

HOUSE _____ AMENDMENT NO. ____

Offered By

1 AMEND House Committee Substitute for House Bill Nos. 365, 804, & 805, Section 135.403,
2 Page 5, Line 55 by inserting immediately after said Line the following:

3 "135.1200. 1. There is hereby created a "Regional Economic Development Initiative" to
4 promote individual and business investments in economic development within the individual's or
5 business' region through contributions to support regional economic development organizations'
6 initiatives.

7 2. As used in this section, the following words and phrases shall mean:

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

9 (2) "Regional economic development organization", any legally formed and locally
10 recognized nonprofit organization representing multiple cities or counties with the goal of
11 promoting economic growth for its respective areas;

12 (3) "Tax credit", a credit against the tax otherwise due under chapter 143, RSMo,
13 excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or otherwise due
14 under chapter 147, 148, or 153, RSMo;

15 (4) "Taxpayer", any individual or entity subject to the tax imposed in chapter 143, RSMo,
16 excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or the tax imposed in
17 chapter 147, 148, or 153, RSMo.

18 3. A regional economic development organization may submit an application for

Action Taken _____

Date _____

1 authorization for tax credits to the department. The application shall identify the proposed use of
2 such credit and the areas of emphasis for the use of such credits. Funds shall be used in a manner
3 which furthers the economic growth of the region consistent with the goals and written plans of
4 the regional economic development organization. Eligible activities shall include but not be
5 limited to the following:

6 _____ (1) Public infrastructure and related activities which include but are not limited to the
7 acquisition of land, water, sewer, streets, and buildings;

8 _____ (2) Revolving loan programs; or

9 _____ (3) Job training programs.

10 4. Applications shall include the following:

11 _____ (1) A resolution passed by the regional economic development organization's board
12 approving the economic growth project;

13 _____ (2) The method by which the regional economic development organization will measure
14 success of the initiative;

15 _____ (3) The proposed fund-raising period;

16 _____ (4) The proposed project period; and

17 _____ (5) The amount of tax credit authorization sought.

18 5. In approving applications, the department shall consider:

19 _____ (1) The number of persons, families, or businesses which would benefit from the
20 proposed project;

21 _____ (2) The extent that additional public or private funds will be leveraged; and

22 _____ (3) The potential impact of the project on existing businesses.

23 6. No application shall be authorized for an amount more than two million dollars in tax
24 credits. No more than fifty thousand per year and one hundred fifty thousand total shall be used to
25 support the operation of the regional economic development organization, including but not
26 limited to salaries, marketing, operating expenses, and equipment.

27 7. The regional economic development organization shall provide the department with
28 documentation of funds raised and expended under this section. Such organization shall submit

Action Taken _____

Date _____

1 quarterly reports detailing funds expended and the progress of the project. Within six months of
2 the end of the project period, the regional economic development organization shall report the
3 results and economic success and submit an audit.

4 8. If at the conclusion of the project period the funds raised have not been expended
5 consistent with the approved application or the project has not been completed, an amount
6 corresponding to the respective tax credits issued shall be repaid. Repayment may be in the form
7 of cash paid directly to the department by the applicant or the voluntary relinquishment of the tax
8 credits.

9 9. For all taxable years beginning on or after December 31, 2007, any taxpayer shall be
10 entitled to a tax credit against any tax otherwise due under the provisions of chapter 143, 147,
11 148, or 153, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo,
12 in the amount of fifty percent of any amount contributed by the taxpayer to a regional economic
13 development organization if the regional economic development organization's plan has been
14 accepted and approved by the department. The contributions shall be made within the fund-
15 raising period approved by the department.

16 10. The tax credit may be carried forward for up to five years, and the taxpayer may sell,
17 assign, or otherwise transfer the tax credits.

18 11. The aggregate of all tax credits authorized under this section shall not exceed twelve
19 million dollars in any year or thirty-six million dollars cumulatively.

20 12. The department and the department of revenue may promulgate rules to implement the
21 provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010,
22 RSMo, that is created under the authority delegated in this section shall become effective only if it
23 complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable,
24 section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the
25 powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the
26 effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
27 grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be
28 invalid and void.

29 13. Pursuant to section 23.253, RSMo, of the Missouri Sunset Act:

Action Taken _____

Date _____

1 (1) The provisions of the new program authorized under this section shall automatically
2 sunset six years after the effective date of this section unless reauthorized by an act of the general
3 assembly; and

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

6 (3) This section shall terminate on September first of the calendar year immediately
7 following the calendar year in which the program authorized under this section is sunset."; and

8
9 Further amend said bill by amending the title, enacting clause, and intersectional references
10 accordingly.

Action Taken _____

Date _____