

FIRST REGULAR SESSION

HOUSE BILL NO. 739

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES VIEBROCK, DIXON, SCHLOTTACH, MORRIS, MERIDETH, DAVIS (19), BOUGH, WILSON (119), LEMBKE, STEVENSON (Co-sponsors), REINHART, MILLER, BIVINS, TAYLOR, WASSON, SCHAAF, DEEKEN, WOOD, WALLACE, HUNTER, ROARK, GUEST, ST. ONGE, QUINN, MAY, KINGERY, PEARCE, PARKER, KING, DUSENBERG, KUESSNER, BEHNEN, MUNZLINGER, ANGST, STEFANICK, HOBBS, TOWNLEY, BEAN, LAGER, AVERY, YATES, HOLAND AND COOPER (155).

Read 1st time April 9, 2003, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

2203L.011

AN ACT

To repeal section 135.327, RSMo, and to enact in lieu thereof one new section relating to the special needs child adoption tax credit.

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

Section A. Section 135.327, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 135.327, to read as follows:

135.327. 1. Any person residing in this state who legally adopts a special needs child on or after January 1, 1988, and before January 1, 2000, shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may be applied to taxes due under chapter 143, RSMo. **For all tax years ending on or before December 31, 2003**, any business entity providing funds to an employee to enable that employee to legally adopt a special needs child shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may be applied to taxes due under such business entity's state tax liability, except that only one ten thousand dollar credit is available for each special needs child that is adopted.

2. Any person residing in this state who proceeds in good faith with the adoption of a special needs child on or after January 1, 2000, shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to taxes due under chapter 143, RSMo. **For all tax years ending on or before December 31,**

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

14 **2003**, any business entity providing funds to an employee to enable that employee to proceed in
15 good faith with the adoption of a special needs child shall be eligible to receive a tax credit of
16 up to ten thousand dollars for nonrecurring adoption expenses for each child that may be applied
17 to taxes due under such business entity's state tax liability, except that only one ten thousand
18 dollar credit is available for each special needs child that is adopted.

19 3. Individuals and business entities may claim a tax credit for their total nonrecurring
20 adoption expenses in each year that the expenses are incurred. A claim for fifty percent of the
21 credit shall be allowed when the child is placed in the home. A claim for the remaining fifty
22 percent shall be allowed when the adoption is final. The total of these tax credits shall not
23 exceed the maximum limit of ten thousand dollars per child. The cumulative amount of tax
24 credits which may be claimed by [taxpayers] **business entities** for nonrecurring adoption
25 expenses in any one fiscal year shall not exceed two million dollars.

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