taxes already**
106 **retained;**

107 **(g) Educational services (NAICS sector 61);**

108 **(h) Religious organizations (NAICS industry group 8131);**

109 **(i) Public administration (NAICS sector 92);**

110 **(j) Ethanol distillation or production; or**

111 **(k) Biodiesel production.**

112 **Notwithstanding any provision of this section to the contrary, the**
113 **headquarters, administrative offices, or research and development**
114 **facilities of an otherwise excluded business may qualify for benefits if**
115 **the offices or facilities serve a multistate territory. In the event a**
116 **national, state, or regional headquarters operation is not the**
117 **predominant activity of a project facility, the jobs and investment of**
118 **such operation shall be considered eligible for benefits under this**
119 **section if the other requirements are satisfied;**

120 **(17) "Related company":**

121 **(a) A corporation, partnership, trust, or association controlled**
122 **by the qualified company;**

123 **(b) An individual, corporation, partnership, trust, or association**
124 **in control of the qualified company; or**

125 **(c) Corporations, partnerships, trusts, or associations controlled**
126 **by an individual, corporation, partnership, trust, or association in**
127 **control of the qualified company. As used in this subdivision, "control**
128 **of a corporation" shall mean ownership, directly or indirectly, of stock**
129 **possessing at least fifty percent of the total combined voting power of**
130 **all classes of stock entitled to vote, "control of a partnership or**
131 **association" shall mean ownership of at least fifty percent of the capital**
132 **or profits interest in such partnership or association, "control of a**

133 trust" shall mean ownership, directly or indirectly, of at least fifty
134 percent of the beneficial interest in the principal or income of such
135 trust, and ownership shall be determined as provided in Section 318 of
136 the Internal Revenue Code of 1986, as amended;

137 (18) "Related facility", a facility operated by the qualified
138 company or a related company located in this state that is directly
139 related to the operations of the project facility or in which operations
140 substantially similar to the operations of the project facility are
141 performed;

142 (19) "Related facility base employment", the greater of the
143 number of full-time employees located at all related facilities on the
144 date of the notice of intent or, for the twelve-month period prior to the
145 date of the notice of intent, the average number of full-time employees
146 located at all related facilities of the qualified company or a related
147 company located in this state;

148 (20) "Retained job", the average number of full-time employees of
149 a qualified company located at the project facility during each month
150 for the calendar year preceding the year in which the notice of intent
151 is submitted;

152 (21) "Retained jobs credit", the credit from withholding remitted
153 by a qualified company provided under subsection 6 of section 620.809;

154 (22) "Targeted industry", an industry or one of a cluster of
155 industries identified by the department by rule following a strategic
156 planning process as being critical to the state's economic security and
157 growth;

158 (23) "Training program", the MO jobs training program
159 established under sections 620.800 to 620.809;

160 (24) "Training project", the project or projects established
161 through the MO jobs training program for the creation or retention of
162 jobs by providing education and training of workers;

163 (25) "Training project costs", all necessary and incidental costs
164 of providing program services through the training program, including:

165 (a) Training materials and supplies;

166 (b) Wages and benefits of instructors, who may or may not be
167 employed by the eligible industry, and the cost of training such
168 instructors;

169 (c) Subcontracted services;

170 (d) On-the-job training;

- 171 (e) Training facilities and equipment;
- 172 (f) Skill assessment;
- 173 (g) Training project and curriculum development;
- 174 (h) Travel directly to the training project, including a
175 coordinated transportation program for trainings if the training can be
176 more effectively provided outside the community where the jobs are to
177 be located;
- 178 (i) Payments to third party training providers and to the eligible
179 industry;
- 180 (j) Teaching and assistance provided by educational institutions
181 in the state of Missouri;
- 182 (k) In-plant training analysis, including fees for professionals
183 and necessary travel and expenses;
- 184 (l) Assessment and preselection tools;
- 185 (m) Publicity;
- 186 (n) Instructional services;
- 187 (o) Rental of instructional facilities with necessary utilities; and
- 188 (p) Payment of the principal, premium, and interest on
189 certificates, including capitalized interest, issued to finance a project,
190 and the funding and maintenance of a debt service reserve fund to
191 secure such certificates;
- 192 (26) "Training project services", includes, but shall not be limited
193 to, the following:
- 194 (a) Job training, which may include, but not be limited to,
195 preemployment training, analysis of the specified training needs for a
196 qualified company, development of training plans, and provision of
197 training through qualified training staff;
- 198 (b) Adult basic education and job-related instruction;
- 199 (c) Vocational and skill-assessment services and testing;
- 200 (d) Training facilities, equipment, materials, and supplies;
- 201 (e) On-the-job training;
- 202 (f) Administrative expenses equal to fifteen percent of the total
203 training costs;
- 204 (g) Subcontracted services with state institutions of higher
205 education, private colleges or universities, or other federal, state, or
206 local agencies;
- 207 (h) Contracted or professional services; and
- 208 (i) Issuance of certificates, when applicable.

620.803. 1. The department shall establish a "MO Jobs Training Program" to assist qualified companies for the training of employees in new jobs and the retraining or upgrading of skills of full-time employees in retained jobs as provided in sections 620.800 to 620.809. The training program shall be funded through appropriations to the funds established under sections 620.806 and 620.809. The department shall, to the maximum extent practicable, prioritize funding under the training program to assist qualified companies in targeted industries.

2. There is hereby created the "MO Jobs Training Joint Legislative Oversight Committee". The committee shall consist of three members of the Missouri senate appointed by the president pro tem of the senate; and three members of the house of representatives appointed by the speaker of the house. No more than two of the members of the senate and two of the members of the house of representatives shall be from the same political party. Members of the committee shall report to the governor, the president pro tem of the senate and the speaker of the house of representatives on all assistance to industries under the provisions of sections 620.800 to 620.809 provided during the preceding fiscal year. The report of the committee shall be delivered no later than October first of each year. The director of the department shall report to the committee such information as the committee may deem necessary for its annual report. Members of the committee shall receive no compensation in addition to their salary as members of the general assembly, but may receive their necessary expenses while attending the meetings of the committee, to be paid out of the joint contingent fund.

3. The department shall publish guidelines and may promulgate rules and regulations governing the training program. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after the effective date of this act, shall be invalid

39 and void.

40 4. The department shall make program applications and
41 guidelines available on-line.

42 5. The department may contract with other entities, including
43 businesses, industries, other state agencies, and the political
44 subdivisions of the state for the purposes of carrying out the provisions
45 of the training program established in sections 620.800 to 620.809. Any
46 assistance through the training program shall be provided pursuant to
47 an agreement.

48 6. Prior to the authorization of any application submitted
49 through the training program, the department shall verify the
50 applicant's tax payment status and offset any delinquencies as provided
51 in section 135.815.

620.806. 1. The "Missouri Job Development Fund", formerly
2 established in the state treasury by section 620.478, shall now be known
3 as the "MO Jobs Development Fund" and shall be administered by the
4 department for the training program. The fund shall consist of all
5 moneys which may be appropriated to it by the general assembly and
6 also any gifts, contributions, grants, or bequests received from federal,
7 private or other sources, including, but not limited to, any block grant
8 or other sources of funding relating to job training, school-to-work
9 transition, welfare reform, vocational and technical training, housing,
10 infrastructure, development, and human resource investment programs
11 which may be provided by the federal government or other sources.

12 2. The department may provide financial assistance through the
13 training program to qualified companies that create new jobs which
14 will result in the need for training, or that make new capital
15 investment relating directly to the retention of retained jobs in an
16 amount at least five times greater than the amount of any financial
17 assistance. Financial assistance may also be provided to a consortium
18 of qualified companies organized for the purpose of providing for
19 common training to the consortium members' employees. Funds in the
20 MO jobs development fund shall be appropriated, for financial
21 assistance through the training program, by the general assembly to
22 the department and shall be administered by a local educational agency
23 certified by the department for such purpose. Except for state-
24 sponsored pre-employment training, no qualified company shall receive
25 more than fifty percent of its training program costs from the MO jobs

26 development fund. No funds shall be awarded or reimbursed to any
27 qualified company for the training, retraining, or upgrading of skills of
28 potential employees with the purpose of replacing or supplanting
29 employees engaged in an authorized work stoppage. Upon approval by
30 the department, training project costs, except the purchase of training
31 equipment and training facilities, shall be eligible for reimbursement
32 with funds from the MO jobs development fund. Notwithstanding any
33 provision of law to the contrary, no qualified company within a service
34 industry shall be eligible for assistance under this subsection unless
35 such qualified company provides services in interstate commerce,
36 which shall mean that the qualified company derives a majority of its
37 annual revenues from out of the state.

38 3. The department may provide assistance, through
39 appropriations made from the MO jobs development fund, to business
40 and technology centers. Such assistance shall not include the lending
41 of the state's credit for the payment of any liability of the fund. Such
42 centers may be established by Missouri community colleges, or a state-
43 owned postsecondary technical college, to provide business and
44 training services for growth industries as determined by current labor
45 market information.

620.809. 1. The "Missouri Community College Job Training
2 Program Fund", formerly established in the state treasury by section
3 178.896, shall now be known as the "MO Jobs Community College New
4 Jobs Training Fund", and shall be administered by the department for
5 the training program. The department of revenue shall credit to the
6 fund, as received, all new jobs credits. The fund shall also consist of
7 any gifts, contributions, grants, or bequests received from federal,
8 private, or other sources. The general assembly, however, shall not
9 provide for any transfer of general revenue funds into the
10 fund. Moneys in the fund shall be disbursed to the department
11 pursuant to regular appropriations by the general assembly. The
12 department shall disburse such appropriated funds in a timely manner
13 into the special funds established by community college districts for
14 training projects, which funds shall be used to pay training project
15 costs. Such disbursements shall be made to the special fund for each
16 training project in the same proportion as the new jobs credit remitted
17 by the qualified company participating in such project bears to the
18 total new jobs credit from withholding remitted by all qualified

19 companies participating in projects during the period for which the
20 disbursement is made. All moneys remaining in the fund at the end of
21 any fiscal year shall not lapse to the general revenue fund, as provided
22 in section 33.080, but shall remain in the fund.

23 2. The "Missouri Community College Job Retention Training
24 Program Fund", formerly established in the state treasury by section
25 178.764, shall now be known as the "MO Jobs Community College Job
26 Retention Training Fund", and shall be administered by the department
27 for the MO jobs training program. The department of revenue shall
28 credit to the fund, as received, all retained jobs credits. The fund shall
29 also consist of any gifts, contributions, grants, or bequests received
30 from federal, private, or other sources. The general assembly, however,
31 shall not provide for any transfer of general revenue funds into the
32 fund. Moneys in the fund shall be disbursed to the department
33 pursuant to regular appropriations by the general assembly. The
34 department shall disburse such appropriated funds in a timely manner
35 into the special funds established by community college districts for
36 projects, which funds shall be used to pay training program costs,
37 including the principal, premium, and interest on certificates issued by
38 the district to finance or refinance, in whole or in part, a project. Such
39 disbursements by the department shall be made to the special fund for
40 each project in the same proportion as the retained jobs credit from
41 withholding remitted by the qualified company participating in such
42 project bears to the total retained jobs credit from withholding
43 remitted by qualified companies participating in projects during the
44 period for which the disbursement is made. All moneys remaining in
45 the fund at the end of any fiscal year shall not lapse to the general
46 revenue fund, as provided in section 33.080, but shall remain in the
47 fund.

48 3. The department of revenue shall develop such forms as are
49 necessary to demonstrate accurately each qualified company's new jobs
50 credit paid into the MO jobs community college new jobs training fund
51 or retained jobs credit paid into the MO jobs community college job
52 retention training fund. The new or retained jobs credits shall be
53 accounted as separate from the normal withholding tax paid to the
54 department of revenue by the qualified company. Reimbursements
55 made by all qualified companies to the MO jobs community college new
56 jobs training fund and the MO jobs community college job retention

57 training fund shall be no less than all allocations made by the
58 department to all community college districts for all projects. The
59 qualified company shall remit the amount of the new or retained jobs
60 credit, as applicable, to the department of revenue in the same manner
61 as provided in sections 143.191 to 143.265.

62 4. A community college district, with the approval of the
63 department in consultation with the office of administration, may enter
64 into an agreement to establish a training project and provide training
65 project services to a qualified company. As soon as possible after
66 initial contact between a community college district and a potential
67 qualified company regarding the possibility of entering into an
68 agreement, the district shall inform the department of the potential
69 training project. The department shall evaluate the proposed training
70 project within the overall job training efforts of the state to ensure that
71 the training project will not duplicate other job training programs. The
72 department shall have fourteen days from receipt of a notice of intent
73 to approve or disapprove training projects. If no response is received
74 by the qualified company within fourteen days, the training project
75 shall be deemed approved. Disapproval of any training project shall be
76 made in writing and state the reasons for such disapproval. If an
77 agreement is entered into, the district and the qualified company shall
78 notify the department of revenue within fifteen calendar days. In
79 addition to any provisions required under subsection 5 of this section
80 for a qualified company applying to receive a retained job credit, an
81 agreement may provide, but shall not be limited to:

82 (1) Payment of training project costs, which may be paid from
83 one or a combination of the following sources:

84 (a) Funds appropriated by the general assembly to the MO jobs
85 community college new jobs training program fund or MO jobs
86 community college job retention training program fund, as applicable,
87 and disbursed by the department for the purposes consistent with
88 sections 620.800 to 620.809;

89 (b) Tuition, student fees, or special charges fixed by the board
90 of trustees to defray training project costs in whole or in part;

91 (2) Payment of training project costs shall not be deferred for a
92 period longer than eight years;

93 (3) Costs of on-the-job training for employees shall include wages
94 or salaries of participating employees. Payments for on-the-job

95 training shall not exceed the average of fifty percent of the total wages
96 paid by the qualified company to each participant during the period of
97 training. Payment for on-the-job training may continue for up to six
98 months from the date the training begins;

99 (4) A provision which fixes the minimum amount of new or
100 retained jobs credits, or tuition and fee payments which shall be paid
101 for training project costs;

102 (5) Any payment required to be made by a qualified company
103 shall constitute a lien upon the qualified company's business property
104 until paid and have equal priority with ordinary taxes and shall not be
105 divested by a judicial sale. Property subject to such lien may be sold
106 for sums due and delinquent at a tax sale, with the same forfeitures,
107 penalties, and consequences as for the nonpayment of ordinary
108 taxes. The purchasers at tax sale shall obtain the property subject to
109 the remaining payments.

110 5. Any qualified company that submits a notice of intent for
111 retained job credits shall enter into an agreement providing that the
112 qualified company has:

113 (1) Maintained at least one hundred full-time employees per year
114 at the project facility for the calendar year preceding the year in which
115 the application is made;

116 (2) Retained, at the project facility, the same number of
117 employees that existed in the taxable year immediately preceding the
118 year in which application is made; and

119 (3) Made or agrees to make a new capital investment of greater
120 than five times the amount of any award under this training program
121 at the project facility over a period of two consecutive calendar years,
122 as certified by the qualified company and:

123 (a) Has made substantial investment in new technology requiring
124 the upgrading of employee skills; or

125 (b) Is located in a border county of the state and represent a
126 potential risk of relocation from the state; or

127 (c) Has been determined to represent a substantial risk of
128 relocation from the state by the director of the department of economic
129 development.

130 6. If an agreement provides that all or part of training program
131 costs are to be met by receipt of new or retained jobs credit, such new
132 or retained jobs credit from withholding shall be determined and paid

133 as follows:

134 (1) New or retained jobs credit shall be based upon the wages
135 paid to the employees in the new or retained jobs;

136 (2) A portion of the total payments made by the qualified
137 companies under sections 143.191 to 143.265 shall be designated as the
138 new or retained jobs credit from withholding. Such portion shall be an
139 amount equal to two and one-half percent of the gross wages paid by
140 the qualified company for each of the first one hundred jobs included
141 in the project and one and one-half percent of the gross wages paid by
142 the qualified company for each of the remaining jobs included in the
143 project. If business or employment conditions cause the amount of the
144 new or retained jobs credit from withholding to be less than the
145 amount projected in the agreement for any time period, then other
146 withholding tax paid by the qualified company under sections 143.191
147 to 143.265 shall be credited to the applicable fund by the amount of
148 such difference. The qualified company shall remit the amount of the
149 new or retained jobs credit to the department of revenue in the manner
150 prescribed in sections 143.191 to 143.265. When all training program
151 costs have been paid, the new or retained jobs credits shall cease;

152 (3) The community college district participating in a project
153 shall establish a special fund for and in the name of the training
154 project. All funds appropriated by the general assembly from the funds
155 established under subsections 1 and 2 of this section, and disbursed by
156 the department for the training project and other amounts received by
157 the district for training project costs as required by the agreement
158 shall be deposited in the special fund. Amounts held in the special fund
159 shall be used and disbursed by the district only to pay training project
160 costs for such training project. The special fund may be divided into
161 such accounts and subaccounts as shall be provided in the agreement,
162 and amounts held therein may be invested in the same manner as the
163 district's other funds;

164 (4) Any disbursement for training project costs, received from
165 the department under sections 620.800 to 620.809 and placed into the
166 training project's special fund may be irrevocably pledged by a
167 community college district for the payment of the principal, premium,
168 and interest on the certificate issued by a community college district
169 to finance or refinance, in whole or in part, such training project;

170 (5) The qualified company shall certify to the department of

171 revenue that the new or retained jobs credit is in accordance with an
172 agreement and shall provide other information the department of
173 revenue may require;

174 (6) An employee participating in a training project shall receive
175 full credit under section 143.211, for the amount designated as a new
176 or retained jobs credit;

177 (7) If an agreement provides that all or part of training program
178 costs are to be met by receipt of new or retained jobs credit, the
179 provisions of this subsection shall also apply to any successor to the
180 original qualified company until such time as the principal and interest
181 on the certificates have been paid.

182 7. To provide funds for the present payment of the training
183 project costs of new or retained jobs training project through the
184 training program, a community college district may borrow money and
185 issue and sell certificates payable from a sufficient portion of the
186 future receipts of payments authorized by the agreement including
187 disbursements from the MO jobs community college new jobs training
188 fund or the MO jobs community college job retention training fund, to
189 the special fund established by the district for each project. The total
190 amount of outstanding certificates sold by all community college
191 districts shall not exceed the total amount authorized pursuant to law
192 as of January 1, 2011, unless an increased amount is authorized in
193 writing by a majority of members of the committee. The certificates
194 shall be marketed through financial institutions authorized to do
195 business in Missouri. The receipts shall be pledged to the payment of
196 principal of and interest on the certificates. Certificates may be sold
197 at public sale or at private sale at par, premium, or discount of not less
198 than ninety-five percent of the par value thereof, at the discretion of
199 the board of trustees, and may bear interest at such rate or rates as the
200 board of trustees shall determine, notwithstanding the provisions of
201 section 108.170 to the contrary. However, the provisions of chapter 176
202 shall not apply to the issuance of such certificates. Certificates may be
203 issued with respect to a single project or multiple projects and may
204 contain terms or conditions as the board of trustees may provide by
205 resolution authorizing the issuance of the certificates.

206 8. Certificates issued to refund other certificates may be sold at
207 public sale or at private sale as provided in this section with the
208 proceeds from the sale to be used for the payment of the certificates

209 being refunded. The refunding certificates may be exchanged in
210 payment and discharge of the certificates being refunded, in
211 installments at different times or an entire issue or series at one
212 time. Refunding certificates may be sold or exchanged at any time on,
213 before, or after the maturity of the outstanding certificates to be
214 refunded. They may be issued for the purpose of refunding a like,
215 greater, or lesser principal amount of certificates and may bear a
216 higher, lower, or equivalent rate of interest than the certificates being
217 renewed or refunded.

218 9. Before certificates are issued, the board of trustees shall
219 publish once a notice of its intention to issue the certificates, stating
220 the amount, the purpose, and the project or projects for which the
221 certificates are to be issued. A person with standing may, within
222 fifteen days after the publication of the notice, by action in the circuit
223 court of a county in the district, appeal the decision of the board of
224 trustees to issue the certificates. The action of the board of trustees in
225 determining to issue the certificates shall be final and conclusive
226 unless the circuit court finds that the board of trustees has exceeded
227 its legal authority. An action shall not be brought which questions the
228 legality of the certificates, the power of the board of trustees to issue
229 the certificates, the effectiveness of any proceedings relating to the
230 authorization of the project, or the authorization and issuance of the
231 certificates from and after fifteen days from the publication of the
232 notice of intention to issue.

233 10. The board of trustees shall make a finding based on
234 information supplied by the qualified company that revenues provided
235 in the agreement are sufficient to secure the faithful performance of
236 obligations in the agreement.

237 11. Certificates issued under this section shall not be deemed to
238 be an indebtedness of the state or the community college district or of
239 any other political subdivision of the state, and the principal and
240 interest on any certificates shall be payable only from the sources
241 provided in subdivision (1) of subsection 4 of this section which are
242 pledged in the agreement.

243 12. The provisions of the new program authorized under sections
244 620.800 to 620.809 shall sunset automatically on July 1, 2018, unless
245 reauthorized by an act of the general assembly.

620.1878. For the purposes of sections 620.1875 to 620.1890, the following

2 terms shall mean:

3 (1) "Approval", a document submitted by the department to the qualified
4 company that states the benefits that may be provided by this program;

5 (2) "Average wage", the new payroll divided by the number of new jobs;

6 (3) "Commencement of operations", the starting date for the qualified
7 company's first new employee, which must be no later than twelve months from
8 the date of the approval;

9 (4) "County average wage", the average wages in each county as
10 determined by the department for the most recently completed full calendar
11 year. However, if the computed county average wage is above the statewide
12 average wage, the statewide average wage shall be deemed the county average
13 wage for such county for the purpose of determining eligibility. The department
14 shall publish the county average wage for each county at least
15 annually. Notwithstanding the provisions of this subdivision to the contrary, for
16 any qualified company that in conjunction with their project is relocating
17 employees from a Missouri county with a higher county average wage, the
18 company shall obtain the endorsement of the governing body of the community
19 from which jobs are being relocated or the county average wage for their project
20 shall be the county average wage for the county from which the employees are
21 being relocated;

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

23 (6) "Director", the director of the department of economic development;

24 (7) "Employee", a person employed by a qualified company;

25 (8) "Full-time employee", an employee of the qualified company that is
26 scheduled to work an average of at least thirty-five hours per week for a
27 twelve-month period, and one for which the qualified company offers health
28 insurance and pays at least fifty percent of such insurance premiums;

29 (9) "High-impact project", a qualified company that, within two years from
30 commencement of operations, creates one hundred or more new jobs;

31 (10) "Local incentives", the present value of the dollar amount of direct
32 benefit received by a qualified company for a project facility from one or more
33 local political subdivisions, but shall not include loans or other funds provided to
34 the qualified company that must be repaid by the qualified company to the
35 political subdivision;

36 (11) "NAICS", the 1997 edition of the North American Industry
37 Classification System as prepared by the Executive Office of the President, Office
38 of Management and Budget. Any NAICS sector, subsector, industry group or
39 industry identified in this section shall include its corresponding classification in

40 subsequent federal industry classification systems;

41 (12) "New direct local revenue", the present value of the dollar amount of
42 direct net new tax revenues of the local political subdivisions likely to be
43 produced by the project over a ten-year period as calculated by the department,
44 excluding local earnings tax, and net new utility revenues, provided the local
45 incentives include a discount or other direct incentives from utilities owned or
46 operated by the political subdivision;

47 (13) **"New capital investment", shall include funds spent by the**
48 **qualified company at the project facility after the approval of the**
49 **notice of intent for real or personal property, and may include the**
50 **present value of finance or capital leases for real or personal property**
51 **for the term of such lease at the project facility executed after approval**
52 **of the notice of intent;**

53 (14) "New investment", the purchase or leasing of new tangible assets to
54 be placed in operation at the project facility, which will be directly related to the
55 new jobs;

56 [(14)] (15) "New job", the number of full-time employees located at the
57 project facility that exceeds the project facility base employment less any decrease
58 in the number of full-time employees at related facilities below the related facility
59 base employment. No job that was created prior to the date of the notice of intent
60 shall be deemed a new job. An employee that spends less than fifty percent of the
61 employee's work time at the facility is still considered to be located at a facility
62 if the employee receives his or her directions and control from that facility, is on
63 the facility's payroll, one hundred percent of the employee's income from such
64 employment is Missouri income, and the employee is paid at or above the state
65 average wage;

66 [(15)] (16) "New payroll", the amount of taxable wages of full-time
67 employees, excluding owners, located at the project facility that exceeds the
68 project facility base payroll. If full-time employment at related facilities is below
69 the related facility base employment, any decrease in payroll for full-time
70 employees at the related facilities below that related facility base payroll shall
71 also be subtracted to determine new payroll;

72 [(16)] (17) "Notice of intent", a form developed by the department,
73 completed by the qualified company and submitted to the department which
74 states the qualified company's intent to hire new jobs and request benefits under
75 this program;

76 [(17)] (18) "Percent of local incentives", the amount of local incentives
77 divided by the amount of new direct local revenue;

78 [(18)] (19) "Program", the Missouri quality jobs program provided in
79 sections 620.1875 to 620.1890;

80 [(19)] (20) "Project facility", the building used by a qualified company at
81 which the new jobs and new investment will be located. A project facility may
82 include separate buildings that are located within fifteen miles of each other or
83 within the same county such that their purpose and operations are interrelated;

84 [(20)] (21) "Project facility base employment", the greater of the number
85 of full-time employees located at the project facility on the date of the notice of
86 intent or for the twelve-month period prior to the date of the notice of intent, the
87 average number of full-time employees located at the project facility. In the event
88 the project facility has not been in operation for a full twelve-month period, the
89 average number of full-time employees for the number of months the project
90 facility has been in operation prior to the date of the notice of intent;

91 [(21)] (22) "Project facility base payroll", the total amount of taxable
92 wages paid by the qualified company to full-time employees of the qualified
93 company located at the project facility in the twelve months prior to the notice of
94 intent, not including the payroll of the owners of the qualified company unless the
95 qualified company is participating in an employee stock ownership plan. For
96 purposes of calculating the benefits under this program, the amount of base
97 payroll shall increase each year based on an appropriate measure, as determined
98 by the department;

99 [(22)] (23) "Project period", the time period that the benefits are provided
100 to a qualified company;

101 (24) "Projected net fiscal benefit", the total fiscal benefit to the
102 state less any state benefits offered to the qualified company, as
103 determined by the department;

104 [(23)] (25) "Qualified company", a firm, partnership, joint venture,
105 association, private or public corporation whether organized for profit or not, or
106 headquarters of such entity registered to do business in Missouri that is the
107 owner or operator of a project facility, offers health insurance to all full-time
108 employees of all facilities located in this state, and pays at least fifty percent of
109 such insurance premiums. For the purposes of sections 620.1875 to 620.1890, the
110 term "qualified company" shall not include:

- 111 (a) Gambling establishments (NAICS industry group 7132);
- 112 (b) Retail trade establishments (NAICS sectors 44 and 45);
- 113 (c) Food and drinking places (NAICS subsector 722);
- 114 (d) Public utilities (NAICS 221 including water and sewer services);
- 115 (e) Any company that is delinquent in the payment of any nonprotested

116 taxes or any other amounts due the state or federal government or any other
117 political subdivision of this state;

118 (f) Any company that has filed for or has publicly announced its intention
119 to file for bankruptcy protection. However, a company that has filed for or has
120 publicly announced its intention to file for bankruptcy between January 1, 2009,
121 and December 31, 2009, may be a qualified company provided that such company:

122 a. Certifies to the department that it plans to reorganize and not to
123 liquidate; and

124 b. After its bankruptcy petition has been filed, it produces proof, in a form
125 and at times satisfactory to the department, that it is not delinquent in filing any
126 tax returns or making any payment due to the state of Missouri, including but
127 not limited to all tax payments due after the filing of the bankruptcy petition and
128 under the terms of the plan of reorganization. Any taxpayer who is awarded
129 benefits under this subsection and who files for bankruptcy under Chapter 7 of
130 the United States Bankruptcy Code, Title 11 U.S.C., shall immediately notify the
131 department and shall forfeit such benefits and shall repay the state an amount
132 equal to any state tax credits already redeemed and any withholding taxes
133 already retained;

134 (g) Educational services (NAICS sector 61);

135 (h) Religious organizations (NAICS industry group 8131);

136 (i) Public administration (NAICS sector 92);

137 (j) Ethanol distillation or production; or

138 (k) Biodiesel production. Notwithstanding any provision of this section
139 to the contrary, the headquarters or administrative offices of an otherwise
140 excluded business may qualify for benefits if the offices serve a multistate
141 territory. In the event a national, state, or regional headquarters operation is not
142 the predominant activity of a project facility, the new jobs and investment of such
143 headquarters operation is considered eligible for benefits under this section if the
144 other requirements are satisfied;

145 [(24)] **(26)** "Qualified renewable energy sources" shall not be construed
146 to include ethanol distillation or production or biodiesel production; however, it
147 shall include:

148 (a) Open-looped biomass;

149 (b) Close-looped biomass;

150 (c) Solar;

151 (d) Wind;

152 (e) Geothermal; and

153 (f) Hydropower;

154 [(25)] **(27)** "Related company" means:

155 (a) A corporation, partnership, trust, or association controlled by the
156 qualified company;

157 (b) An individual, corporation, partnership, trust, or association in control
158 of the qualified company; or

159 (c) Corporations, partnerships, trusts or associations controlled by an
160 individual, corporation, partnership, trust or association in control of the
161 qualified company. As used in this subdivision, "control of a corporation" shall
162 mean ownership, directly or indirectly, of stock possessing at least fifty percent
163 of the total combined voting power of all classes of stock entitled to vote, "control
164 of a partnership or association" shall mean ownership of at least fifty percent of
165 the capital or profits interest in such partnership or association, "control of a
166 trust" shall mean ownership, directly or indirectly, of at least fifty percent of the
167 beneficial interest in the principal or income of such trust, and ownership shall
168 be determined as provided in Section 318 of the Internal Revenue Code of 1986,
169 as amended;

170 [(26)] **(28)** "Related facility", a facility operated by the qualified company
171 or a related company located in this state that is directly related to the operations
172 of the project facility;

173 [(27)] **(29)** "Related facility base employment", the greater of the number
174 of full-time employees located at all related facilities on the date of the notice of
175 intent or for the twelve-month period prior to the date of the notice of intent, the
176 average number of full-time employees located at all related facilities of the
177 qualified company or a related company located in this state;

178 [(28)] **(30)** "Related facility base payroll", the total amount of taxable
179 wages paid by the qualified company to full-time employees of the qualified
180 company located at a related facility in the twelve months prior to the filing of
181 the notice of intent, not including the payroll of the owners of the qualified
182 company unless the qualified company is participating in an employee stock
183 ownership plan. For purposes of calculating the benefits under this program, the
184 amount of related facility base payroll shall increase each year based on an
185 appropriate measure, as determined by the department;

186 [(29)] **(31)** "Rural area", a county in Missouri with a population less than
187 seventy-five thousand or that does not contain an individual city with a
188 population greater than fifty thousand according to the most recent federal
189 decennial census;

190 [(30)] **(32)** "Small and expanding business project", a qualified company
191 that within two years of the date of the approval creates a minimum of twenty

192 new jobs if the project facility is located in a rural area or a minimum of forty
193 new jobs if the project facility is not located in a rural area and creates fewer
194 than one hundred new jobs regardless of the location of the project facility;

195 [(31)] **(33)** "Tax credits", tax credits issued by the department to offset
196 the state income taxes imposed by chapters 143 and 148, or which may be sold
197 or refunded as provided for in this program;

198 [(32)] **(34)** "Technology business project", a qualified company that within
199 two years of the date of the approval creates a minimum of ten new jobs involved
200 in the operations of a company:

201 (a) Which is a technology company, as determined by a regulation
202 promulgated by the department under the provisions of section 620.1884 or
203 classified by NAICS codes;

204 (b) Which owns or leases a facility which produces electricity derived from
205 qualified renewable energy sources, or produces fuel for the generation of
206 electricity from qualified renewable energy sources, but does not include any
207 company that has received the alcohol mixture credit, alcohol credit, or small
208 ethanol producer credit pursuant to 26 U.S.C. Section 40 of the tax code in the
209 previous tax year;

210 (c) Which researches, develops, or manufactures power system technology
211 for: aerospace; space; defense; hybrid vehicles; or implantable or wearable
212 medical devices; or

213 (d) Which is a clinical molecular diagnostic laboratory focused on
214 detecting and monitoring infections in immunocompromised patient populations;

215 [(33)] **(35)** "Withholding tax", the state tax imposed by sections 143.191
216 to 143.265. For purposes of this program, the withholding tax shall be computed
217 using a schedule as determined by the department based on average wages.

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)] **(20)** of section 620.1878 to
28 the new notice of intent as well as all previously approved notices of intent and
29 shall 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 at the same
35 project facility. The benefits available to the company under any other state
36 programs for which the company is eligible and which utilize withholding tax
37 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 the job retention program under sections 178.760 to 178.764, the real property tax
42 increment allocation redevelopment act, sections 99.800 to 99.865, or the Missouri
43 downtown and rural economic stimulus act under sections 99.915 to 99.980. If
44 any qualified company also participates in the new jobs training program in
45 sections 178.892 to 178.896, the company shall retain no withholding tax, but the
46 department shall issue a refundable tax credit for the full amount of benefit
47 allowed under this subdivision. The calendar year annual maximum amount of
48 tax credits which may be issued to a qualifying company that also participates in
49 the new job training program shall be increased by an amount equivalent to the
50 withholding tax retained by that company under the new jobs training

51 program. However, if the combined benefits of the quality jobs program and the
52 new jobs training program exceed the projected state benefit of the project, as
53 determined by the department of economic development through a cost-benefit
54 analysis, the increase in the maximum tax credits shall be limited to the amount
55 that would not cause the combined benefits to exceed the projected state
56 benefit. Any taxpayer who is awarded benefits under this program who
57 knowingly hires individuals who are not allowed to work legally in the United
58 States shall immediately forfeit such benefits and shall repay the state an
59 amount equal to any state tax credits already redeemed and any withholding
60 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)] **(35)** of section 620.1878 from the new jobs that would otherwise
67 be withheld and remitted by the qualified company under the provisions of
68 sections 143.191 to 143.265 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 if
80 the average wage of the new payroll equals or exceeds the county average wage.
81 An additional one-half percent of new payroll may be added to the five percent
82 maximum if the average wage of the new payroll in any year exceeds one hundred
83 twenty percent of the county average wage in the county in which the project
84 facility is located, plus an additional one-half percent of new payroll may be
85 added if the average wage of the new payroll in any year exceeds one hundred
86 forty percent of the average wage in the county in which the project facility is
87 located. The department shall issue a refundable tax credit for any difference
88 between the amount of benefit allowed under this subdivision and the amount of

89 withholding tax retained by the company, in the event the withholding tax is not
90 sufficient to provide the entire amount of benefit due to the qualified company
91 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, equal to three percent of new payroll for a period of five years from the
98 date the required number of jobs were created if the average wage of the new
99 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) **Job retention projects:** In lieu of the benefits provided under
166 subdivision (4) of this subsection and in exchange for the consideration
167 provided by the tax revenues and other economic stimuli that will be
168 generated by the retention of jobs and new capital investment in this
169 state, a qualified company may be eligible to receive the benefits
170 described in this subdivision if the department determines that there
171 is a significant probability that the qualified company would relocate
172 to another state in the absence of the benefits authorized under this
173 subdivision.

174 (a) A qualified company meeting the requirements of this
175 subdivision may be authorized to retain an amount not to exceed one
176 hundred percent of the withholding tax from full-time jobs that would
177 otherwise be withheld and remitted by the qualified company under the
178 provisions of sections 143.191 to 143.265, for a period of ten years if the
179 average wage of the retained jobs equals or exceeds ninety percent of
180 the county average wage. In order to receive benefits under this
181 subdivision, a qualified company shall enter into a written agreement,
182 with the department, containing detailed performance requirements
183 and repayment penalties in the event of nonperformance. The amount
184 of benefits awarded to a qualified company under this subdivision shall
185 not exceed the projected net fiscal benefit and shall not exceed the
186 least amount necessary to obtain the qualified company's commitment
187 to retain the necessary number of jobs and make the required new
188 capital investment.

189 (b) In order to be eligible to receive benefits under this
190 subdivision, the qualified company shall meet each of the following
191 conditions:

192 a. The qualified company shall agree to retain, for a period of
193 ten years from the date of approval, at least one hundred and twenty-
194 five full-time employees; and

195 b. The qualified company shall agree to make a new capital
196 investment at the project facility within two years of the approval in
197 an amount equal to at least three times the amount of the benefits,
198 available under this subdivision, which are offered to the qualified
199 company by the department.

200 (c) In awarding benefits under this subdivision, the department
201 shall consider the following factors:

202 a. The significance of the qualified company's need for program

203 **benefits;**

204 **b. The amount of projected net fiscal benefit to the state of the**
205 **project and the period in which the state would realize such net fiscal**
206 **benefit;**

207 **c. The overall size and quality of the proposed project, including**
208 **the number of new jobs, new capital investment, proposed wages,**
209 **growth potential of the qualified company, the potential multiplier**
210 **effect of the project, and similar factors;**

211 **d. The financial stability and creditworthiness of the qualified**
212 **company;**

213 **e. The level of economic distress in the area;**

214 **f. An evaluation of the competitiveness of alternative locations**
215 **for the project facility, as applicable; and**

216 **g. The percent of local incentives committed;**

217 **(d) Upon approval of a notice of intent to request benefits under**
218 **this subdivision, the department and the qualified company shall enter**
219 **into a written agreement covering the applicable project period. The**
220 **agreement shall specify, at a minimum:**

221 **a. The committed number of full-time employees, payroll, and**
222 **new capital investment for each year during the project period;**

223 **b. Clawback provisions, as may be required by the department;**
224 **and**

225 **c. Any other provisions the department may require.**

226 **(e) In no event shall the total amount of benefits available to all**
227 **qualified companies under this subdivision exceed:**

228 **a. Three million dollars for the fiscal year beginning on or after**
229 **July 1, 2011, and ending on or before June 30, 2012;**

230 **b. Four million dollars for the fiscal year beginning on or after**
231 **July 1, 2012, and ending on or before June 30, 2013;**

232 **c. Five million dollars for the fiscal year beginning on or after**
233 **July 1, 2013, and ending on or before June 30, 2014; and**

234 **d. Six million dollars for all fiscal years beginning on or after**
235 **July 1, 2014.**

236 **(6) The department may award a qualified company meeting the**
237 **requirements of this subdivision (5) of this subsection tax credits in an**
238 **amount not to exceed eighty percent of the amount the qualified**
239 **company may otherwise be eligible to retain for a period of five years**
240 **under subdivision (5) of this subsection.**

241 (a) In addition to satisfying each of the requirements of
242 subdivision (5) of this subsection, a qualified company requesting tax
243 credits under this subdivision shall provide to the department, prior to
244 approval, evidence of commitments for the financing of any applicable
245 new capital investment. The new capital investment shall be made at
246 the project facility within two years of the date of approval.

247 (b) Upon approval of a notice of intent to request tax credits
248 under this subdivision, the department and the qualified company shall
249 enter into a written agreement covering the applicable project
250 period. The agreement shall specify, at a minimum:

251 a. The committed number of jobs, payroll, and new capital
252 investment for each year during the project period;

253 b. The date or time period during which the tax credits shall be
254 issued, which may be immediately or over a period not to exceed two
255 years from the date of approval;

256 c. Penalties, including the recapture of tax credits awarded
257 under this subdivision, for failure to satisfy the requirements provided
258 under this subdivision and subdivision (5) of this subsection; and

259 d. Any other provisions the department may require.

260 (c) No later than October 1, 2011, and the first day of October
261 each year thereafter, the department shall provide to the budget
262 committee of the house of representatives and the appropriations
263 committee of the senate a request for an appropriation for the tax
264 credits authorized under this subdivision. Appropriations made
265 pursuant to the provisions of this subdivision shall provide the amount
266 of tax credits which may be authorized during the fiscal year
267 immediately following the fiscal year in which such appropriation is
268 made. Appropriations provided under this subdivision shall only be
269 made in the annual appropriation bill relating to public debt.

270 (d) No tax credits shall be authorized under the provisions of
271 this subdivision, unless an appropriation is made pursuant to the
272 provisions of paragraph (c) of this subdivision. In any fiscal year for
273 which an appropriation is made pursuant to the provisions of
274 paragraph (c) of this subdivision, no more than the amount of tax
275 credits so appropriated shall be authorized. There is hereby created
276 in the state treasury the "Missouri Quality Jobs Retention Tax Credit
277 Program Fund", which shall consist of money appropriated under this
278 subsection. The state treasurer shall be custodian of the fund and may

279 approve disbursements from the fund in accordance with sections
280 30.170 and 30.180. Upon appropriation, money in the fund shall be used
281 solely for the administration of this subdivision. Notwithstanding the
282 provisions of section 33.080 to the contrary, any moneys remaining in
283 the fund for tax credits which have been authorized but not yet
284 redeemed at the end of the fiscal year shall not revert to the credit of
285 the general revenue fund. Any moneys remaining in the fund at the
286 end of the fiscal year for any tax credits which remain unauthorized at
287 the end of the fiscal year shall revert to the credit of the general
288 revenue fund. Provisions of section 32.057 to the contrary
289 notwithstanding, the department of revenue shall notify the director of
290 the department upon redemption of each tax credit authorized under
291 the provisions of this subdivision. Upon such notification, an amount
292 equal to the tax credits redeemed shall be transferred from the fund
293 created in this subdivision to the general revenue fund. In the event
294 the department determines that any tax credit authorized under this
295 subsection is precluded from being redeemed due to contractual
296 agreement entered into by the department and the tax credit applicant
297 or is otherwise precluded by law from being redeemed, an amount
298 equal to such tax credit shall be transferred from the fund created in
299 this subdivision to the general revenue fund. The state treasurer shall
300 invest moneys in the fund in the same manner as other funds are
301 invested. Any interest and moneys earned on such investments shall be
302 credited to the general revenue fund at the end of each fiscal year.

303 (7) Small business job retention and flood survivor relief: a qualified
304 company may receive a tax credit under sections 620.1875 to 620.1890 for the
305 retention of jobs and flood survivor relief in this state for each job retained over
306 a three-year period, provided that:

307 (a) The qualified company did not receive any state or federal benefits,
308 incentives, or tax relief or abatement in locating its facility in a flood plain;

309 (b) The qualified company and related companies have fewer than one
310 hundred employees at the time application for the program is made;

311 (c) The average wage of the qualified company's and related companies'
312 employees must meet or exceed the county average wage;

313 (d) All of the qualified company's and related companies' facilities are
314 located in this state;

315 (e) The facilities at the primary business site in this state have been
316 directly damaged by floodwater rising above the level of a five hundred year flood

317 at least two years, but fewer than eight years, prior to the time application is
318 made;

319 (f) The qualified company made significant efforts to protect the facilities
320 prior to any impending danger from rising floodwaters;

321 (g) For each year it receives tax credits under sections 620.1875 to
322 620.1890, the qualified company and related companies retained, at the
323 company's facilities in this state, at least the level of full-time, year-round
324 employees that existed in the taxable year immediately preceding the year in
325 which application for the program is made; and

326 (h) In the years it receives tax credits under sections 620.1875 to
327 620.1890, the company cumulatively invests at least two million dollars in capital
328 improvements in facilities and equipment located at such facilities that are not
329 located within a five hundred year flood plain as designated by the Federal
330 Emergency Management Agency, and amended from time to time. The amount
331 of the small business job retention and flood survivor relief credit granted may
332 be equal to up to one hundred percent of the amount of withholding tax generated
333 by the full-time jobs at the project facility for a period of three years. The
334 calendar year annual maximum amount of tax credit that may be issued to any
335 qualified company for a small business job retention and survivor relief project
336 shall be two hundred fifty thousand dollars per year, but the maximum amount
337 may be increased up to five hundred thousand dollars if such action is proposed
338 by the department and approved by the quality jobs advisory task force
339 established in section 620.1887. In considering such a request, the task force
340 shall rely on economic modeling and other information supplied by the
341 department when requesting an increase in the limit on behalf of the small
342 business job retention and flood survivor relief project. In no event shall the total
343 amount of all tax credits issued for the entire small business job retention and
344 flood survivor relief program under this subdivision exceed five hundred thousand
345 dollars annually. Notwithstanding the provisions of this subdivision to the
346 contrary, no tax credits shall be issued for small business job retention and flood
347 survivor relief projects approved by the department after August 30, 2010.

348 4. The qualified company shall provide an annual report of the number
349 of jobs and such other information as may be required by the department to
350 document the basis for the benefits of this program. The department may
351 withhold the approval of any benefits until it is satisfied that proper
352 documentation has been provided, and shall reduce the benefits to reflect any
353 reduction in full-time employees or new payroll. Upon approval by the
354 department, the qualified company may begin the retention of the withholding

355 taxes when it reaches the minimum number of new jobs and the average wage
356 exceeds the county average wage. Tax credits, if any, may be issued upon
357 satisfaction by the department that the qualified company has exceeded the
358 county average wage and the minimum number of new jobs. In such annual
359 report, if the average wage is below the county average wage, the qualified
360 company has not maintained the employee insurance as required, or if the
361 number of new jobs is below the minimum, the qualified company shall not
362 receive tax credits or retain the withholding tax for the balance of the benefit
363 period. In the case of a qualified company that initially filed a notice of intent
364 and received an approval from the department for high-impact benefits and the
365 minimum number of new jobs in an annual report is below the minimum for
366 high-impact projects, the company shall not receive tax credits for the balance of
367 the benefit period but may continue to retain the withholding taxes if it otherwise
368 meets the requirements of a small and expanding business under this program.

369 5. The maximum calendar year annual tax credits issued for the entire
370 program shall not exceed eighty million dollars. Notwithstanding any provision
371 of law to the contrary, the maximum annual tax credits authorized under section
372 135.535 are hereby reduced from ten million dollars to eight million dollars, with
373 the balance of two million dollars transferred to this program. There shall be no
374 limit on the amount of withholding taxes that may be retained by approved
375 companies under this program.

376 6. The department shall allocate the annual tax credits based on the date
377 of the approval, reserving such tax credits based on the department's best
378 estimate of new jobs and new payroll of the project, and the other factors in the
379 determination of benefits of this program. However, the annual issuance of tax
380 credits is subject to the annual verification of the actual new payroll. The
381 allocation of tax credits for the period assigned to a project shall expire if, within
382 two years from the date of commencement of operations, or approval if applicable,
383 the minimum thresholds have not been achieved. The qualified company may
384 retain authorized amounts from the withholding tax under this section once the
385 minimum new jobs thresholds are met for the duration of the project period. No
386 benefits shall be provided under this program until the qualified company meets
387 the minimum new jobs thresholds. In the event the qualified company does not
388 meet the minimum new job threshold, the qualified company may submit a new
389 notice of intent or the department may provide a new approval for a new project
390 of the qualified company at the project facility or other facilities.

391 7. For a qualified company with flow-through tax treatment to its
392 members, partners, or shareholders, the tax credit shall be allowed to members,

393 partners, or shareholders in proportion to their share of ownership on the last
394 day of the qualified company's tax period.

395 8. Tax credits may be claimed against taxes otherwise imposed by
396 chapters 143 and 148, and may not be carried forward but shall be claimed within
397 one year of the close of the taxable year for which they were issued, except as
398 provided under subdivision (4) of subsection 3 of this section.

399 9. Tax credits authorized by this section may be transferred, sold, or
400 assigned by filing a notarized endorsement thereof with the department that
401 names the transferee, the amount of tax credit transferred, and the value received
402 for the credit, as well as any other information reasonably requested by the
403 department.

404 10. Prior to the issuance of tax credits, the department shall verify
405 through the department of revenue, or any other state department, that the tax
406 credit applicant does not owe any delinquent income, sales, or use tax or interest
407 or penalties on such taxes, or any delinquent fees or assessments levied by any
408 state department and through the department of insurance, financial institutions
409 and professional registration that the applicant does not owe any delinquent
410 insurance taxes. Such delinquency shall not affect the authorization of the
411 application for such tax credits, except that at issuance credits shall be first
412 applied to the delinquency and any amount issued shall be reduced by the
413 applicant's tax delinquency. If the department of revenue or the department of
414 insurance, financial institutions and professional registration, or any other state
415 department, concludes that a taxpayer is delinquent after June fifteenth but
416 before July first of any year and the application of tax credits to such delinquency
417 causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall
418 be granted thirty days to satisfy the deficiency in which interest, penalties, and
419 additions to tax shall be tolled. After applying all available credits toward a tax
420 delinquency, the administering agency shall notify the appropriate department
421 and that department shall update the amount of outstanding delinquent tax owed
422 by the applicant. If any credits remain after satisfying all insurance, income,
423 sales, and use tax delinquencies, the remaining credits shall be issued to the
424 applicant, subject to the restrictions of other provisions of law.

425 11. Except as provided under subdivision (4) of subsection 3 of this
426 section, the director of revenue shall issue a refund to the qualified company to
427 the extent that the amount of credits allowed in this section exceeds the amount
428 of the qualified company's income tax.

429 12. An employee of a qualified company will receive full credit for the
430 amount of tax withheld as provided in section 143.211.

431 **13. Notwithstanding any provision of law to the contrary, no tax**
432 **credits provided under sections 620.1875 to 620.1890 shall be authorized**
433 **on or after August 28, 2017. The provisions of this subsection shall not**
434 **be construed to limit or in any way impair the department's ability to**
435 **issue tax credits authorized prior to August 28, 2017, or a taxpayer's**
436 **ability to redeem such tax credits.**

437 **14.** If any provision of sections 620.1875 to 620.1890 or application thereof
438 to any person or circumstance is held invalid, the invalidity shall not affect other
439 provisions or application of these sections which can be given effect without the
440 invalid provisions or application, and to this end, the provisions of sections
441 620.1875 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, or by the
8 division of aging staff when an assessment has been completed for the purpose
9 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; 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. Any rule or portion of a rule, as that term is defined in section 536.010,
31 that is created under the authority delegated in sections 660.050 to 660.057 shall
32 become effective only if it complies with and is subject to all of the provisions of
33 chapter 536 and, if applicable, section 536.028. All rulemaking authority
34 delegated prior to August 28, 1999, is of no force and effect and
35 repealed. Nothing in this section shall be interpreted to repeal or affect the
36 validity of any rule filed or adopted prior to August 28, 1999, if it fully complied
37 with all applicable provisions of law. This section and chapter 536 are
38 nonseverable and if any of the powers vested with the general assembly pursuant
39 to chapter 536 to review, to delay the effective date or to disapprove and annul
40 a rule are subsequently held unconstitutional, then the grant of rulemaking
41 authority and any rule proposed or adopted after August 28, 1999, shall be
42 invalid and void.

43 4. Any person who knowingly falsifies any document required for the
44 shared care tax credit shall be subject to the same penalties for falsifying other
45 tax documents as provided in chapter 143.

46 **5. Notwithstanding any provision of law to the contrary, no tax**
47 **credits provided under this section shall be authorized on or after**
48 **August 28, 2015. The provisions of this subsection shall not be**
49 **construed to limit or in any way impair the department's ability to**
50 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
51 **ability to redeem such tax credits.**

Section 1. An insurance company claiming a state premium tax
2 **credit or deduction shall not be required to pay any additional**
3 **retaliatory tax levied under section 375.916 as a result of claiming such**
4 **credit or deduction.**

[135.313. 1. Any person, firm or corporation who engages
2 in the business of producing charcoal or charcoal products in the
3 state of Missouri shall be eligible for a tax credit on income taxes
4 otherwise due pursuant to chapter 143, except sections 143.191 to
5 143.261, as an incentive to implement safe and efficient
6 environmental controls. The tax credit shall be equal to fifty
7 percent of the purchase price of the best available control
8 technology equipment connected with the production of charcoal in
9 the state of Missouri or, if the taxpayer manufactures such
10 equipment, fifty percent of the manufacturing cost of the

11 equipment, to and including the year the equipment is put into
12 service. The credit may be claimed for a period of eight years
13 beginning with the 1998 calendar year and is to be a tax credit
14 against the tax otherwise due.

15 2. Any amount of credit which exceeds the tax due shall not
16 be refunded but may be carried over to any subsequent taxable
17 year, not to exceed seven years.

18 3. The charcoal producer may elect to assign to a third
19 party the approved tax credit. Certification of assignment and
20 other appropriate forms must be filed with the Missouri
21 department of revenue and the department of economic
22 development.

23 4. When applying for a tax credit, the charcoal producer
24 specified in subsection 1 of this section shall make application for
25 the credit to the division of environmental quality of the
26 department of natural resources. The application shall identify the
27 specific best available control technology equipment and the
28 purchase price, or manufacturing cost of such equipment. The
29 director of the department of natural resources is authorized to
30 require permits to construct prior to the installation of best
31 available control technology equipment and other information
32 which he or she deems appropriate.

33 5. The director of the department of natural resources in
34 conjunction with the department of economic development shall
35 certify to the department of revenue that the best available control
36 technology equipment meets the requirements to obtain a tax credit
37 as specified in this section.]

2 [135.575. 1. As used in this section, the following terms
mean:

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

5 (2) "Tax credit", a credit against the tax otherwise due
6 under chapter 143, excluding withholding tax imposed by sections
7 143.191 to 143.265;

8 (3) "Taxpayer", any individual subject to the tax imposed
9 in chapter 143, excluding withholding tax imposed by sections
10 143.191 to 143.265.

11 2. The provisions of this section shall be subject to section

12 33.282. For all taxable years beginning on or after January 1,
13 2007, a taxpayer shall be allowed a tax credit for donations in
14 excess of one hundred dollars made to the Missouri health care
15 access fund. The tax credit shall be subject to annual approval by
16 the senate appropriations committee and the house budget
17 committee. The tax credit amount shall be equal to one-half of the
18 total donation made, but shall not exceed twenty-five thousand
19 dollars per taxpayer claiming the credit. If the amount of the tax
20 credit issued exceeds the amount of the taxpayer's state tax
21 liability for the tax year for which the credit is claimed, the
22 difference shall not be refundable but may be carried forward to
23 any of the taxpayer's next four taxable years. No tax credit
24 granted under this section shall be transferred, sold, or
25 assigned. The cumulative amount of tax credits which may be
26 issued under this section in any one fiscal year shall not exceed one
27 million dollars.

28 3. The department of revenue may promulgate rules to
29 implement the provisions of this section. Any rule or portion of a
30 rule, as that term is defined in section 536.010, that is created
31 under the authority delegated in this section shall become effective
32 only if it complies with and is subject to all of the provisions of
33 chapter 536 and, if applicable, section 536.028. This section and
34 chapter 536 are nonseverable and if any of the powers vested with
35 the general assembly pursuant to chapter 536 to review, to delay
36 the effective date, or to disapprove and annul a rule are
37 subsequently held unconstitutional, then the grant of rulemaking
38 authority and any rule proposed or adopted after August 28, 2007,
39 shall be invalid and void.

40 4. Pursuant to section 23.253 of the Missouri sunset act:

41 (1) The provisions of the new program authorized under
42 this section shall automatically sunset six years after August 28,
43 2007, unless reauthorized by an act of the general assembly; and

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

47 (3) This section shall terminate on September first of the
48 calendar year immediately following the calendar year in which the
49 program authorized under this section is sunset.]

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

14 2. The director of the department of revenue shall
15 promulgate rules and regulations to administer the provisions of
16 this section. Any rule or portion of a rule, as that term is defined
17 in section 536.010, that is created under the authority delegated in
18 this section shall become effective only if it complies with and is
19 subject to all of the provisions of chapter 536 and, if applicable,
20 section 536.028. This section and chapter 536 are nonseverable
21 and if any of the powers vested with the general assembly pursuant
22 to chapter 536 to review, to delay the effective date, or to
23 disapprove and annul a rule are subsequently held
24 unconstitutional, then the grant of rulemaking authority and any
25 rule proposed or adopted after August 28, 2007, shall be invalid
26 and void.]

[178.760. As used in sections 178.760 to 178.764, the
2 following terms mean:

3 (1) "Agreement", the agreement between an employer and
4 a community college district concerning a project. An agreement
5 may be for a period not to exceed ten years when the program
6 services associated with a project are not in excess of five hundred
7 thousand dollars. For a project where the associated program costs
8 are greater than five hundred thousand dollars, the agreement may
9 not exceed a period of eight years;

10 (2) "Board of trustees", the board of trustees of a community
11 college district;

12 (3) "Capital investment", an investment in research and

13 development, working capital, and real and tangible personal
14 business property except inventory or property intended for sale to
15 customers. Trucks, truck trailers, truck semi-trailers, rail and
16 barge vehicles and other rolling stock for hire, track, switches,
17 barges, bridges, tunnels, rail yards, and spurs shall not qualify as
18 a capital investment. The amount of such investment shall be the
19 original cost of the property if owned, or eight times the net annual
20 rental rate if leased;

21 (4) "Certificate", industrial retained jobs training
22 certificates issued under section 178.763;

23 (5) "Date of commencement of the project", the date of the
24 agreement;

25 (6) "Employee", the person employed in a retained job;

26 (7) "Employer", the person maintaining retained jobs in
27 conjunction with a project;

28 (8) "Industry", a business located within this state which
29 enters into an agreement with a community college district and
30 which is engaged in interstate or intrastate commerce for the
31 purpose of manufacturing, processing, or assembling products,
32 conducting research and development, or providing services in
33 interstate commerce, but excluding retail services;

34 (9) "Program costs", all necessary and incidental costs of
35 providing program services, including payment of the principal,
36 premium, and interest on certificates, including capitalized
37 interest, issued to finance a project, funding and maintenance of a
38 debt service reserve fund to secure such certificates and wages,
39 salaries and benefits of employees participating in on-the-job
40 training;

41 (10) "Program services" includes, but is not limited to, the
42 following:

43 (a) Retained jobs training;

44 (b) Adult basic education and job-related instruction;

45 (c) Vocational and skill-assessment services and testing;

46 (d) Training facilities, equipment, materials, and supplies;

47 (e) On-the-job training;

48 (f) Administrative expenses equal to seventeen percent of
49 the total training costs, two percent to be paid to the department
50 of economic development for deposit into the Missouri job

51 development fund created under section 620.478;

52 (g) Subcontracted services with state institutions of higher
53 education, private colleges or universities, or other federal, state,
54 or local agencies;

55 (h) Contracted or professional services; and

56 (i) Issuance of certificates;

57 (11) "Project", a training arrangement which is the subject
58 of an agreement entered into between the community college
59 district and an employer to provide program services that is not
60 also the subject of an agreement entered into between a community
61 college district and an employer to provide program services under
62 sections 178.892 to 178.896;

63 (12) "Retained job", a job in a stable industry, not including
64 jobs for recalled workers, which was in existence for at least two
65 consecutive calendar years preceding the year in which the
66 application for the retained jobs training program was made;

67 (13) "Retained jobs credit from withholding", the credit as
68 provided in section 178.762;

69 (14) "Retained jobs training program", or "program", the
70 project or projects established by a community college district for
71 the retention of jobs, by providing education and training of
72 workers for existing jobs for stable industry in the state;

73 (15) "Stable industry", a business that otherwise meets the
74 definition of industry and retains existing jobs. To be a stable
75 industry, the business shall have:

76 (a) Maintained at least one hundred employees per year at
77 the employer's site in the state at which the jobs are based, for
78 each of the two calendar years preceding the year in which
79 application for the program is made;

80 (b) Retained at that site the level of employment that
81 existed in the taxable year immediately preceding the year in
82 which application for the program is made; and

83 (c) Made or agree to make a capital investment aggregating
84 at least one million dollars to acquire or improve long-term assets
85 (including leased facilities) such as property, plant, or equipment
86 (excluding program costs) at the employer's site in the state at
87 which jobs are based over a period of three consecutive calendar
88 years, as certified by the employer and:

89 a. Have made substantial investment in new technology
90 requiring the upgrading of worker's skills; or

91 b. Be located in a border county of the state and represent
92 a potential risk of relocation from the state; or

93 c. Be determined to represent a substantial risk of
94 relocation from the state by the director of the department of
95 economic development;

96 (16) "Total training costs", costs of training, including
97 supplies, wages and benefits of instructors, subcontracted services,
98 on-the-job training, training facilities, equipment, skill assessment,
99 and all program services excluding issuance of certificates.]

 [178.761. A community college district, with the approval
2 of the department of economic development in consultation with the
3 office of administration, may enter into an agreement to establish
4 a project and provide program services to an employer. As soon as
5 possible after initial contact between a community college district
6 and a potential employer regarding the possibility of entering into
7 an agreement, the district shall inform the division of workforce
8 development of the department of economic development and the
9 office of administration about the potential project. The division of
10 workforce development shall evaluate the proposed project within
11 the overall job training efforts of the state to ensure that the
12 project will not duplicate other job training programs. The
13 department of economic development shall have fourteen days from
14 receipt of the application to approve or disapprove projects. If no
15 response is received by the community college within fourteen days,
16 the projects are approved. Any project that is disapproved must be
17 in writing stating the reasons for the disapproval. If an agreement
18 is entered into, the district and the employer shall notify the
19 department of revenue within fifteen calendar days. An agreement
20 may provide, but is not limited to:

21 (1) Payment of program costs, including deferred costs,
22 which may be paid from one or a combination of the following
23 sources:

24 (a) Funds appropriated by the general assembly from the
25 Missouri community college job retention program fund and
26 disbursed by the division of workforce development in respect of
27 retained jobs credit from withholding to be received or derived from

28 retained employment resulting from the project;

29 (b) Tuition, student fees, or special charges fixed by the
30 board of trustees to defray program costs in whole or in part;

31 (c) Guarantee of payments to be received under paragraph
32 (a) or (b) of this subdivision;

33 (2) Payment of program costs shall not be deferred for a
34 period longer than ten years if program costs do not exceed five
35 hundred thousand dollars, or eight years if program costs exceed
36 five hundred thousand dollars from the date of commencement of
37 the project;

38 (3) Costs of on-the-job training for employees shall include
39 wages or salaries of participating employees. Payments for
40 on-the-job training shall not exceed the average of fifty percent of
41 the total percent of the total wages paid by the employer to each
42 participant during the period of training. Payment for on-the-job
43 training may continue for up to six months from the date of the
44 employer's capital investment;

45 (4) A provision which fixes the minimum amount of
46 retained jobs credit from withholding, or tuition and fee payments
47 which shall be paid for program costs;

48 (5) Any payment required to be made by an employer is a
49 lien upon the employer's business property until paid and has
50 equal precedence with ordinary taxes and shall not be divested by
51 a judicial sale. Property subject to the lien may be sold for sums
52 due and delinquent at a tax sale, with the same forfeitures,
53 penalties, and consequences as for the nonpayment of ordinary
54 taxes. The purchasers at tax sale obtain the property subject to
55 the remaining payments.]

[178.762. If an agreement provides that all or part of
2 program costs are to be met by receipt of retained jobs credit from
3 withholding, such retained jobs credit from withholding shall be
4 determined and paid as follows:

5 (1) Retained jobs credit from withholding shall be based
6 upon the wages paid to the employees in the retained jobs;

7 (2) A portion of the total payments made by the employer
8 under section 143.221 shall be designated as the retained jobs
9 credit from withholding. Such portion shall be an amount equal to
10 two and one-half percent of the gross wages paid by the employer

11 for each of the first one hundred jobs included in the project and
12 one and one-half percent of the gross wages paid by the employer
13 for each of the remaining jobs included in the project. If business
14 or employment conditions cause the amount of the retained jobs
15 credit from withholding to be less than the amount projected in the
16 agreement for any time period, then other withholding tax paid by
17 the employer under section 143.221 shall be credited to the
18 Missouri community college retained job training fund by the
19 amount of such difference. The employer shall remit the amount
20 of the retained jobs credit to the department of revenue in the
21 manner prescribed in section 178.764. When all program costs,
22 including the principal, premium, and interest on the certificates
23 have been paid, the employer credits shall cease;

24 (3) The community college district participating in a project
25 shall establish a special fund for and in the name of the
26 project. All funds appropriated by the general assembly from the
27 Missouri community college job training retention program fund
28 and disbursed by the division of workforce development for the
29 project and other amounts received by the district in respect of the
30 project and required by the agreement to be used to pay program
31 costs for the project shall be deposited in the special
32 fund. Amounts held in the special fund may be used and disbursed
33 by the district only to pay program costs for the project. The
34 special fund may be divided into such accounts and subaccounts as
35 shall be provided in the agreement, and amounts held therein may
36 be invested in investments which are legal for the investment of
37 the district's other funds;

38 (4) Any disbursement in respect of a project received from
39 the division of workforce development under sections 178.760 to
40 178.764 and the special fund into which it is paid may be
41 irrevocably pledged by a community college district for the payment
42 of the principal, premium, and interest on the certificate issued by
43 a community college district to finance or refinance, in whole or in
44 part, the project;

45 (5) The employer shall certify to the department of revenue
46 that the credit from withholding is in accordance with an
47 agreement and shall provide other information the department may
48 require;

49 (6) An employee participating in a project will receive full
50 credit for the amount designated as a retained jobs credit from
51 withholding and withheld as provided in section 143.221;

52 (7) If an agreement provides that all or part of program
53 costs are to be met by receipt of retained jobs credit from
54 withholding, the provisions of this subsection shall also apply to
55 any successor to the original employer until such time as the
56 principal and interest on the certificates have been paid.]

[178.763. 1. To provide funds for the present payment of
2 the costs of retained jobs training programs, a community college
3 district may borrow money and issue and sell certificates payable
4 from a sufficient portion of the future receipts of payments
5 authorized by the agreement including disbursements from the
6 Missouri community college job retention training program to the
7 special fund established by the district for each project. The total
8 amount of outstanding certificates sold by all community college
9 districts shall not exceed fifteen million dollars, unless an
10 increased amount is authorized in writing by a majority of
11 members of the Missouri job training joint legislative oversight
12 committee. The certificates shall be marketed through financial
13 institutions authorized to do business in Missouri.

14 The receipts shall be pledged to the payment of principal of and
15 interest on the certificates. Certificates may be sold at public sale
16 or at private sale at par, premium, or discount of not less than
17 ninety-five percent of the par value thereof, at the discretion of the
18 board of trustees, and may bear interest at such rate or rates as
19 the board of trustees shall determine, notwithstanding the
20 provisions of section 108.170 to the contrary. However, chapter 176
21 does not apply to the issuance of these certificates. Certificates
22 may be issued with respect to a single project or multiple projects
23 and may contain terms or conditions as the board of trustees may
24 provide by resolution authorizing the issuance of the certificates.

25 2. Certificates issued to refund other certificates may be
26 sold at public sale or at private sale as provided in this section
27 with the proceeds from the sale to be used for the payment of the
28 certificates being refunded. The refunding certificates may be
29 exchanged in payment and discharge of the certificates being
30 refunded, in installments at different times or an entire issue or

31 series at one time. Refunding certificates may be sold or exchanged
32 at any time on, before, or after the maturity of the outstanding
33 certificates to be refunded. They may be issued for the purpose of
34 refunding a like, greater, or lesser principal amount of certificates
35 and may bear a higher, lower, or equivalent rate of interest than
36 the certificates being renewed or refunded.

37 3. Before certificates are issued, the board of trustees shall
38 publish once a notice of its intention to issue the certificates,
39 stating the amount, the purpose, and the project or projects for
40 which the certificates are to be issued. A person may, within
41 fifteen days after the publication of the notice, by action in the
42 circuit court of a county in the district, appeal the decision of the
43 board of trustees to issue the certificates. The action of the board
44 of trustees in determining to issue the certificates is final and
45 conclusive unless the circuit court finds that the board of trustees
46 has exceeded its legal authority. An action shall not be brought
47 which questions the legality of the certificates, the power of the
48 board of trustees to issue the certificates, the effectiveness of any
49 proceedings relating to the authorization of the project, or the
50 authorization and issuance of the certificates from and after fifteen
51 days from the publication of the notice of intention to issue.

52 4. The board of trustees shall make a finding based on
53 information supplied by the employer that revenues provided in the
54 agreement are sufficient to secure the faithful performance of
55 obligations in the agreement.

56 5. Certificates issued under this section shall not be deemed
57 to be an indebtedness of the state or the community college district
58 or of any other political subdivision of the state, and the principal
59 and interest on such certificates shall be payable only from the
60 sources provided in subdivision (1) of section 178.761 which are
61 pledged in the agreement.

62 6. The department of economic development shall
63 coordinate the retained jobs training program, and may promulgate
64 rules that districts will use in developing projects with industrial
65 retained jobs training proposals which shall include rules providing
66 for the coordination of such proposals with the service delivery
67 areas established in the state to administer federal funds pursuant
68 to the federal Workforce Investment Act. No rule or portion of a

69 rule promulgated pursuant to the authority of this section shall
70 become effective unless it has been promulgated pursuant to
71 chapter 536.

72 7. No community college district may sell certificates as
73 described in this section after July 1, 2014.]

[178.764. 1. There is hereby established within the state
2 treasury a special fund, to be known as the "Missouri Community
3 College Job Retention Training Program Fund", to be administered
4 by the division of workforce development. The department of
5 revenue shall credit to the community college job retention training
6 program fund, as received, all retained jobs credit from withholding
7 remitted by employers pursuant to section 178.762. The fund shall
8 also consist of any gifts, contributions, grants, or bequests received
9 from federal, private, or other sources. The general assembly,
10 however, shall not provide for any transfer of general revenue
11 funds into the community college job retention training program
12 fund. Moneys in the Missouri community college job retention
13 training program fund shall be disbursed to the division of
14 workforce development pursuant to regular appropriations by the
15 general assembly. The division shall disburse such appropriated
16 funds in a timely manner into the special funds established by
17 community college districts for projects, which funds shall be used
18 to pay program costs, including the principal, premium, and
19 interest on certificates issued by the district to finance or
20 refinance, in whole or in part, a project. Such disbursements by
21 the division of workforce development shall be made to the special
22 fund for each project in the same proportion as the retained jobs
23 credit from withholding remitted by the employer participating in
24 such project bears to the total retained jobs credit from withholding
25 remitted by all employers participating in projects during the
26 period for which the disbursement is made. Moneys for retained
27 jobs training programs established under sections 178.760 to
28 178.764 shall be obtained from appropriations made by the general
29 assembly from the Missouri community college job retention
30 training program fund. All moneys remaining in the Missouri
31 community college job retention training program fund at the end
32 of any fiscal year shall not lapse to the general revenue fund, as
33 provided in section 33.080, but shall remain in the Missouri

34 community college job retention training program fund.

35 2. The department of revenue shall develop such forms as
36 are necessary to demonstrate accurately each employer's retained
37 jobs credit from withholding paid into the Missouri community
38 college job retention training program fund.

39 The retained jobs credit from withholding shall be accounted as
40 separate from the normal withholding tax paid to the department
41 of revenue by the employer.

42 Reimbursements made by all employers to the Missouri community
43 college job retention training program fund shall be no less than all
44 allocations made by the division of workforce development to all
45 community college districts for all job retention projects. The
46 employer shall remit the amount of the retained job credit to the
47 department of revenue in the same manner as provided in sections
48 143.191 to 143.265.]

[178.892. As used in sections 178.892 to 178.896, the
2 following terms mean:

3 (1) "Agreement", the agreement, between an employer and
4 a community college district, concerning a project. An agreement
5 may be for a period not to exceed ten years when the program
6 services associated with a project are not in excess of five hundred
7 thousand dollars. For a project where associated program costs are
8 greater than five hundred thousand dollars, the agreement may not
9 exceed a period of eight years. No agreement shall be entered into
10 between an employer and a community college district which
11 involves the training of potential employees with the purpose of
12 replacing or supplanting employees engaged in an authorized work
13 stoppage;

14 (2) "Board of trustees", the board of trustees of a community
15 college district;

16 (3) "Certificate", industrial new jobs training certificates
17 issued pursuant to section 178.895;

18 (4) "Date of commencement of the project", the date of the
19 agreement;

20 (5) "Employee", the person employed in a new job;

21 (6) "Employer", the person providing new jobs in
22 conjunction with a project;

23 (7) "Essential industry", a business that otherwise meets

24 the definition of industry but instead of creating new jobs
25 maintains existing jobs. To be an essential industry, the business
26 must have maintained at least two thousand jobs each year for a
27 period of four years preceding the year in which application for the
28 program authorized by sections 178.892 to 178.896 is made and
29 must be located in a home rule city with more than twenty-six
30 thousand but less than twenty-seven thousand inhabitants located
31 in any county with a charter form of government and with more
32 than one million inhabitants;

33 (8) "Existing job", a job in an essential industry that pays
34 wages or salary greater than the average of the county in which the
35 project will be located;

36 (9) "Industry", a business located within the state of
37 Missouri which enters into an agreement with a community college
38 district and which is engaged in interstate or intrastate commerce
39 for the purpose of manufacturing, processing, or assembling
40 products, conducting research and development, or providing
41 services in interstate commerce, but excluding retail
42 services. "Industry" does not include a business which closes or
43 substantially reduces its operation in one area of the state and
44 relocates substantially the same operation in another area of the
45 state. This does not prohibit a business from expanding its
46 operations in another area of the state provided that existing
47 operations of a similar nature are not closed or substantially
48 reduced;

49 (10) "New job", a job in a new or expanding industry not
50 including jobs of recalled workers, or replacement jobs or other jobs
51 that formerly existed in the industry in the state. For an essential
52 industry, an existing job shall be considered a new job for the
53 purposes of the new job training programs;

54 (11) "New jobs credit from withholding", the credit as
55 provided in section 178.894;

56 (12) "New jobs training program" or "program", the project
57 or projects established by a community college district for the
58 creation of jobs by providing education and training of workers for
59 new jobs for new or expanding industry in the state;

60 (13) "Program costs", all necessary and incidental costs of
61 providing program services including payment of the principal of,

62 premium, if any, and interest on certificates, including capitalized
63 interest, issued to finance a project, funding and maintenance of a
64 debt service reserve fund to secure such certificates and wages,
65 salaries and benefits of employees participating in on-the-job
66 training;

67 (14) "Program services" includes, but is not limited to, the
68 following:

69 (a) New jobs training;

70 (b) Adult basic education and job-related instruction;

71 (c) Vocational and skill-assessment services and testing;

72 (d) Training facilities, equipment, materials, and supplies;

73 (e) On-the-job training;

74 (f) Administrative expenses equal to fifteen percent of the
75 total training costs;

76 (g) Subcontracted services with state institutions of higher
77 education, private colleges or universities, or other federal, state,
78 or local agencies;

79 (h) Contracted or professional services; and

80 (i) Issuance of certificates;

81 (15) "Project", a training arrangement which is the subject
82 of an agreement entered into between the community college
83 district and an employer to provide program services;

84 (16) "Total training costs", costs of training, including
85 supplies, wages and benefits of instructors, subcontracted services,
86 on-the-job training, training facilities, equipment, skill assessment
87 and all program services excluding issuance of certificates.]

2 [178.893. A community college district, with the approval
3 of the department of economic development in consultation with the
4 office of administration, may enter into an agreement to establish
5 a project and provide program services to an employer. As soon as
6 possible after initial contact between a community college district
7 and a potential employer regarding the possibility of entering into
8 an agreement, the district shall inform the division of job
9 development and training of the department of economic
10 development and the office of administration about the potential
11 project. The division of job development and training shall
12 evaluate the proposed project within the overall job training efforts
of the state to ensure that the project will not duplicate other job

13 training programs. The department of economic development shall
14 have fourteen days from receipt of the application to approve or
15 disapprove projects. If no response is received by the community
16 college within fourteen days the projects are approved. Any project
17 that is disapproved must be in writing stating the reasons for the
18 disapproval. If an agreement is entered into, the district and the
19 employer shall notify the department of revenue within fifteen
20 calendar days. An agreement may provide, but is not limited to:

21 (1) Payment of program costs, including deferred costs,
22 which may be paid from one or a combination of the following
23 sources:

24 (a) Funds appropriated by the general assembly from the
25 Missouri community college job training program fund and
26 disbursed by the division of job development and training in
27 respect of new jobs credit from withholding to be received or
28 derived from new employment resulting from the project;

29 (b) Tuition, student fees, or special charges fixed by the
30 board of trustees to defray program costs in whole or in part;

31 (c) Guarantee of payments to be received under paragraph
32 (a) or (b) of this subdivision;

33 (2) Payment of program costs shall not be deferred for a
34 period longer than ten years if program costs do not exceed five
35 hundred thousand dollars, or eight years if program costs exceed
36 five hundred thousand dollars from the date of commencement of
37 the project;

38 (3) Costs of on-the-job training for employees, shall include
39 wages or salaries of participating employees. Payments for
40 on-the-job training shall not exceed the average of fifty percent of
41 the total percent of the total wages paid by the employer to each
42 participant during the period of training.

43 Payment for on-the-job training may continue for up to six months
44 after the placement of the participant in the new job;

45 (4) A provision which fixes the minimum amount of new
46 jobs credit from withholding, or tuition and fee payments which
47 shall be paid for program costs;

48 (5) Any payment required to be made by an employer is a
49 lien upon the employer's business property until paid and has
50 equal precedence with ordinary taxes and shall not be divested by

51 a judicial sale. Property subject to the lien may be sold for sums
52 due and delinquent at a tax sale, with the same forfeitures,
53 penalties, and consequences as for the nonpayment of ordinary
54 taxes. The purchasers at tax sale obtain the property subject to
55 the remaining payments.]

[178.894. If an agreement provides that all or part of
2 program costs are to be met by receipt of new jobs credit from
3 withholding, such new jobs credit from withholding shall be
4 determined and paid as follows:

5 (1) New jobs credit from withholding shall be based upon
6 the wages paid to the employees in the new jobs;

7 (2) A portion of the total payments made by the employer
8 pursuant to section 143.221 shall be designated as the new jobs
9 credit from withholding. Such portion shall be an amount equal to
10 two and one-half percent of the gross wages paid by the employer
11 for each of the first one hundred jobs included in the project and
12 one and one-half percent of the gross wages paid by the employer
13 for each of the remaining jobs included in the project. If business
14 or employment conditions cause the amount of the new jobs credit
15 from withholding to be less than the amount projected in the
16 agreement for any time period, then other withholding tax paid by
17 the employer pursuant to section 143.221 shall be credited to the
18 Missouri community college job training fund by the amount of
19 such difference. The employer shall remit the amount of the new
20 jobs credit to the department of revenue in the manner prescribed
21 in section 178.896. When all program costs, including the principal
22 of, premium, if any, and interest on the certificates have been paid,
23 the employer credits shall cease;

24 (3) The community college district participating in a project
25 shall establish a special fund for and in the name of the
26 project. All funds appropriated by the general assembly from the
27 Missouri community college job training program fund and
28 disbursed by the division of job development and training for the
29 project and other amounts received by the district in respect of the
30 project and required by the agreement to be used to pay program
31 costs for the project shall be deposited in the special
32 fund. Amounts held in the special fund may be used and disbursed
33 by the district only to pay program costs for the project. The

34 special fund may be divided into such accounts and subaccounts as
35 shall be provided in the agreement, and amounts held therein may
36 be invested in investments which are legal for the investment of
37 the district's other funds;

38 (4) Any disbursement in respect of a project received from
39 the division of job development and training under the provisions
40 of sections 178.892 to 178.896 and the special fund into which it is
41 paid may be irrevocably pledged by a community college district for
42 the payment of the principal of, premium, if any, and interest on
43 the certificate issued by a community college district to finance or
44 refinance, in whole or in part, the project;

45 (5) The employer shall certify to the department of revenue
46 that the credit from withholding is in accordance with an
47 agreement and shall provide other information the department may
48 require;

49 (6) An employee participating in a project will receive full
50 credit for the amount designated as a new jobs credit from
51 withholding and withheld as provided in section 143.221;

52 (7) If an agreement provides that all or part of program
53 costs are to be met by receipt of new jobs credit from withholding,
54 the provisions of this subsection shall also apply to any successor
55 to the original employer until such time as the principal and
56 interest on the certificates have been paid.]

[178.895. 1. To provide funds for the present payment of
2 the costs of new jobs training programs, a community college
3 district may borrow money and issue and sell certificates payable
4 from a sufficient portion of the future receipts of payments
5 authorized by the agreement including disbursements from the
6 Missouri community college job training program to the special
7 fund established by the district for each project. The total amount
8 of outstanding certificates sold by all community college districts
9 shall not exceed twenty million dollars, unless an increased amount
10 is authorized in writing by a majority of members of the Missouri
11 job training joint legislative oversight committee. The certificates
12 shall be marketed through financial institutions authorized to do
13 business in Missouri. The receipts shall be pledged to the payment
14 of principal of and interest on the certificates. Certificates may be
15 sold at public sale or at private sale at par, premium, or discount

16 of not less than ninety-five percent of the par value thereof, at the
17 discretion of the board of trustees, and may bear interest at such
18 rate or rates as the board of trustees shall determine,
19 notwithstanding the provisions of section 108.170 to the
20 contrary. However, chapter 176 does not apply to the issuance of
21 these certificates. Certificates may be issued with respect to a
22 single project or multiple projects and may contain terms or
23 conditions as the board of trustees may provide by resolution
24 authorizing the issuance of the certificates.

25 2. Certificates issued to refund other certificates may be
26 sold at public sale or at private sale as provided in this section
27 with the proceeds from the sale to be used for the payment of the
28 certificates being refunded. The refunding certificates may be
29 exchanged in payment and discharge of the certificates being
30 refunded, in installments at different times or an entire issue or
31 series at one time. Refunding certificates may be sold or exchanged
32 at any time on, before, or after the maturity of the outstanding
33 certificates to be refunded. They may be issued for the purpose of
34 refunding a like, greater, or lesser principal amount of certificates
35 and may bear a higher, lower, or equivalent rate of interest than
36 the certificates being renewed or refunded.

37 3. Before certificates are issued, the board of trustees shall
38 publish once a notice of its intention to issue the certificates,
39 stating the amount, the purpose, and the project or projects for
40 which the certificates are to be issued. A person may, within
41 fifteen days after the publication of the notice, by action in the
42 circuit court of a county in the district, appeal the decision of the
43 board of trustees to issue the certificates. The action of the board
44 of trustees in determining to issue the certificates is final and
45 conclusive unless the circuit court finds that the board of trustees
46 has exceeded its legal authority. An action shall not be brought
47 which questions the legality of the certificates, the power of the
48 board of trustees to issue the certificates, the effectiveness of any
49 proceedings relating to the authorization of the project, or the
50 authorization and issuance of the certificates from and after fifteen
51 days from the publication of the notice of intention to issue.

52 4. The board of trustees shall determine if revenues
53 provided in the agreement are sufficient to secure the faithful

54 performance of obligations in the agreement.

55 5. Certificates issued under this section shall not be deemed
56 to be an indebtedness of the state or the community college district
57 or of any other political subdivision of the state and the principal
58 and interest on such certificates shall be payable only from the
59 sources provided in subdivision (1) of section 178.893 which are
60 pledged in the agreement.

61 6. The department of economic development shall
62 coordinate the new jobs training program, and may promulgate
63 rules that districts will use in developing projects with new and
64 expanding industrial new jobs training proposals which shall
65 include rules providing for the coordination of such proposals with
66 the service delivery areas established in the state to administer
67 federal funds pursuant to the federal Job Training Partnership
68 Act. No rule or portion of a rule promulgated under the authority
69 of sections 178.892 to 178.896 shall become effective unless it has
70 been promulgated pursuant to the provisions of chapter 536. All
71 rulemaking authority delegated prior to June 27, 1997, is of no
72 force and effect and repealed; however, nothing in this section shall
73 be interpreted to repeal or affect the validity of any rule filed or
74 adopted prior to June 27, 1997, if such rule complied with the
75 provisions of chapter 536. The provisions of this section and
76 chapter 536 are nonseverable and if any of the powers vested with
77 the general assembly pursuant to chapter 536, including the ability
78 to review, to delay the effective date, or to disapprove and annul a
79 rule or portion of a rule, are subsequently held unconstitutional,
80 then the purported grant of rulemaking authority and any rule so
81 proposed and contained in the order of rulemaking shall be invalid
82 and void.

83 7. No community college district may sell certificates as
84 described in this section after July 1, 2018.]

2 [178.896. 1. There is hereby established within the state
3 treasury a special fund, to be known as the "Missouri Community
4 College Job Training Program Fund", to be administered by the
5 division of job development and training. The department of
6 revenue shall credit to the community college job training program
7 fund, as received, all new jobs credit from withholding remitted by
employers pursuant to section 178.894. The fund shall also consist

8 of any gifts, contributions, grants or bequests received from federal,
9 private or other sources. The general assembly, however, shall not
10 provide for any transfer of general revenue funds into the
11 community college job training program fund. Moneys in the
12 Missouri community college job training program fund shall be
13 disbursed to the division of job development and training pursuant
14 to regular appropriations by the general assembly. The division
15 shall disburse such appropriated funds in a timely manner into the
16 special funds established by community college districts for
17 projects, which funds shall be used to pay program costs, including
18 the principal of, premium, if any, and interest on certificates issued
19 by the district to finance or refinance, in whole or in part, a
20 project. Such disbursements by the division of job development and
21 training shall be made to the special fund for each project in the
22 same proportion as the new jobs credit from withholding remitted
23 by the employer participating in such project bears to the total new
24 jobs credit from withholding remitted by all employers
25 participating in projects during the period for which the
26 disbursement is made. Moneys for new jobs training programs
27 established under the provisions of sections 178.892 to 178.896
28 shall be obtained from appropriations made by the general
29 assembly from the Missouri community college job training
30 program fund. All moneys remaining in the Missouri community
31 college job training program fund at the end of any fiscal year shall
32 not lapse to the general revenue fund, as provided in section
33 33.080, but shall remain in the Missouri community college job
34 training program fund.

35 2. The department of revenue shall develop such forms as
36 are necessary to demonstrate accurately each employer's new jobs
37 credit from withholding paid into the Missouri community college
38 job training program fund. The new jobs credit from withholding
39 shall be accounted as separate from the normal withholding tax
40 paid to the department of revenue by the
41 employer. Reimbursements made by all employers to the Missouri
42 community college job training program fund shall be no less than
43 all allocations made by the division of job development and training
44 to all community college districts for all projects. The employer
45 shall remit the amount of the new job credit to the department of

46 revenue in the same manner as provided in sections 143.191 to
47 143.265.

48 3. Sections 178.892 to 178.896 shall expire July 1, 2028.]

[348.253. 1. The Missouri technology corporation may
2 contract with not-for-profit organizations to carry out the
3 provisions of sections 348.251 to 348.275. By entering into such
4 contracts, the corporation shall attempt to achieve the following
5 objectives:

6 (1) The establishment of a research alliance which shall
7 advance technology development, as defined in subdivision (3) of
8 section 348.251. The corporation, in this capacity, shall have the
9 authority to contract directly with centers for advanced technology,
10 as established by section 348.272, and other not-for-profit entities.
11 In proceeding with this objective, the corporation and centers for
12 advanced technology shall utilize the results of targeted industry
13 studies commissioned by the department of economic development;

14 (2) Technology commercialization, as defined in subdivision
15 (2) of section 348.251;

16 (3) The establishment of a finance corporation to assist in
17 the implementation of section 348.261; and

18 (4) The enhancement of technology application, as defined
19 in subdivision (1) of section 348.251.

20 2. Any contract signed between the corporation and any
21 not-for-profit organization, including innovation centers as defined
22 in section 348.271, shall require that the not-for-profit organization
23 must provide at least one-hundred-percent match for any funding
24 received from the corporation through the technology investment
25 fund, as established in section 348.264.]

[348.505. 1. As used in this section, "state tax liability",
2 any state tax liability incurred by a taxpayer under the provisions
3 of chapters 143, 147, and 148, exclusive of the provisions relating
4 to the withholding of tax as provided for in sections 143.191 to
5 143.265 and related provisions.

6 2. Any eligible lender under the family farm livestock loan
7 program under section 348.500 shall be entitled to receive a tax
8 credit equal to one hundred percent of the amount of interest
9 waived by the lender under section 348.500 on a qualifying loan for
10 the first year of the loan only. The tax credit shall be evidenced by

11 a tax credit certificate issued by the agricultural and small
12 business development authority and may be used to satisfy the
13 state tax liability of the owner of such certificate that becomes due
14 in the tax year in which the interest on a qualified loan is waived
15 by the lender under section 348.500. No lender may receive a tax
16 credit under this section unless such person presents a tax credit
17 certificate to the department of revenue for payment of such state
18 tax liability. The amount of the tax credits that may be issued to
19 all eligible lenders claiming tax credits authorized in this section
20 in a fiscal year shall not exceed three hundred thousand dollars.

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

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

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

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

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

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

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

 [620.470. As used in sections 620.470 to 620.481, unless the
2 context clearly requires otherwise, the following terms mean:

3 (1) "Department", the Missouri department of economic
4 development;

5 (2) "Fund", the Missouri job development fund as
6 established by section 620.478;

7 (3) "Industry", an entity the objective of which is to supply
8 a service or the objective of which is the commercial production and
9 sale of an article of trade or commerce. The term includes a
10 consortium of such entities organized for the purpose of providing
11 for common training to the member entities' employees, provided
12 that the consortium as a whole meets the requirements for
13 participation in this program;

14 (4) "Manufacturing", the making or processing of raw
15 materials into a finished product, especially by means of large-scale
16 machines of industry.]

 [620.472. 1. The department shall establish a new or
2 expanding industry training program, the purpose of which is to
3 provide assistance for new or expanding industries for the training,
4 retraining or upgrading of the skills of potential
5 employees. Training may include preemployment training, and

6 services may include analysis of the specified training needs for
7 such company, development of training plans, and provision of
8 training through qualified training staff. Such program may fund
9 in-plant training analysis, curriculum development, assessment
10 and preselection tools, publicity for the program, instructional
11 services, rental of instructional facilities with necessary utilities,
12 access to equipment and supplies, other necessary services, overall
13 program direction, and an adequate staff to carry out an effective
14 training program. In addition, the program may fund a
15 coordinated transportation program for trainings if the training can
16 be more effectively provided outside the community where the jobs
17 are to be located. In-plant training analysis shall include fees for
18 professionals and necessary travel and expenses. Such program
19 may also provide assistance in the locating of skilled employees
20 and in the locating of additional sources of job training
21 funds. Such program shall be operated with appropriations made
22 by the general assembly from the fund.

23 2. Assistance under the new or expanding industry training
24 program may be available only for industries who certify to the
25 department that their investments relate directly to a projected
26 increase in employment which will result in the need for training
27 of newly hired employees or the retraining or upgrading of the
28 skills of existing employees for new jobs created by the new or
29 expanding industry's investment.

30 3. The department shall issue rules and regulations
31 governing the awarding of funds administered through the new or
32 expanding industry training program. When promulgating these
33 rules and regulations, the department shall consider such factors
34 as the potential number of new permanent jobs to be created, the
35 amount of private sector investment in new facilities and
36 equipment, the significance of state funding to the industry's
37 decision to locate or expand in Missouri, the economic need of the
38 affected community, and the importance of the industry to the
39 economic development of Missouri.]

2 [620.474. 1. The department shall establish a basic
3 industry retraining program, the purpose of which is to provide
4 assistance for industries in Missouri for the retraining and
upgrading of employees' skills which are required to support new

5 investment. Such program shall be operated with appropriations
6 made by the general assembly from the fund.

7 2. Assistance under the basic industry retraining program
8 may be made available for industries in Missouri which make new
9 investments without the creation of new employment.

10 3. The department shall issue rules and regulations
11 governing the awarding of funds administered through the basic
12 industry retraining fund. When promulgating these rules and
13 regulations, the department shall consider such factors as the
14 number of jobs in jeopardy of being lost if retraining does not occur,
15 the amount of private sector investment in new facilities and
16 equipment, the ratio of jobs retained versus investment, the cost of
17 normal, ongoing training required for the industry, the economic
18 need of the affected community, and the importance of the industry
19 to the economic development of Missouri.]

2 [620.475. 1. The department shall establish an industry
3 quality and productivity improvement program to help industries
4 and businesses evaluate and enhance quality and productivity, and
5 to encourage the private sector to develop long-range goals to
6 improve quality and productivity and improve the competitive
7 position of private businesses. The quality and productivity
8 improvement program shall include seminars, workshops and short
9 courses on subjects such as long-range planning, new management
10 techniques, automated manufacturing, innovative uses of new
11 materials and the latest philosophies of management and quality
12 improvement. The program shall be available to existing Missouri
13 manufacturing, distribution and service businesses.

14 2. The department may develop quality and productivity
15 improvement centers at university and community college
16 campuses throughout the state as the demand and need is
17 determined. The department shall have the authority to contract
18 with individuals who possess particular knowledge, ability and
19 expertise in the various subjects which may be essential to the
20 program's goals. Seminars, workshops, short courses and specific
21 not for credit classes shall be developed on and off campus for
22 personnel engaged in manufacturing, distribution and service
23 businesses. At the discretion of the department, the University of
Missouri and Lincoln University extension services, the continuing

24 education offices of the regional universities and community
25 colleges may be used for the promotion and coordination of the
26 off-campus courses that are offered.

27 3. Activities eligible for reimbursement in the industry
28 quality and productivity program shall include:

29 (1) The cost of seminars, workshops, short courses and
30 specific not for credit classes;

31 (2) The wages of instructors;

32 (3) Productivity materials and supplies, including the
33 purchase of packaged productivity programs when appropriate;

34 (4) Travel directly related to the program;

35 (5) Tuition payments to third-party productivity providers
36 and to businesses; and

37 (6) Teaching and assistance provided by educational
38 institutions in the state.

39 4. No industry receiving assistance under the industry
40 quality and productivity improvement program shall be reimbursed
41 for more than fifty percent of the total costs of its participation in
42 the program.]

[620.476. Activities eligible for reimbursement by funds
2 administered through the new or expanding industry program and
3 the basic industry retraining program shall include: the wages of
4 instructors, who may or may not be employees of the industry;
5 training development costs, including the cost of training of
6 instructors; training materials and supplies, including the purchase
7 of packaged training programs when appropriate; travel directly
8 related to the training program; tuition payments to third-party
9 training providers and to the industry; teaching and assistance
10 provided by educational institutions in the state of Missouri;
11 on-the-job training; and the leasing, but not the purchase, of
12 training equipment and space.]

[620.478. 1. There is hereby established in the state
2 treasury a special fund to be known as the "Missouri Job
3 Development Fund". The fund shall consist of all moneys which
4 may be appropriated to it by the general assembly and also any
5 gifts, contributions, grants or bequests received from federal,
6 private or other sources. Appropriations made from the fund shall
7 be for the purpose of providing contractual services through the

8 department of elementary and secondary education for vocational
9 related training or retraining provided by public or private training
10 institutions within Missouri; and for contracted services through
11 the department of economic development for vocational related
12 training or retraining provided by public or private training
13 institutions located outside of Missouri; and for vocational related
14 training or retraining provided on site, within Missouri, by any
15 proprietorship, partnership or corporate entity. Except for
16 state-sponsored preemployment training, no applicant shall receive
17 more than fifty percent of its project training or retraining costs
18 from the development fund. Moneys to operate the new or
19 expanding industry training program, the basic industry retraining
20 program, the industry quality and productivity improvement
21 program and assistance to community college business and
22 technology centers shall be obtained from appropriations made by
23 the general assembly from the fund. No funds shall be awarded or
24 reimbursed to any industry for the training, retraining or
25 upgrading of skills of potential employees with the purpose of
26 replacing or supplanting employees engaged in an authorized work
27 stoppage.

28 2. The Missouri job development fund shall be able to
29 receive any block grant or other sources of funding relating to job
30 training, school-to-work transition, welfare reform, vocational and
31 technical training, housing, infrastructure development and human
32 resource investment programs which may be provided by the
33 federal government or other sources.]

2 [620.479. The department is authorized to contract with
3 other entities, including businesses, industries, other state agencies
4 and the political subdivisions of the state, for the purpose of
5 carrying out the provisions of sections 620.470 to 620.481.]

2 [620.480. To efficiently carry out the responsibilities of the
3 division of job development and training and to improve job
4 training program coordination, the commissioner of administration
5 shall authorize the division to directly negotiate with and contract
6 for job training and related services with administrative entities
7 designated pursuant to the requirements of the Job Training
8 Partnership Act and any subsequent amendments and any other
agencies or entities which may be designated to administer job

9 training and related services pursuant to any succeeding federal or
10 state legislative or regulatory requirements.]

[620.481. There is hereby created the "Missouri Job
2 Training Joint Legislative Oversight Committee". The committee
3 shall consist of three members of the Missouri senate appointed by
4 the president pro tem of the senate; three members of the house of
5 representatives appointed by the speaker of the house. No more
6 than two of the members of the senate and two of the members of
7 the house of representatives shall be from the same political
8 party. Members of the Missouri job training joint legislative
9 oversight committee shall report to the governor, the president pro
10 tem of the senate and the speaker of the house of representatives
11 on all assistance to industries under the provisions of sections
12 620.470 to 620.481 provided during the preceding fiscal year and
13 the customized job training program administered by the
14 department of elementary and secondary education. The report of
15 the committee shall be delivered no later than October first of each
16 year. The director of the department of economic development
17 shall report to the committee such information as the committee
18 may deem necessary for its annual report. Members of the
19 committee shall receive no compensation in addition to their salary
20 as members of the general assembly, but may receive their
21 necessary expenses while attending the meetings of the committee,
22 to be paid out of the joint contingent fund.]

[620.482. 1. The department may provide assistance,
2 through appropriations made from the Missouri job development
3 fund, to business and technology centers. Such assistance may not
4 include the lending of the state's credit for the payment of any
5 liability of the fund. Such centers may be established by Missouri
6 community colleges, or a state-owned postsecondary technical
7 college, to provide business and training services in disciplines
8 which shall include, but not be limited to, environmental health
9 and safety, industrial electrical technology, machine tool
10 technology, industrial management and technology, computer
11 consulting and computer-aided drafting, microcomputer training
12 and telecommunications training.

13 2. The department of economic development shall
14 promulgate rules and regulations as are necessary to implement

15 the provisions of sections 620.470 to 620.482. No rule or portion of
16 a rule promulgated under the authority of sections 620.470 to
17 620.482 shall become effective unless it has been promulgated
18 pursuant to the provisions of section 536.024.]

Section B. Because immediate action is necessary to secure adequate state
2 revenue, section A of this act is deemed necessary for the immediate preservation
3 of the public health, welfare, peace and safety, and is hereby declared to be an
4 emergency act within the meaning of the constitution, and section A of this act
5 shall be in full force and effect upon its passage and approval.

Unofficial ✓

Bill

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