

HB 1603 -- REPUBLICATION OF A SECTION IN STATUTE

SPONSOR: Lager

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Job Creation and Economic Development by a vote of 18 to 0.

This bill reenacts one section of law regarding a tax credit received by eligible small businesses. The tax credit is equal to the guaranty fee required by the United States Small Business Administration to obtain guaranteed financing and to programs administered by the United States Department of Agriculture or the Farm Service Agency. Senate Bill 894 of 2002 amended this section but was found to violate the single subject requirement of Article III, Section 23, of the Missouri Constitution. The bill will republish the section allowing a tax credit equal to the required fee.

FISCAL NOTE: No impact on state funds in FY 2005, FY 2006, and FY 2007.

PROPOSERS: Supporters say that this section was repealed by the General Assembly in 1999; but in 2000, the bill was found to be unconstitutional. As a result, the section has remained effective despite the fact that the Revisor of Statutes had to remove it from the statutes. The Revisor has no authority to republish sections unless the General Assembly passes a bill doing just that. The bill is necessary to republish this section so that the statutes accurately reflect Missouri law.

Testifying for the bill was Representative Lager.

OPPOSERS: There was no opposition voiced to the committee.

Alice Hurley, Legislative Analyst