

FIRST REGULAR SESSION

HOUSE BILL NO. 1005

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES FLOOK (Sponsor), STEVENSON, KOMO, SUTHERLAND, ZERR, YATES, ERVIN, WILSON (130), SPRENG, ROORDA, KRAUS, DENISON, FUNDERBURK, RUESTMAN, ALLEN, GATSCHENBERGER AND STORCH (Co-sponsors).

2216L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.030, 135.090, 135.110, 135.220, 135.225, 135.235, 135.279, 135.305, 135.313, 135.327, 135.352, 135.403, 135.460, 135.481, 135.490, 135.503, 135.535, 135.545, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.680, 135.700, 135.710, 135.750, 135.766, 135.967, 135.968, 135.1150, 137.106, 137.1018, 143.119, 143.471, 148.064, 148.400, 148.620, 148.655, 148.657, 178.762, 178.894, 191.1056, 208.770, 253.550, 320.093, 348.302, 348.434, 348.505, 375.774, 376.745, 376.975, 376.980, 447.708, 620.495, 620.650, 620.1881, and 660.055, RSMo, and to enact in lieu thereof sixty-five new sections relating to tax rates and credits.

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, 135.030, 135.090, 2 135.110, 135.220, 135.225, 135.235, 135.279, 135.305, 135.313, 135.327, 135.352, 135.403, 3 135.460, 135.481, 135.490, 135.503, 135.535, 135.545, 135.550, 135.562, 135.575, 135.600, 4 135.630, 135.647, 135.679, 135.680, 135.700, 135.710, 135.750, 135.766, 135.967, 135.968, 5 135.1150, 137.106, 137.1018, 143.119, 143.471, 148.064, 148.400, 148.620, 148.655, 148.657, 6 178.762, 178.894, 191.1056, 208.770, 253.550, 320.093, 348.302, 348.434, 348.505, 375.774, 7 376.745, 376.975, 376.980, 447.708, 620.495, 620.650, 620.1881, and 660.055, RSMo, are 8 repealed and sixty-five new sections enacted in lieu thereof, to be known as sections 32.115, 9 99.1205, 100.286, 100.297, 100.850, 135.030, 135.090, 135.110, 135.220, 135.225, 135.235, 10 135.279, 135.305, 135.313, 135.327, 135.352, 135.403, 135.460, 135.481, 135.490, 135.503,

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

11 135.535, 135.545, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.680,
12 135.700, 135.710, 135.750, 135.766, 135.967, 135.968, 135.1150, 137.106, 137.1018, 143.119,
13 143.471, 148.064, 148.400, 148.620, 148.655, 148.657, 178.762, 178.894, 191.1056, 208.770,
14 253.550, 320.093, 348.302, 348.434, 348.505, 375.774, 376.745, 376.975, 376.980, 447.708,
15 620.495, 620.650, 620.1881, and 660.055, to read as follows:

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

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

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

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

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

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

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

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

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 amount
15 contributed during the taxable year by the business firm or, in the case of a financial institution,
16 where applicable, during the relevant income period in programs approved pursuant to section
17 32.110;

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

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

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

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

30 (c) A standard metropolitan statistical area and a substantial number of persons in such
31 county derive their income from agriculture. Such community may also be in an unincorporated

32 area in such county as provided in subdivision (1), (2) or (3) of this subsection. Except in no
33 case shall the total economic benefit of the combined federal and state tax savings to the taxpayer
34 exceed the amount contributed by the taxpayer during the tax year;

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

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

60 3. For proposals approved pursuant to section 32.111:

61 (1) The amount of the tax credit shall not exceed fifty-five percent of the total amount
62 invested in affordable housing assistance activities or market rate housing in distressed
63 communities as defined in section 135.530, RSMo, by a business firm. Whenever such
64 investment is made in the form of an equity investment or a loan, as opposed to a donation alone,
65 tax credits may be claimed only where the loan or equity investment is accompanied by a
66 donation which is eligible for federal income tax charitable deduction, and where the total value
67 of the tax credits herein plus the value of the federal income tax charitable deduction is less than

68 or equal to the value of the donation. Any tax credit not used in the period for which the credit
69 was approved may be carried over the next ten succeeding calendar or fiscal years until the full
70 credit has been allowed. If the affordable housing units or market rate housing units in distressed
71 communities for which a tax is claimed are within a larger structure, parts of which are not the
72 subject of a tax credit claim, then expenditures applicable to the entire structure shall be reduced
73 on a prorated basis in proportion to the ratio of the number of square feet devoted to the
74 affordable housing units or market rate housing units in distressed communities, for purposes of
75 determining the amount of the tax credit. The total amount of tax credit granted for programs
76 approved pursuant to section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed
77 two million dollars, to be increased by no more than two million dollars each succeeding fiscal
78 year, until the total tax credits that may be approved reaches ten million dollars in any fiscal year;

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

85 (3) In the case of owner-occupied affordable housing units, the qualifying owner
86 occupant shall, before the end of the first year in which credits are claimed, certify to the
87 commission that the occupant is income eligible during the preceding two years, and at the time
88 of the initial purchase contract, but not thereafter. The qualifying owner occupant shall further
89 certify to the commission, before the end of the first year in which credits are claimed, that
90 during the compliance period indicated in the land use restriction agreement, the cost of the
91 affordable housing unit to the occupant for the claimed unit can reasonably be projected to be
92 in compliance with the provisions of sections 32.100 to 32.125. Any succeeding owner occupant
93 acquiring the affordable housing unit during the compliance period indicated in the land use
94 restriction agreement shall make the same certification;

95 (4) If at any time during the compliance period the commission determines a project for
96 which a proposal has been approved is not in compliance with the applicable provisions of
97 sections 32.100 to 32.125 or rules promulgated therefor, the commission may within one
98 hundred fifty days of notice to the owner either seek injunctive enforcement action against the
99 owner, or seek legal damages against the owner representing the value of the tax credits, or
100 foreclose on the lien in the land use restriction agreement, selling the project at a public sale, and
101 paying to the owner the proceeds of the sale, less the costs of the sale and less the value of all tax
102 credits allowed herein. The commission shall remit to the director of revenue the portion of the
103 legal damages collected or the sale proceeds representing the value of the tax credits. However,

104 except in the event of intentional fraud by the taxpayer, the proposal's certificate of eligibility for
105 tax credits shall not be revoked.

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

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

115 **6. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
116 **issued under sections 32.100 to 32.125 shall be redeemed or applied to the tax credit**
117 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
118 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
119 **and shall not be redeemable or applied to the owner's tax liability.**

120 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
121 **be issued under sections 32.100 to 32.125 after December 31, 2011, unless such tax credits**
122 **are reauthorized by an act of the general assembly. If the tax credits are reauthorized, the**
123 **tax credits shall automatically sunset on December thirty-first six years after the effective**
124 **date of the initial reauthorization of this section, unless again reauthorized by an act of the**
125 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
126 **automatically sunset on December thirty-first every six years after each reauthorization**
127 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
128 **before the sunset date provided in this subsection. The tax credits authorized under**
129 **sections 32.100 to 32.125 shall terminate on September first of the calendar year**
130 **immediately following the calendar year in which the tax credits authorized under sections**
131 **32.100 to 32.125 are sunset.**

99.1205. 1. This section shall be known and may be cited as the "Distressed Areas Land
2 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 environmental
5 assessments, closing costs, real estate brokerage fees, reasonable demolition costs of vacant
6 structures, and reasonable maintenance costs incurred to maintain an acquired eligible parcel for
7 a period of five years after the acquisition of such eligible parcel. Acquisition costs shall not

8 include costs for title insurance and survey, attorney's fees, relocation costs, fines, or bills from
9 a municipality;

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

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

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

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

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

28 c. The remainder of the urban renewal area or the redevelopment area shall be
29 redeveloped by co-redevelopers or redevelopers to whom the applicant has assigned its
30 redevelopment rights and obligations under the urban renewal plan or the redevelopment plan;

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

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

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

39 (6) "Economic incentive laws", any provision of Missouri law pursuant to which
40 economic incentives are provided to redevelopers of a parcel or parcels to redevelop the land,
41 such as tax abatement or payments in lieu of taxes, or redevelopment plans or redevelopment
42 projects approved or adopted which include the use of economic incentives to redevelop the land.
43 Economic incentive laws include, but are not limited to, the land clearance for redevelopment

44 authority law under sections 99.300 to 99.660, the real property tax increment allocation
45 redevelopment act under sections 99.800 to 99.865, the Missouri downtown and rural economic
46 stimulus act under sections 99.915 to 99.1060, and the downtown revitalization preservation
47 program under sections 99.1080 to 99.1092;

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

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

50 (b) Which is to be redeveloped;

51 (c) On which the applicant has not commenced construction prior to November 28,
52 2007;

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

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

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

60 (a) The eligible project area shall consist of at least seventy-five acres and may include
61 parcels within its boundaries that do not constitute an eligible parcel;

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

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

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

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

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

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

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

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

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

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

89 (15) "Redevelopment agreement", the redevelopment agreement or similar agreement
90 into which the applicant entered with a municipal authority and which is the agreement for the
91 implementation of the urban renewal plan or redevelopment plan pursuant to which the applicant
92 was appointed or selected as the redeveloper or by which the person or entity was qualified as
93 an applicant under this section; and such appointment or selection shall have been approved by
94 an ordinance of the governing body of the municipality, or municipalities, or in the case of any
95 city not within a county, the board of aldermen, in which the eligible project area is located. The
96 redevelopment agreement shall include a time line for redevelopment of the eligible project area.
97 The redevelopment agreement shall state that the named developer shall be subject to the
98 provisions of chapter 290, RSMo.

99 3. Any applicant shall be entitled to a tax credit against the taxes imposed under chapters
100 143, 147, and 148, RSMo, except for sections 143.191 to 143.265, RSMo, in an amount equal
101 to fifty percent of the acquisition costs, and one hundred percent of the interest costs incurred for
102 a period of five years after the acquisition of an eligible parcel. No tax credits shall be issued
103 under this section until after January 1, 2008.

104 4. If the amount of such tax credit exceeds the total tax liability for the year in which the
105 applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be
106 carried forward for credit against the taxes imposed under chapters 143, 147, and 148, RSMo,
107 for the succeeding six years, or until the full credit is used, whichever occurs first. The applicant
108 shall not be entitled to a tax credit for taxes imposed under sections 143.191 to 143.265, RSMo.
109 Applicants entitled to receive such tax credits may transfer, sell, or assign the tax credits. Tax
110 credits granted to a partnership, a limited liability company taxed as a partnership, or multiple
111 owners of property shall be passed through to the partners, members, or owners respectively pro
112 rata or pursuant to an executed agreement among the partners, members, or owners documenting
113 an alternate distribution method.

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

121 6. To claim tax credits authorized under this section, an applicant shall submit to the
122 department an application for a certificate. An applicant shall identify the boundaries of the
123 eligible project area in the application. The department shall verify that the applicant has
124 submitted a valid application in the form and format required by the department. The department
125 shall verify that the municipal authority held the requisite hearings and gave the requisite notices
126 for such hearings in accordance with the applicable economic incentive act, and municipal
127 ordinances. On an annual basis, an applicant may file for the tax credit for the acquisition costs,
128 and for the tax credit for the interest costs, subject to the limitations of this section. If an
129 applicant applying for the tax credit meets the criteria required under this section, the department
130 shall issue a certificate in the appropriate amount. If an applicant receives a tax credit for
131 maintenance costs as a part of the applicant's acquisition costs, the department shall post on its
132 Internet web site the amount and type of maintenance costs and a description of the
133 redevelopment project for which the applicant received a tax credit within thirty days after the
134 department issues the certificate to the applicant.

135 7. The total aggregate amount of tax credits authorized under this section shall not
136 exceed ninety-five million dollars. At no time shall the annual amount of the tax credits issued
137 under this section exceed ten million dollars. If the tax credits that are to be issued under this
138 section exceed, in any year, the ten million dollar limitation, the department shall either:

139 (1) Issue tax credits to the applicant in the amount of ten million dollars, if there is only
140 one applicant entitled to receive tax credits in that year; or

141 (2) Issue the tax credits on a pro rata basis to all applicants entitled to receive tax credits
142 in that year. Any amount of tax credits, which an applicant is, or applicants are, entitled to
143 receive on an annual basis and are not issued due to the ten million dollar limitation, shall be
144 carried forward for the benefit of the applicant or applicants to subsequent years. No tax credits
145 provided under this section shall be authorized after August 28, 2013. Any tax credits which
146 have been authorized on or before August 28, 2013, but not issued, may be issued, subject to the
147 limitations provided under this subsection, until all such authorized tax credits have been issued.

148 8. Upon issuance of any tax credits pursuant to this section, the department shall report
149 to the municipal authority the applicant's name and address, the parcel numbers of the eligible

150 parcels for which the tax credits were issued, the itemized acquisition costs and interest costs for
151 which tax credits were issued, and the total value of the tax credits issued. The municipal
152 authority and the state shall not consider the amount of the tax credits as an applicant's cost, but
153 shall include the tax credits in any sources and uses and cost benefit analysis reviewed or created
154 for the purpose of awarding other economic incentives. The amount of the tax credits shall not
155 be considered an applicant's cost in the evaluation of the amount of any award of any other
156 economic incentives, but shall be considered in measuring the reasonableness of the rate of
157 return to the applicant with respect to such award of other economic incentives. The municipal
158 authority shall provide the report to any relevant commission, board, or entity responsible for the
159 evaluation and recommendation or approval of other economic incentives to assist in the
160 redevelopment of the eligible project area. Tax credits authorized under this section shall
161 constitute redevelopment tax credits, as such term is defined under section 135.800 RSMo, and
162 shall be subject to all provisions applicable to redevelopment tax credits provided under sections
163 135.800 to 135.830 RSMo.

164 9. The department may promulgate rules to implement the provisions of this section.
165 Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created
166 under the authority delegated in this section shall become effective only if it complies with and
167 is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028,
168 RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested
169 with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date,
170 or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
171 rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid
172 and void.

173 **10. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
174 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
175 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
176 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
177 **redeemable or applied to the owner's tax liability.**

178 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
179 **be issued under this section after December 31, 2011, unless such tax credits are**
180 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
181 **credits shall automatically sunset on December thirty-first six years after the effective date**
182 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
183 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
184 **automatically sunset on December thirty-first every six years after each reauthorization**
185 **by an act of the general assembly, unless reauthorized by an act of the general assembly**

186 **before the sunset date provided in this subsection. The tax credits authorized under this**
187 **section shall terminate on September first of the calendar year immediately following the**
188 **calendar year in which the tax credits authorized under this section are sunset.**

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

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

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

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

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

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

37 6. Any taxpayer, including any charitable organization that is exempt from federal
38 income tax and whose Missouri unrelated business taxable income, if any, would be subject to
39 the state income tax imposed under chapter 143, RSMo, shall be entitled to a tax credit against
40 any tax otherwise due under the provisions of chapter 143, RSMo, excluding withholding tax
41 imposed by sections 143.191 to 143.261, RSMo, chapter 147, RSMo, or chapter 148, RSMo, in
42 the amount of fifty percent of any amount contributed in money or property by the taxpayer to
43 the development and reserve fund, the infrastructure development fund or the export finance
44 fund during the taxpayer's tax year, provided, however, the total tax credits awarded in any
45 calendar year beginning after January 1, 1994, shall not be the greater of ten million dollars or
46 five percent of the average growth in general revenue receipts in the preceding three fiscal years.
47 This limit may be exceeded only upon joint agreement by the commissioner of administration,
48 the director of the department of economic development, and the director of the department of
49 revenue that such action is essential to ensure retention or attraction of investment in Missouri.
50 If the board receives, as a contribution, real property, the contributor at such contributor's own
51 expense shall have two independent appraisals conducted by appraisers certified by the Master
52 Appraisal Institute. Both appraisals shall be submitted to the board, and the tax credit certified
53 by the board to the contributor shall be based upon the value of the lower of the two appraisals.
54 The board shall not certify the tax credit until the property is deeded to the board. Such credit
55 shall not apply to reserve participation fees paid by borrowers under sections 100.250 to 100.297.
56 The portion of earned tax credits which exceeds the taxpayer's tax liability may be carried
57 forward for up to five years.

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

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

64 (2) In an amount not to exceed one hundred percent of annual earned credits. The
65 taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection, may
66 use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise
67 imposed by chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to
68 143.261, RSMo, chapter 147, RSMo, or chapter 148, RSMo. Unused credits in the hands of the

69 assignee may be carried forward for up to five years, provided all such credits shall be claimed
70 within ten years following the tax years in which the contribution was made. The assignor shall
71 enter into a written agreement with the assignee establishing the terms and conditions of the
72 agreement and shall perfect such transfer by notifying the board in writing within thirty calendar
73 days following the effective day of the transfer and shall provide any information as may be
74 required by the board to administer and carry out the provisions of this section. Notwithstanding
75 any other provision of law to the contrary, the amount received by the assignor of such tax credit
76 shall be taxable as income of the assignor, and the excess of the par value of such credit over the
77 amount paid by the assignee for such credit shall be taxable as income of the assignee.

78 **8. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
79 **issued under sections 100.250 to 100.297 shall be redeemed or applied to the tax credit**
80 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
81 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
82 **and shall not be redeemable or applied to the owner's tax liability.**

83 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
84 **be issued under sections 100.250 to 100.297 after December 31, 2011, unless such tax**
85 **credits are reauthorized by an act of the general assembly. If the tax credits are**
86 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
87 **after the effective date of the initial reauthorization of this section, unless again**
88 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
89 **the tax credits shall automatically sunset on December thirty-first every six years after each**
90 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
91 **general assembly before the sunset date provided in this subsection. The tax credits**
92 **authorized under sections 100.250 to 100.297 shall terminate on September first of the**
93 **calendar year immediately following the calendar year in which the tax credits authorized**
94 **under sections 100.250 to 100.297 are sunset.**

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

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

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

9 2. Upon making the determinations specified in subsection 1 of this section, the board
10 may declare that each owner of an issue of revenue bonds or notes shall be entitled, in lieu of any

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

37 3. The aggregate principal amount of revenue bonds or notes outstanding at any time
38 with respect to which the tax credit provided in this section shall be available shall not exceed
39 fifty million dollars.

40 **4. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
41 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
42 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
43 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
44 **redeemable or applied to the owner's tax liability.**

45 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
46 **be issued under this section after December 31, 2011, unless such tax credits are**

47 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
48 **credits shall automatically sunset on December thirty-first six years after the effective date**
49 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
50 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
51 **automatically sunset on December thirty-first every six years after each reauthorization**
52 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
53 **before the sunset date provided in this subsection. The tax credits authorized under this**
54 **section shall terminate on September first of the calendar year immediately following the**
55 **calendar year in which the tax credits authorized under this section are sunset.**

100.850. 1. The approved company shall remit to the board a job development
2 assessment fee, not to exceed five percent of the gross wages of each eligible employee whose
3 job was created as a result of the economic development project, or not to exceed ten percent if
4 the economic development project is located within a distressed community as defined in section
5 135.530, RSMo, for the purpose of retiring bonds which fund the economic development project.

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

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

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

17 5. In no event shall the aggregate amount of tax credits authorized by subsection 4 of this
18 section exceed fifteen million dollars annually. Of such amount, nine hundred fifty thousand
19 dollars shall be reserved for an approved project for a world headquarters of a business whose
20 primary function is tax return preparation that is located in any home rule city with more than
21 four hundred thousand inhabitants and located in more than one county, which amount reserved
22 shall end in the year of the final maturity of the certificates issued for such approved project.

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

26 **7. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
27 **issued under sections 100.700 to 100.850 shall be redeemed or applied to the tax credit**

28 owner's tax liability within three years of the issuance of the tax credits. Any amount of
29 such tax credits that is not redeemed or that is left unapplied after three years shall expire,
30 and shall not be redeemable or applied to the owner's tax liability.

31 (2) Notwithstanding any other provision of law to the contrary, no tax credits shall
32 be issued under sections 100.700 to 100.850 after December 31, 2011, unless such tax
33 credits are reauthorized by an act of the general assembly. If the tax credits are
34 reauthorized, the tax credits shall automatically sunset on December thirty-first six years
35 after the effective date of the initial reauthorization of this section, unless again
36 reauthorized by an act of the general assembly. If the tax credits are again reauthorized,
37 the tax credits shall automatically sunset on December thirty-first every six years after each
38 reauthorization by an act of the general assembly, unless reauthorized by an act of the
39 general assembly before the sunset date provided in this subsection. The tax credits
40 authorized under sections 100.700 to 100.850 shall terminate on September first of the
41 calendar year immediately following the calendar year in which the tax credits authorized
42 under sections 100.700 to 100.850 are sunset.

135.030. 1. As used in this section:

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

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

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

16	If the income on the return is:	The percent is:
17	Not over the minimum base	0 percent with credit not
18		to exceed \$1,100 in
19		actual property tax or
20		rent equivalent paid up
21		to \$750

22	Over the minimum base but	1/16 percent accumulative not
23	over the maximum upper	per \$300 from 0 percent
24	limit	to 4 percent.

25

26 The director of revenue shall prescribe a table based upon the preceding sentences. The property
27 tax shall be in increments of twenty-five dollars and the income in increments of three hundred
28 dollars. The credit shall be the amount rounded to the nearest whole dollar computed on the
29 basis of the property tax and income at the midpoints of each increment. As used in this
30 subsection, the term "accumulative" means an increase by continuous or repeated application of
31 the percent to the income increment at each three hundred dollar level.

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

37 **4. (1) The tax credits issued under sections 135.010 to 135.030 shall be redeemed**
38 **or applied to the tax credit owner's tax liability within three years of the issuance of the tax**
39 **credits. Any amount of such tax credits that is not redeemed or that is left unapplied after**
40 **three years shall expire, and shall not be redeemable or applied to the owner's tax liability.**

41 **(2) No tax credits shall be issued under sections 135.010 to 135.030 after December**
42 **31, 2011, unless such tax credits are reauthorized by an act of the general assembly. If the**
43 **tax credits are reauthorized, the tax credits shall automatically sunset on December thirty-**
44 **first six years after the effective date of the initial reauthorization of this section, unless**
45 **again reauthorized by an act of the general assembly. If the tax credits are again**
46 **reauthorized, the tax credits shall automatically sunset on December thirty-first every six**
47 **years after each reauthorization by an act of the general assembly, unless reauthorized by**
48 **an act of the general assembly before the sunset date provided in this subsection. The tax**
49 **credits authorized under sections 135.010 to 135.030 shall terminate on September first of**
50 **the calendar year immediately following the calendar year in which the tax credits**
51 **authorized under sections 135.010 to 135.030 are sunset.**

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

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

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

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

13 2. For all tax years beginning on or after January 1, 2008, a surviving spouse shall be
14 allowed a credit against the tax otherwise due under chapter 143, RSMo, excluding withholding
15 tax imposed by sections 143.191 to 143.265, RSMo, in an amount equal to the total amount of
16 the property taxes on the surviving spouse's homestead paid during the tax year for which the
17 credit is claimed.

18 3. A surviving spouse may claim the credit authorized under this section for each tax
19 year beginning the year of death of the public safety officer spouse until the tax year in which
20 the surviving spouse remarries. No credit shall be allowed for the tax year in which the surviving
21 spouse remarries. If the amount allowable as a credit exceeds the income tax reduced by other
22 credits, then the excess shall be considered an overpayment of the income tax.

23 [3.] 4. The department of revenue shall promulgate rules to implement the provisions of
24 this section.

25 [4.] 5. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo,
26 that is created under the authority delegated in this section shall become effective only if it
27 complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable,
28 section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of
29 the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay
30 the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then
31 the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall
32 be invalid and void.

33 [5. Pursuant to section 23.253, RSMo, of the Missouri sunset act:

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

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

39 (3) This section shall terminate on September first of the calendar year immediately
40 following the calendar year in which the program authorized under this section is sunset.] 6. (1)
41 **Notwithstanding any other provision of law to the contrary, the tax credits issued under**

42 **this section shall be redeemed or applied to the tax credit owner's tax liability within three**
43 **years of the issuance of the tax credits. Any amount of such tax credits that is not**
44 **redeemed or that is left unapplied after three years shall expire, and shall not be**
45 **redeemable or applied to the owner's tax liability.**

46 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
47 **be issued under this section after December 31, 2011, unless such tax credits are**
48 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
49 **credits shall automatically sunset on December thirty-first six years after the effective date**
50 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
51 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
52 **automatically sunset on December thirty-first every six years after each reauthorization**
53 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
54 **before the sunset date provided in this subsection. The tax credits authorized under this**
55 **section shall terminate on September first of the calendar year immediately following the**
56 **calendar year in which the tax credits authorized under this section are sunset.**

135.110. 1. Any taxpayer who shall establish a new business facility shall be allowed
2 a credit, each year for ten years, in an amount determined pursuant to subsection 2 or 3 of this
3 section, whichever is applicable, against the tax imposed by chapter 143, RSMo, excluding
4 withholding tax imposed by sections 143.191 to 143.265, RSMo, or an insurance company which
5 shall establish a new business facility by satisfying the requirements in subdivision (7) of section
6 135.100 shall be allowed a credit against the tax otherwise imposed by chapter 148, RSMo, and
7 in the case of an insurance company exempt from the thirty percent employee requirement of
8 section 135.230, against any obligation imposed pursuant to section 375.916, RSMo, except that
9 no taxpayer shall be entitled to multiple ten-year periods for subsequent expansions at the same
10 facility, except as otherwise provided in this section. For the purpose of this section, the term
11 "facility" shall mean, and be limited to, the facility or facilities which are located on the same site
12 in which the new business facility is located, and in which the business conducted at such facility
13 or facilities is directly related to the business conducted at the new business facility.
14 Notwithstanding the provisions of this subsection, a taxpayer may be entitled to an additional
15 ten-year period if a new business facility is expanded in the eighth, ninth or tenth year of the
16 current ten-year period or in subsequent years following the expiration of the ten-year period, if
17 the number of new business facility employees attributed to such expansion is at least
18 twenty-five and the amount of new business facility investment attributed to such expansion is
19 at least one million dollars. Credits may not be carried forward but shall be claimed for the
20 taxable year during which commencement of commercial operations occurs at such new business
21 facility, and for each of the nine succeeding taxable years. A letter of intent, as provided for in

22 section 135.258, must be filed with the department of economic development no later than
23 fifteen days prior to the commencement of commercial operations at the new business facility.
24 The initial application for claiming tax credits must be made in the taxpayer's tax period
25 immediately following the tax period in which commencement of commercial operations began
26 at the new business facility. This provision shall have effect on all initial applications filed on
27 or after August 28, 1992. No credit shall be allowed pursuant to this section unless the number
28 of new business facility employees engaged or maintained in employment at the new business
29 facility for the taxable year for which the credit is claimed equals or exceeds two; except that the
30 number of new business facility employees engaged or maintained in employment by a
31 revenue-producing enterprise other than a revenue-producing enterprise defined in paragraphs
32 (a) to (g) and (i) to (l) of subdivision (11) of section 135.100 which establishes an office as
33 defined in subdivision (8) of section 135.100 shall equal or exceed twenty-five.

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

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

43 (2) Up to fifty percent or, in the case of an economic development project located within
44 a distressed community as defined in section 135.530, seventy-five percent of the business
45 income tax otherwise imposed by chapter 143, RSMo, excluding withholding tax imposed by
46 sections 143.191 to 143.265, RSMo, or in the case of an insurance company, the tax on the direct
47 premiums, as defined in chapter 148, RSMo, and in the case of an insurance company exempt
48 from the thirty percent employee requirement of section 135.230, against any obligation imposed
49 pursuant to section 375.916, RSMo, if the business operates no other facilities in Missouri. In
50 the case of an existing business facility operating more than one facility in Missouri, the credit
51 allowed in subsection 1 of this section shall offset up to the greater of the portion prescribed in
52 subdivision (1) of this subsection or twenty-five percent or, in the case of an economic
53 development project located within a distressed community as defined in section 135.530,
54 thirty-five percent of the business' tax, except that no taxpayer operating more than one facility
55 in Missouri shall be allowed to offset more than twenty-five percent or, in the case of an
56 economic development project located within a distressed community as defined in section
57 135.530, thirty-five percent of the taxpayer's business income tax in any tax period under the

58 method prescribed in this subdivision. Such credit shall be an amount equal to the sum of one
59 hundred dollars or, in the case of an economic development project located within a distressed
60 community as defined in section 135.530, one hundred fifty dollars for each new business facility
61 employee plus one hundred dollars or, in the case of an economic development project located
62 within a distressed community as defined in section 135.530, one hundred fifty dollars for each
63 one hundred thousand dollars, or major fraction thereof (which shall be deemed to be fifty-one
64 percent or more) in new business facility investment. For the purpose of this section, tax credits
65 earned by a taxpayer, who establishes a new business facility because it satisfies the requirements
66 of paragraph (c) of subdivision (4) of section 135.100, shall offset the greater of the portion
67 prescribed in subdivision (1) of this subsection or up to fifty percent or, in the case of an
68 economic development project located within a distressed community as defined in section
69 135.530, seventy-five percent of the business' tax provided the business operates no other
70 facilities in Missouri. In the case of a business operating more than one facility in Missouri, the
71 credit allowed in subsection 1 of this section shall offset up to the greater of the portion
72 prescribed in subdivision (1) of this subsection or twenty-five percent or, in the case of an
73 economic development project located within a distressed community as defined in section
74 135.530, thirty-five percent of the business' tax, except that no taxpayer operating more than one
75 facility in Missouri shall be allowed to offset more than twenty-five percent or, in the case of an
76 economic development project located within a distressed community as defined in section
77 135.530, thirty-five percent of the taxpayer's business income tax in any tax period under the
78 method prescribed in this subdivision.

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

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

88 (2) Up to one hundred percent of the business income tax otherwise imposed by chapter
89 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or in
90 the case of an insurance company, the tax on the direct premiums, as defined in chapter 148,
91 RSMo, and in the case of an insurance company exempt from the thirty percent employee
92 requirement of section 135.230, against any obligation imposed pursuant to section 375.916,
93 RSMo, if the business has no other facilities operating in Missouri. In the case of a taxpayer not

94 operating an existing business and operating more than one facility in Missouri, the credit
95 allowed by subsection 1 of this section shall offset up to the greater of the portion prescribed in
96 subdivision (1) of this subsection or twenty-five percent or, in the case of an economic
97 development project located within a distressed community as defined in section 135.530,
98 thirty-five percent of the business' tax, except that no taxpayer operating more than one facility
99 in Missouri shall be allowed to offset more than twenty-five percent or, in the case of an
100 economic development project located within a distressed community as defined in section
101 135.530, thirty-five percent of the taxpayer's business income tax in any tax period under the
102 method prescribed in this subdivision. Such credit shall be an amount equal to the sum of
103 seventy-five dollars or, in the case of an economic development project located within a
104 distressed community as defined in section 135.530, one hundred twenty-five dollars for each
105 new business facility employee plus seventy-five dollars or, in the case of an economic
106 development project located within a distressed community as defined in section 135.530, one
107 hundred twenty-five dollars for each one hundred thousand dollars, or major fraction thereof
108 (which shall be deemed to be fifty-one percent or more) in new business facility investment.

109 4. The number of new business facility employees during any taxable year shall be
110 determined by dividing by twelve the sum of the number of individuals employed on the last
111 business day of each month of such taxable year. If the new business facility is in operation for
112 less than the entire taxable year, the number of new business facility employees shall be
113 determined by dividing the sum of the number of individuals employed on the last business day
114 of each full calendar month during the portion of such taxable year during which the new
115 business facility was in operation by the number of full calendar months during such period. For
116 the purpose of computing the credit allowed by this section in the case of a facility which
117 qualifies as a new business facility because it qualifies as a separate facility pursuant to
118 subsection 6 of this section, and, in the case of a new business facility which satisfies the
119 requirements of paragraph (c) of subdivision (4) of section 135.100, or subdivision (10) of
120 section 135.100, the number of new business facility employees at such facility shall be reduced
121 by the average number of individuals employed, computed as provided in this subsection, at the
122 facility during the taxable year immediately preceding the taxable year in which such expansion,
123 acquisition, or replacement occurred and shall further be reduced by the number of individuals
124 employed by the taxpayer or related taxpayer that was subsequently transferred to the new
125 business facility from another Missouri facility and for which credits authorized in this section
126 are not being earned, whether such credits are earned because of an expansion, acquisition,
127 relocation or the establishment of a new facility.

128 5. For the purpose of computing the credit allowed by this section in the case of a facility
129 which qualifies as a new business facility because it qualifies as a separate facility pursuant to

130 subsection 6 of this section, and, in the case of a new business facility which satisfies the
131 requirements of paragraph (c) of subdivision (4) of section 135.100 or subdivision (10) of section
132 135.100, the amount of the taxpayer's new business facility investment in such facility shall be
133 reduced by the average amount, computed as provided in subdivision (7) of section 135.100 for
134 new business facility investment, of the investment of the taxpayer, or related taxpayer
135 immediately preceding such expansion or replacement or at the time of acquisition.
136 Furthermore, the amount of the taxpayer's new business facility investment shall also be reduced
137 by the amount of investment employed by the taxpayer or related taxpayer which was
138 subsequently transferred to the new business facility from another Missouri facility and for which
139 credits authorized in this section are not being earned, whether such credits are earned because
140 of an expansion, acquisition, relocation or the establishment of a new facility.

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

144 (1) The taxpayer's new business facility investment in the expansion during the tax
145 period in which the credits allowed in this section are claimed exceeds one hundred thousand
146 dollars, or, if less, one hundred percent of the investment in the original facility prior to
147 expansion and if the number of new business facility employees engaged or maintained in
148 employment at the expansion facility for the taxable year for which credit is claimed equals or
149 exceeds two, except that the number of new business facility employees engaged or maintained
150 in employment at the expansion facility for the taxable year for which the credit is claimed
151 equals or exceeds twenty-five if an office as defined in subdivision (8) of section 135.100 is
152 established by a revenue-producing enterprise other than a revenue-producing enterprise defined
153 in paragraphs (a) to (g) and (i) to (l) of subdivision (11) of section 135.100 and the total number
154 of employees at the facility after the expansion is at least two greater than the total number of
155 employees before the expansion, except that the total number of employees at the facility after
156 the expansion is at least greater than the number of employees before the expansion by
157 twenty-five, if an office as defined in subdivision (8) of section 135.100 is established by a
158 revenue-producing enterprise other than a revenue-producing enterprise defined in paragraphs
159 (a) to (g) and (i) to (l) of subdivision (11) of section 135.100; and

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

163 7. No credit shall be allowed pursuant to this section to a public utility, as such term is
164 defined in section 386.020, RSMo. Notwithstanding any provision of this subsection to the
165 contrary, motor carriers, barge lines or railroads engaged in transporting property for hire, or any

166 interexchange telecommunications company or local exchange telecommunications company
167 that establishes a new business facility shall be eligible to qualify for credits allowed in this
168 section.

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

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

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

176 9. Notwithstanding any provision of law to the contrary, any employee-owned
177 engineering firm classified as SIC 8711, architectural firm as classified SIC 8712, or accounting
178 firm classified SIC 8721 establishing a new business facility because it qualifies as a
179 headquarters as defined in subsection 10 of this section, shall be allowed the credits described
180 in subsection 11 of this section under the same terms and conditions prescribed in sections
181 135.100 to 135.150; provided:

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

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

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

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

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

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

195 (2) "Headquarters" means:

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

198 (b) The taxpayer's business has been headquartered in this state for more than fifty years.

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

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

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

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

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

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

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

226 (2) In an amount not to exceed one hundred percent of such earned credits. The taxpayer
227 acquiring the earned credits referred to as the assignee for the purpose of this subsection may use
228 the acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed
229 by chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.261,
230 RSMo, or chapter 148, RSMo, or in the case of an insurance company exempt from the thirty
231 percent employee requirement of section 135.230, against any obligation imposed pursuant to
232 section 375.916, RSMo. Unused credits in the hands of the assignee may be carried forward for
233 up to five tax periods, provided all such credits shall be claimed within ten tax periods following
234 the tax period in which commencement of commercial operations occurred at the new business
235 facility. The assignor shall enter into a written agreement with the assignee establishing the

236 terms and conditions of the agreement and shall perfect such transfer by notifying the director
237 in writing within thirty calendar days following the effective date of the transfer and shall
238 provide any information as may be required by the director to administer and carry out the
239 provisions of this subsection. Notwithstanding any other provision of law to the contrary, the
240 amount received by the assignor of such tax credit shall be taxable as income of the assignor, and
241 the difference between the amount paid by the assignee and the par value of the credits shall be
242 taxable as income of the assignee.

243 **15. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
244 **issued under sections 135.100 to 135.150 shall be redeemed or applied to the tax credit**
245 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
246 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
247 **and shall not be redeemable or applied to the owner's tax liability.**

248 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
249 **be issued under sections 135.100 to 135.150 after December 31, 2011, unless such tax**
250 **credits are reauthorized by an act of the general assembly. If the tax credits are**
251 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
252 **after the effective date of the initial reauthorization of this section, unless again**
253 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
254 **the tax credits shall automatically sunset on December thirty-first every six years after each**
255 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
256 **general assembly before the sunset date provided in this subsection. The tax credits**
257 **authorized under sections 135.100 to 135.150 shall terminate on September first of the**
258 **calendar year immediately following the calendar year in which the tax credits authorized**
259 **under sections 135.100 to 135.150 are sunset.**

135.220. 1. The provisions of chapter 143, RSMo, notwithstanding, one-half of the
2 Missouri taxable income attributed to a new business facility in an enterprise zone which is
3 earned by a taxpayer establishing and operating a new business facility located within an
4 enterprise zone shall be exempt from taxation under chapter 143, RSMo. A taxpayer operating
5 a revenue producing enterprise as defined in paragraph (d) of subdivision (6) of section 135.200
6 may elect to exempt from taxation under chapter 143, RSMo, one-half of the Missouri taxable
7 income attributed to a new business facility in an enterprise zone or may elect to claim a
8 fifty-dollar credit against the tax imposed under chapter 143, RSMo, excluding withholding tax
9 imposed by sections 143.191 to 143.265, RSMo, for each room constructed for use as a bedroom
10 for each qualifying residential unit. A "bedroom" is defined as a structurally separate room used
11 primarily for sleeping, and not as a living room, dining room, kitchen or closet. That portion of
12 income attributed to the new business facility shall be determined in a manner prescribed in

13 paragraph (b) of subdivision (6) of section 135.100, except that compensation paid to truck
14 drivers, or rail or barge vehicle operators shall be excluded from the fraction.

15 2. In the case of a small corporation described in section 143.471, RSMo, or a
16 partnership, in computing the Missouri taxable income of the taxpayers described in subdivisions
17 (1) and (2) of this subsection, a deduction apportioned in proportion to their share of ownership
18 of the business on the last day of the taxpayer's tax period for which such tax credits are being
19 claimed, shall be allowed from their Missouri adjusted gross income in the amount of one-half
20 of the Missouri taxable income earned by the new business facility, as determined by the method
21 prescribed in subsection 1 of this section located within the enterprise zone, as defined in this
22 section, to the following:

23 (1) The shareholders of a small corporation described in section 143.471, RSMo;

24 (2) The partners in a partnership.

25 **3. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
26 **issued under sections 135.200 to 135.256 shall be redeemed or applied to the tax credit**
27 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
28 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
29 **and shall not be redeemable or applied to the owner's tax liability.**

30 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
31 **be issued under sections 135.200 to 135.256 after December 31, 2011, unless such tax**
32 **credits are reauthorized by an act of the general assembly. If the tax credits are**
33 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
34 **after the effective date of the initial reauthorization of this section, unless again**
35 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
36 **the tax credits shall automatically sunset on December thirty-first every six years after each**
37 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
38 **general assembly before the sunset date provided in this subsection. The tax credits**
39 **authorized under sections 135.200 to 135.256 shall terminate on September first of the**
40 **calendar year immediately following the calendar year in which the tax credits authorized**
41 **under sections 135.200 to 135.256 are sunset.**

135.225. 1. The credits otherwise provided by sections 135.100 to 135.150 shall upon
2 proper application be granted to any taxpayer who shall establish and operate a new business
3 facility located within an enterprise zone, except one designated pursuant to subsection 5 of
4 section 135.230, on the same terms and conditions specified in those sections, except that:

5 (1) The credit otherwise allowed for each new business facility employee employed
6 within an enterprise zone shall be four hundred dollars;

7 (2) An additional credit of four hundred dollars shall be granted for each twelve-month
8 period that a new business facility employee is a resident of an enterprise zone;

9 (3) An additional credit of four hundred dollars shall be granted for each twelve-month
10 period that the person employed as a new business facility employee is a person who, at the time
11 of such employment by the new business facility, met the criteria as set forth in section 135.240;

12 (4) The credit otherwise allowed for new business facility investment shall be equal to
13 the sum of ten percent of the first ten thousand dollars of such qualifying investment, plus five
14 percent of the next ninety thousand dollars of such qualifying investment, plus two percent of
15 all remaining qualifying investments within an enterprise zone;

16 (5) In the case of a small corporation described in section 143.471, RSMo, or a
17 partnership, the credits granted by this section shall be apportioned in proportion to the share of
18 ownership of the taxpayer on the last day of the taxpayer's tax period for which such tax credits
19 are being claimed, to the following:

20 (a) The shareholders of a small corporation described in section 143.471, RSMo;

21 (b) The partners in a partnership;

22 (6) In the case of financial institutions described pursuant to the provisions of chapter
23 148, RSMo, the credits allowed in subdivisions (1), (2), (3) and (4) of this subsection and the
24 credit allowed in section 135.235 may be used to offset the tax imposed by chapter 148, RSMo,
25 and, in the case of an insurance company exempt from the thirty-percent employee requirement
26 of section 135.230, any obligations imposed pursuant to section 375.916, RSMo, subject to the
27 same method of apportionment as prescribed for taxes imposed by chapter 143, RSMo, and as
28 provided in subdivision (6) of section 135.100 and subsections 2 and 3 of section 135.110;

29 (7) If a facility within an enterprise zone, which does not constitute a new business
30 facility, is expanded or improved by the taxpayer within the enterprise zone, the expansion or
31 improvement shall be considered a separate facility eligible for the credits allowed in this section
32 and section 135.235, and the exemption allowed in section 135.220, if:

33 (a) The new business facility investment in the expansion or improvement during the tax
34 period in which such credits and the exemption are claimed exceeds one hundred thousand
35 dollars or, if less than one hundred thousand dollars, is twenty-five percent of the investment in
36 the original facility prior to expansion or improvement; and

37 (b) The expansion or improvement otherwise constitutes a new business facility; and

38 (c) The number of new business facility employees engaged or maintained in
39 employment at the expanded or improved facility for the taxable year for which the credit is
40 claimed equals or exceeds two and the total number of employees at the facility after expansion
41 or improvement is at least two greater than the total number of employees before expansion or
42 improvement. The taxpayer's investment in the expansion or improvement and in the original

43 facility prior to expansion or improvement shall be determined in the manner provided in
44 subdivision (7) of section 135.100;

45 (8) For the purpose of sections 135.200 to 135.256, an office as defined in subdivision
46 (8) of section 135.100, when established, must create and maintain at least two new business
47 facility employees as defined in subdivision (5) of section 135.100;

48 (9) In the case where a person employed by the new business facility is a resident of the
49 enterprise zone for less than a twelve-month period, or in the case where a person employed as
50 a new business facility employee is a person who, at the time of such employment by the new
51 business facility, met the criteria as set forth in section 135.240, is employed for less than a
52 twelve-month period, the credits allowed by subdivisions (2) and (3) of this subsection shall be
53 determined by multiplying four hundred dollars by a fraction, the numerator of which is the
54 number of calendar days during the taxpayer's tax year for which such credits are claimed, in
55 which the person met the requirements prescribed in subdivision (2) or (3) of this subsection, and
56 the denominator of which is three hundred and sixty-five, except that such credit shall not exceed
57 four hundred dollars per employee in any one taxable year;

58 (10) The deferment of tax credit authorized in section 135.120 shall not be available to
59 taxpayers establishing a new business facility in an enterprise zone;

60 (11) The allowance for additional ten-year periods to certain new business facilities as
61 prescribed in subsection 1 of section 135.110 shall not be available to taxpayers expanding a new
62 business facility in an enterprise zone, except that any taxpayer who has been eligible to earn
63 enterprise zone tax benefits for ten tax periods, or until the expiration of the fifteen-year period
64 as prescribed in subsection 1 of section 135.230, or for the maximum period otherwise allowed
65 by law, may qualify for the tax credits allowed in section 135.110 if otherwise eligible, pursuant
66 to the same terms and conditions prescribed in sections 135.100 to 135.150;

67 (12) Taxpayers who establish a new business facility by operating a revenue-producing
68 enterprise as defined in paragraph (d) of subdivision (6) of section 135.200 shall not be required
69 to create and maintain new business facility employees.

70 2. The tax credits described in subdivisions (1), (2), (3) and (4) of subsection 1 of this
71 section, the training credit allowed in section 135.235, and the income exemption allowed in
72 section 135.220, shall be allowed to any taxpayer, under the same terms and conditions specified
73 in such sections, who establishes a new business facility in an enterprise zone designated
74 pursuant to subsection 5 of section 135.230, except that all such tax benefits shall be removed
75 not later than seven years after the enterprise zone is designated as such.

76 3. Notwithstanding any provision of law to the contrary, any taxpayer who establishes
77 a new business facility in an enterprise zone, may elect to forfeit the tax credits otherwise
78 allowed in section 135.235 and this section and the exemptions otherwise allowed in sections

79 135.215 and 135.220 and the refund otherwise allowed in section 135.245, and in lieu thereof,
80 claim the tax credits allowed in section 135.110, pursuant to the same terms and conditions
81 prescribed in sections 135.100 to 135.150. To perfect the election, the taxpayer shall attach
82 written notification of such election to the taxpayer's initial application for claiming tax credits.
83 The election shall be irreversible once perfected.

84 4. The right to receive the income exemption described in section 135.220, the tax
85 credits described in subsection 1 of this section and the training credit allowed in section 135.235
86 shall vest in the taxpayer upon commencement of operations of the revenue-producing
87 enterprise, but such vested right shall be waived by the taxpayer for any given year in which the
88 terms and conditions of sections 135.100 to 135.268 are not met. Representations made by the
89 department and relied upon in good faith by the taxpayer shall be binding upon the state of
90 Missouri insofar as they are consistent with the provisions of this chapter. The provisions of this
91 subsection shall apply to all revenue-producing enterprises which are eligible for incentives
92 pursuant to this subsection and which commenced operation on or after January 1, 1996, to the
93 extent such incentives do not exceed the fifteen-year limitation pursuant to subsection 1 of
94 section 135.230 or the seven-year limitation pursuant to subsection 5 of section 135.230. [The
95 provisions of this subsection shall apply to all revenue-producing enterprises which are eligible
96 for the incentives set forth in this subsection, and which began operation after January 1, 1996,
97 to the extent such incentives do not exceed the fifteen-year limitation set forth in subsection 1
98 of section 135.230, or the seven-year limit set forth in subsection 5 of section 135.230.]

99 **5. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
100 **issued under sections 135.200 to 135.256 shall be redeemed or applied to the tax credit**
101 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
102 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
103 **and shall not be redeemable or applied to the owner's tax liability.**

104 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
105 **be issued under sections 135.200 to 135.256 after December 31, 2011, unless such tax**
106 **credits are reauthorized by an act of the general assembly. If the tax credits are**
107 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
108 **after the effective date of the initial reauthorization of this section, unless again**
109 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
110 **the tax credits shall automatically sunset on December thirty-first every six years after each**
111 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
112 **general assembly before the sunset date provided in this subsection. The tax credits**
113 **authorized under sections 135.200 to 135.256 shall terminate on September first of the**

114 **calendar year immediately following the calendar year in which the tax credits authorized**
115 **under sections 135.200 to 135.256 are sunset.**

135.235. 1. To the extent that expenses incurred by a new business facility in an
2 enterprise zone for the training of persons employed in the operation of the new business facility
3 is not covered by an existing federal, state or local program, such new business facility shall be
4 eligible for a full tax credit equal to eighty percent of that portion of such training expenses
5 which are in excess of four hundred dollars for each trainee who is a resident of the enterprise
6 zone or who was at the time of such employment at the new business facility unemployable or
7 difficult to employ as defined in section 135.240, provided such credit shall not exceed four
8 hundred dollars for each employee trained. In the case of a small corporation described in
9 section 143.471, RSMo, or a partnership, all credits allowed by this section shall be apportioned
10 in proportion to the share of ownership of the business to the following:

- 11 (1) The shareholders of the corporation described in section 143.471, RSMo; or
- 12 (2) The partners in a partnership.

13 **2. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
14 **issued under sections 135.200 to 135.256 shall be redeemed or applied to the tax credit**
15 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
16 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
17 **and shall not be redeemable or applied to the owner's tax liability.**

18 (2) Notwithstanding any other provision of law to the contrary, no tax credits shall
19 be issued under this section after December 31, 2011, unless such tax credits are
20 reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax
21 credits shall automatically sunset on December thirty-first six years after the effective date
22 of the initial reauthorization of this section, unless again reauthorized by an act of the
23 general assembly. If the tax credits are again reauthorized, the tax credits shall
24 automatically sunset on December thirty-first every six years after each reauthorization
25 by an act of the general assembly, unless reauthorized by an act of the general assembly
26 before the sunset date provided in this subsection. The tax credits authorized under
27 sections 135.200 to 135.256 shall terminate on September first of the calendar year
28 immediately following the calendar year in which the tax credits authorized under sections
29 135.200 to 135.256 are sunset.

135.279. 1. Any taxpayer that operates an approved retained business facility in an
2 enterprise zone may be allowed a credit, each year for ten years, in an amount determined
3 pursuant to subsection 2 or 3 of this section, whichever is applicable, against the tax imposed by
4 chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo,
5 as follows:

6 (1) The credit allowed for each retained business facility employee shall be four hundred
7 dollars, except that for each retained business facility employee that exceeds the level of
8 employment set forth in paragraph (b) of subdivision (7) of section 135.276, the credit shall be
9 five hundred dollars. Transfers from another facility operated by the taxpayer in the state will
10 not count as retained business facility employees;

11 (2) An additional credit of four hundred dollars shall be granted for each twelve-month
12 period that a retained business facility employee is a resident of an enterprise zone;

13 (3) An additional credit of four hundred dollars shall be granted for each twelve-month
14 period that the person employed as a retained business facility employee is a person who, at the
15 time of such employment by the new business facility, met the criteria as set forth in section
16 135.240;

17 (4) To the extent that expenses incurred by a retained business facility in an enterprise
18 zone for the training of persons employed in the operation of the retained business facility is not
19 covered by an existing federal, state, or local program, such retained business facility shall be
20 eligible for a full tax credit equal to eighty percent of that portion of such training expenses
21 which are in excess of four hundred dollars for each trainee who is a resident of an enterprise
22 zone or who was at the time of such employment at the retained business facility unemployable
23 or difficult to employ as defined in section 135.240, provided such credit shall not exceed four
24 hundred dollars for each employee trained;

25 (5) The credit allowed for retained business facility investment shall be equal to the sum
26 of ten percent of the first ten thousand dollars of such qualifying investment, plus five percent
27 of the next ninety thousand dollars of such qualifying investment, plus two percent of all
28 remaining qualifying investments within an enterprise zone. The taxpayer's retained business
29 facility investment shall be reduced by the amount of investment made by the taxpayer or related
30 taxpayer which was subsequently transferred to the retained business facility from another
31 Missouri facility and for which credits authorized in this section are not being earned.

32 2. The credits allowed by subsection 1 of this section shall offset the greater of:

33 (1) Some portion of the income tax otherwise imposed by chapter 143, RSMo, excluding
34 withholding tax imposed by sections 143.191 to 143.265, RSMo, with respect to such taxpayer's
35 retained business facility income for the taxable year for which such credit is allowed; or

36 (2) If the taxpayer operates no other facility in Missouri, the credits allowed in
37 subsection 1 of this section shall offset up to fifty percent or, in the case of an economic
38 development project located within a distressed community as defined in section 135.530,
39 seventy-five percent of the business income tax otherwise imposed by chapter 143, RSMo,
40 excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, if the business
41 operates no other facilities in Missouri;

42 (3) If the taxpayer operates more than one facility in Missouri, the credits allowed in
43 subsection 1 of this section shall offset up to the greater of the portion prescribed in subdivision
44 (1) of this subsection or twenty-five percent or, in the case of an economic development project
45 located within a distressed community as defined in section 135.530, thirty-five percent of the
46 business' tax, except that no taxpayer operating more than one facility in Missouri shall be
47 allowed to offset more than twenty-five percent or, in the case of an economic development
48 project located within a distressed community as defined in section 135.530, thirty-five percent
49 of the taxpayer's business income tax in any tax period under the method prescribed in this
50 subdivision.

51 3. In the case where a person employed by the retained business facility is a resident of
52 the enterprise zone for less than a twelve-month period, or in the case where a person employed
53 as a retained business facility employee is a person who, at the time of such employment by the
54 retained business facility, met the criteria as set forth in section 135.240, is employed for less
55 than a twelve-month period, the credits allowed by subdivisions (2) and (3) of subsection 1 of
56 this section shall be determined by multiplying the dollar amount of the credit by a fraction, the
57 numerator of which is the number of calendar days during the taxpayer's tax year for which such
58 credits are claimed, in which the person met the requirements prescribed in subdivision (2) or
59 (3) of this subsection, and the denominator of which is three hundred sixty-five.

60 4. Notwithstanding any provision of law to the contrary, any taxpayer who claims the
61 exemption and credits allowed in sections 135.276 to 135.283 shall not be eligible to receive the
62 exemption allowed in section 135.220, the credits allowed in sections 135.225 and 135.235, and
63 the refund authorized by section 135.245 or the tax credits allowed in section 135.110. The
64 taxpayer must elect among the options. To perfect the election, the taxpayer shall attach written
65 notification of such election to the taxpayer's initial application for claiming tax credits. The
66 election shall be irreversible once perfected.

67 5. A taxpayer shall not receive the income exemption described in section 135.276 and
68 the tax credits described in subsection 1 of this section for any year in which the terms and
69 conditions of sections 135.276 to 135.283 are not met. Such incentives shall not exceed the
70 fifteen-year limitation pursuant to subsection 1 of section 135.230 or the seven-year limitation
71 pursuant to subsection 5 of section 135.230.

72 6. The initial application for claiming tax credits must be made in the taxpayer's tax
73 period immediately following the tax period in which commencement of commercial operations
74 began at the new business facility.

75 7. Credits may not be carried forward but shall be claimed for the taxable year during
76 which continuation of commercial operations occurs at such retained business facility, and for
77 each of the nine succeeding taxable years.

78 **8. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
79 **issued under sections 135.276 to 135.283 shall be redeemed or applied to the tax credit**
80 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
81 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
82 **and shall not be redeemable or applied to the owner's tax liability.**

83 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
84 **be issued under sections 135.276 to 135.283 after December 31, 2011, unless such tax**
85 **credits are reauthorized by an act of the general assembly. If the tax credits are**
86 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
87 **after the effective date of the initial reauthorization of this section, unless again**
88 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
89 **the tax credits shall automatically sunset on December thirty-first every six years after each**
90 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
91 **general assembly before the sunset date provided in this subsection. The tax credits**
92 **authorized under sections 135.276 to 135.283 shall terminate on September first of the**
93 **calendar year immediately following the calendar year in which the tax credits authorized**
94 **under sections 135.276 to 135.283 are sunset.**

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

8 **2. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
9 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
10 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
11 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
12 **redeemable or applied to the owner's tax liability.**

13 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
14 **be issued under this section after December 31, 2011, unless such tax credits are**
15 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
16 **credits shall automatically sunset on December thirty-first six years after the effective date**
17 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
18 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
19 **automatically sunset on December thirty-first every six years after each reauthorization**

20 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
21 **before the sunset date provided in this subsection. The tax credits authorized under this**
22 **section shall terminate on September first of the calendar year immediately following the**
23 **calendar year in which the tax credits authorized under this section are sunset.**

135.313. 1. Any person, firm or corporation who engages in the business of producing
2 charcoal or charcoal products in the state of Missouri shall be eligible for a tax credit on income
3 taxes otherwise due pursuant to chapter 143, RSMo, except sections 143.191 to 143.261, RSMo,
4 as an incentive to implement safe and efficient environmental controls. The tax credit shall be
5 equal to fifty percent of the purchase price of the best available control technology equipment
6 connected with the production of charcoal in the state of Missouri or, if the taxpayer
7 manufactures such equipment, fifty percent of the manufacturing cost of the equipment, to and
8 including the year the equipment is put into service. The credit may be claimed for a period of
9 eight years beginning with the 1998 calendar year and is to be a tax credit against the tax
10 otherwise due.

11 2. Any amount of credit which exceeds the tax due shall not be refunded but may be
12 carried over to any subsequent taxable year, not to exceed seven years.

13 3. The charcoal producer may elect to assign to a third party the approved tax credit.
14 Certification of assignment and other appropriate forms must be filed with the Missouri
15 department of revenue and the department of economic development.

16 4. When applying for a tax credit, the charcoal producer specified in subsection 1 of this
17 section shall make application for the credit to the division of environmental quality of the
18 department of natural resources. The application shall identify the specific best available control
19 technology equipment and the purchase price, or manufacturing cost of such equipment. The
20 director of the department of natural resources is authorized to require permits to construct prior
21 to the installation of best available control technology equipment and other information which
22 he or she deems appropriate.

23 5. The director of the department of natural resources in conjunction with the department
24 of economic development shall certify to the department of revenue that the best available
25 control technology equipment meets the requirements to obtain a tax credit as specified in this
26 section.

27 **6. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
28 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
29 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
30 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
31 **redeemable or applied to the owner's tax liability.**

32 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
33 **be issued under this section after December 31, 2011, unless such tax credits are**
34 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
35 **credits shall automatically sunset on December thirty-first six years after the effective date**
36 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
37 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
38 **automatically sunset on December thirty-first every six years after each reauthorization**
39 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
40 **before the sunset date provided in this subsection. The tax credits authorized under this**
41 **section shall terminate on September first of the calendar year immediately following the**
42 **calendar year in which the tax credits authorized under this section are sunset.**

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 special advocate
3 fund established under section 476.777, RSMo, including an association based in this state,
4 affiliated with a national association, organized to provide support to entities receiving funding
5 from the court-appointed special advocate fund;

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

8 (3) "Contribution", amount of donation to qualified agency;

9 (4) "Crisis care center", entities contracted with this state which provide temporary care
10 for children whose age ranges from birth through seventeen years of age whose parents or
11 guardian are experiencing an unexpected and unstable or serious condition that requires
12 immediate action resulting in short-term care, usually three to five continuous, uninterrupted
13 days, for children who may be at risk for child abuse, neglect, or in an emergency situation;

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

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

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

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

19 2. Any person residing in this state who legally adopts a special needs child on or after
20 January 1, 1988, and before January 1, 2000, shall be eligible to receive a tax credit of up to ten
21 thousand dollars for nonrecurring adoption expenses for each child adopted that may be applied
22 to taxes due under chapter 143, RSMo. Any business entity providing funds to an employee to
23 enable that employee to legally adopt a special needs child shall be eligible to receive a tax credit
24 of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may

25 be applied to taxes due under such business entity's state tax liability, except that only one ten
26 thousand dollar credit is available for each special needs child that is adopted.

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

38 4. Individuals and business entities may claim a tax credit for their total nonrecurring
39 adoption expenses in each year that the expenses are incurred. A claim for fifty percent of the
40 credit shall be allowed when the child is placed in the home. A claim for the remaining fifty
41 percent shall be allowed when the adoption is final. The total of these tax credits shall not
42 exceed the maximum limit of ten thousand dollars per child. The cumulative amount of tax
43 credits which may be claimed by taxpayers claiming the credit for nonrecurring adoption
44 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million dollars. The
45 cumulative amount of tax credits that may be claimed by taxpayers claiming the credit for
46 nonrecurring adoption expenses shall not be more than four million dollars but may be increased
47 by appropriation in any fiscal year beginning on or after July 1, 2004; provided, however, that
48 by December thirty-first following each July, if less than two million dollars in credits have been
49 issued for adoption of special needs children who are not residents or wards of residents of this
50 state at the time the adoption is initiated, the remaining amount of the cap shall be available for
51 the adoption of special needs children who are residents or wards of residents of this state at the
52 time the adoption is initiated. For all fiscal years beginning on or after July 1, 2006, applications
53 to claim the adoption tax credit for special needs children who are residents or wards of residents
54 of this state at the time the adoption is initiated shall be filed between July first and April
55 fifteenth of each fiscal year. For all fiscal years beginning on or after July 1, 2006, applications
56 to claim the adoption tax credit for special needs children who are not residents or wards of
57 residents of this state at the time the adoption is initiated shall be filed between July first and
58 December thirty-first of each fiscal year.

59 5. Notwithstanding any provision of law to the contrary, any individual or business entity
60 may assign, transfer or sell tax credits allowed in this section. Any sale of tax credits claimed

61 pursuant to this section shall be at a discount rate of seventy-five percent or greater of the amount
62 sold.

63 6. The director of revenue shall establish a procedure by which, for each fiscal year, the
64 cumulative amount of tax credits authorized in this section is equally apportioned among all
65 taxpayers within the two categories specified in subsection 3 of this section claiming the credit
66 in that fiscal year. To the maximum extent possible, the director of revenue shall establish the
67 procedure described in this subsection in such a manner as to ensure that taxpayers within each
68 category can claim all the tax credits possible up to the cumulative amount of tax credits
69 available for the fiscal year.

70 7. For all tax years beginning on or after January 1, 2006, a tax credit may be claimed
71 in an amount equal to up to fifty percent of a verified contribution to a qualified agency and shall
72 be named the children in crisis tax credit. The minimum amount of any tax credit issued shall
73 not be less than fifty dollars and shall be applied to taxes due under chapter 143, RSMo,
74 excluding sections 143.191 to 143.265, RSMo. A contribution verification shall be issued to the
75 taxpayer by the agency receiving the contribution. Such contribution verification shall include
76 the taxpayer's name, Social Security number, amount of tax credit, amount of contribution, the
77 name and address of the agency receiving the credit, and the date the contribution was made.
78 The tax credit provided under this subsection shall be initially filed for the year in which the
79 verified contribution is made.

80 8. The cumulative amount of the tax credits redeemed shall not exceed the unclaimed
81 portion of the resident adoption category allocation as described in this section. The director of
82 revenue shall determine the unclaimed portion available. The amount available shall be equally
83 divided among the three qualified agencies: CASA, child advocacy centers, or crisis care centers
84 to be used towards tax credits issued. In the event tax credits claimed under one agency do not
85 total the allocated amount for that agency, the unused portion for that agency will be made
86 available to the remaining agencies equally. In the event the total amount of tax credits claimed
87 for any one agency exceeds the amount available for that agency, the amount redeemed shall and
88 will be apportioned equally to all eligible taxpayers claiming the credit under that agency. After
89 all children in crisis tax credits have been claimed, any remaining unclaimed portion of the
90 reserved allocation for adoptions of special needs children who are residents or wards of
91 residents of this state shall then be made available for adoption tax credit claims of special needs
92 children who are not residents or wards of residents of this state at the time the adoption is
93 initiated.

94 9. Prior to December thirty-first of each year, the entities listed under the definition of
95 qualified agency shall apply to the department of social services in order to verify their qualified
96 agency status. Upon a determination that the agency is eligible to be a qualified agency, the

97 department of social services shall provide a letter of eligibility to such agency. No later than
98 February first of each year, the department of social services shall provide a list of qualified
99 agencies to the department of revenue. All tax credit applications to claim the children in crisis
100 tax credit shall be filed between July first and April fifteenth of each fiscal year. A taxpayer shall
101 apply for the children in crisis tax credit by attaching a copy of the contribution verification
102 provided by a qualified agency to such taxpayer's income tax return.

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

105 11. (1) In the event a credit denial, due to lack of available funds, causes a balance-due
106 notice to be generated by the department of revenue, or any other redeeming agency, the taxpayer
107 will not be held liable for any penalty or interest, provided the balance is paid, or approved
108 payment arrangements have been made, within sixty days from the notice of denial.

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

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

116 13. The department may promulgate such rules or regulations as are necessary to
117 administer the provisions of this section. Any rule or portion of a rule, as that term is defined
118 in section 536.010, RSMo, that is created under the authority delegated in this section shall
119 become effective only if it complies with and is subject to all of the provisions of chapter 536,
120 RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are
121 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536,
122 RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently
123 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted
124 after August 28, 2006, shall be invalid and void.

125 14. [Pursuant to section 23.253, RSMo, of the Missouri sunset act:

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

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

132 (3) This section shall terminate on September first of the calendar year immediately
133 following the calendar year in which the program authorized under this section is sunset.] (1)
134 **Notwithstanding any other provision of law to the contrary, the tax credits issued under**
135 **sections 135.325 to 135.339 shall be redeemed or applied to the tax credit owner's tax**
136 **liability within three years of the issuance of the tax credits. Any amount of such tax**
137 **credits that is not redeemed or that is left unapplied after three years shall expire, and shall**
138 **not be redeemable or applied to the owner's tax liability.**

139 (2) **Notwithstanding any other provision of law to the contrary, no tax credits shall**
140 **be issued under sections 135.325 to 135.339 after December 31, 2011, unless such tax**
141 **credits are reauthorized by an act of the general assembly. If the tax credits are**
142 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
143 **after the effective date of the initial reauthorization of this section, unless again**
144 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
145 **the tax credits shall automatically sunset on December thirty-first every six years after each**
146 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
147 **general assembly before the sunset date provided in this subsection. The tax credits**
148 **authorized under sections 135.325 to 135.339 shall terminate on September first of the**
149 **calendar year immediately following the calendar year in which the tax credits authorized**
150 **under sections 135.325 to 135.339 are sunset.**

135.352. 1. A taxpayer owning an interest in a qualified Missouri project shall be
2 allowed a state tax credit, whether or not allowed a federal tax credit, to be termed the Missouri
3 low-income housing tax credit, if the commission issues an eligibility statement for that project.

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

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

15 4. All or any portion of Missouri tax credits issued in accordance with the provisions of
16 sections 135.350 to 135.362 may be allocated to parties who are eligible pursuant to the
17 provisions of subsection 1 of this section. Beginning January 1, 1995, for qualified projects

18 which began on or after January 1, 1994, an owner of a qualified Missouri project shall certify
19 to the director the amount of credit allocated to each taxpayer. The owner of the project shall
20 provide to the director appropriate information so that the low-income housing tax credit can be
21 properly allocated.

22 5. In the event that recapture of Missouri low-income housing tax credits is required
23 pursuant to subsection 2 of section 135.355, any statement submitted to the director as provided
24 in this section shall include the proportion of the state credit required to be recaptured, the
25 identity of each taxpayer subject to the recapture and the amount of credit previously allocated
26 to such taxpayer.

27 6. The director of the department may promulgate rules and regulations necessary to
28 administer the provisions of this section. No rule or portion of a rule promulgated pursuant to
29 the authority of this section shall become effective unless it has been promulgated pursuant to
30 the provisions of section 536.024, RSMo.

31 **7. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
32 **issued under sections 135.350 to 135.363 shall be redeemed or applied to the tax credit**
33 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
34 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
35 **and shall not be redeemable or applied to the owner's tax liability.**

36 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
37 **be issued under sections 135.350 to 135.363 after December 31, 2011, unless such tax**
38 **credits are reauthorized by an act of the general assembly. If the tax credits are**
39 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
40 **after the effective date of the initial reauthorization of this section, unless again**
41 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
42 **the tax credits shall automatically sunset on December thirty-first every six years after each**
43 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
44 **general assembly before the sunset date provided in this subsection. The tax credits**
45 **authorized under sections 135.350 to 135.363 shall terminate on September first of the**
46 **calendar year immediately following the calendar year in which the tax credits authorized**
47 **under sections 135.350 to 135.363 are sunset.**

135.403. 1. Any investor who makes a qualified investment in a Missouri small business
2 shall be entitled to receive a tax credit equal to forty percent of the amount of the investment or,
3 in the case of a qualified investment in a Missouri small business in a distressed community as
4 defined by section 135.530, a credit equal to sixty percent of the amount of the investment, and
5 any investor who makes a qualified investment in a community bank or a community
6 development corporation shall be entitled to receive a tax credit equal to fifty percent of the

7 amount of the investment if the investment is made in a community bank or community
8 development corporation for direct investment. The total amount of tax credits available for
9 qualified investments in Missouri small businesses shall not exceed thirteen million dollars and
10 at least four million dollars of the amount authorized by this section and certified by the
11 department of economic development shall be for investment in Missouri small businesses in
12 distressed communities. Authorization for all or any part of this four-million-dollar amount shall
13 in no way restrict the eligibility of Missouri small businesses in distressed communities, as
14 defined in section 135.530, for the remaining amounts authorized within this section. No more
15 than twenty percent of the tax credits available each year for investments in community banks
16 or community development corporations for direct investment shall be certified for any one
17 project, as defined in section 135.400. The tax credit shall be evidenced by a tax credit
18 certificate in accordance with the provisions of sections 135.400 to 135.430 and may be used to
19 satisfy the state tax liability of the owner of the certificate that becomes due in the tax year in
20 which the qualified investment is made, or in any of the ten tax years thereafter. When the
21 qualified small business is in a distressed community, as defined in section 135.530, the tax
22 credit may also be used to satisfy the state tax liability of the owner of the certificate that was due
23 during each of the previous three years in addition to the year in which the investment is made
24 and any of the ten years thereafter. No investor may receive a tax credit pursuant to sections
25 135.400 to 135.430 unless that person presents a tax credit certificate to the department of
26 revenue for payment of such state tax liability. The department of revenue shall grant tax credits
27 in the same order as established by subsection 1 of section 32.115, RSMo. Subject to the
28 provisions of sections 135.400 to 135.430, certificates of tax credit issued in accordance with
29 these sections may be transferred, sold or assigned by notarized endorsement thereof which
30 names the transferee.

31 2. Five hundred thousand dollars in tax credits shall be available annually from the total
32 amount of tax credits authorized by section 32.110, RSMo, and subdivision (4) of subsection 2
33 of section 32.115, RSMo, as a result of investments in community banks or community
34 development corporations. Aggregate investments eligible for tax credits in any one Missouri
35 small business shall not be more than one million dollars. Aggregate investments eligible for
36 tax credits in any one Missouri small business shall not be less than five thousand dollars as of
37 the date of issuance of the first tax credit certificate for investment in that business.

38 3. This section and section 620.1039, RSMo, shall become effective January 1, 2001.

39 **4. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
40 **issued under sections 135.400 to 135.430 shall be redeemed or applied to the tax credit**
41 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**

42 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
43 **and shall not be redeemable or applied to the owner's tax liability.**

44 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
45 **be issued under sections 135.400 to 135.430 after December 31, 2011, unless such tax**
46 **credits are reauthorized by an act of the general assembly. If the tax credits are**
47 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
48 **after the effective date of the initial reauthorization of this section, unless again**
49 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
50 **the tax credits shall automatically sunset on December thirty-first every six years after each**
51 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
52 **general assembly before the sunset date provided in this subsection. The tax credits**
53 **authorized under sections 135.400 to 135.430 shall terminate on September first of the**
54 **calendar year immediately following the calendar year in which the tax credits authorized**
55 **under sections 135.400 to 135.430 are sunset.**

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

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

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

23 the effective date, or to disapprove and annul a rule or portion of a rule, are subsequently held
24 unconstitutional, then the purported grant of rulemaking authority and any rule so proposed and
25 contained in the order of rulemaking shall be invalid and void.

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

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

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

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

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

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

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

46 (6) Mentor and role model programs;

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

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

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

53 (10) Nonviolent conflict resolution and mediation programs;

54 (11) Youth outreach and counseling programs.

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

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

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

64 9. For the purposes of the credits described in this section, in the case of a corporation
65 described in section 143.471, RSMo, partnership, limited liability company described in section
66 347.015, RSMo, cooperative, marketing enterprise, or partnership, in computing Missouri's tax
67 liability, such credits shall be allowed to the following:

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

69 (2) The partners of the partnership;

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

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

74 **10. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
75 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
76 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
77 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
78 **redeemable or applied to the owner's tax liability.**

79 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
80 **be issued under this section after December 31, 2011, unless such tax credits are**
81 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
82 **credits shall automatically sunset on December thirty-first six years after the effective date**
83 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
84 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
85 **automatically sunset on December thirty-first every six years after each reauthorization**
86 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
87 **before the sunset date provided in this subsection. The tax credits authorized under this**
88 **section shall terminate on September first of the calendar year immediately following the**
89 **calendar year in which the tax credits authorized under this section are sunset.**

135.481. 1. (1) Any taxpayer who incurs eligible costs for a new residence located in
2 a distressed community or within a census block group as described in subdivision (10) of
3 section 135.478, or for a multiple unit condominium described in subdivision (2) of this
4 subsection, shall receive a tax credit equal to fifteen percent of such costs against his or her tax

5 liability. The tax credit shall not exceed forty thousand dollars per new residence in any ten-year
6 period.

7 (2) For the purposes of this section, a "multiple unit condominium" is one that is
8 intended to be owner occupied, which is constructed on property subject to an industrial
9 development contract as defined in section 100.310, RSMo, and which lies within an area with
10 a city zoning classification of urban redevelopment district established after January 1, 2000, and
11 before December 31, 2001, and which is constructed in connection with the qualified
12 rehabilitation of a structure more than ninety years old eligible for the historic structures
13 rehabilitation tax credit described in sections 253.545 to 253.559, RSMo, and is under way by
14 January 1, 2000, and completed by January 1, 2002.

15 2. Any taxpayer who incurs eligible costs for a new residence located within a census
16 block as described in subdivision (6) of section 135.478 shall receive a tax credit equal to fifteen
17 percent of such costs against his or her tax liability. The tax credit shall not exceed twenty-five
18 thousand dollars per new residence in any ten-year period.

19 3. Any taxpayer who is not performing substantial rehabilitation and who incurs eligible
20 costs for rehabilitation of an eligible residence or a qualifying residence shall receive a tax credit
21 equal to twenty-five percent of such costs against his or her tax liability. The minimum eligible
22 costs for rehabilitation of an eligible residence shall be ten thousand dollars. The minimum
23 eligible costs for rehabilitation of a qualifying residence shall be five thousand dollars. The tax
24 credit shall not exceed twenty-five thousand dollars in any ten-year period.

25 4. Any taxpayer who incurs eligible costs for substantial rehabilitation of a qualifying
26 residence shall receive a tax credit equal to thirty-five percent of such costs against his or her tax
27 liability. The minimum eligible costs for substantial rehabilitation of a qualifying residence shall
28 be ten thousand dollars. The tax credit shall not exceed seventy thousand dollars in any ten-year
29 period.

30 5. A taxpayer shall be eligible to receive tax credits for new construction or rehabilitation
31 pursuant to only one subsection of this section.

32 6. No tax credit shall be issued pursuant to this section for any structure which is in
33 violation of any municipal or county property, maintenance or zoning code.

34 7. No tax credit shall be issued pursuant to sections 135.475 to 135.487 for the
35 construction or rehabilitation of rental property.

36 **8. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
37 **issued under sections 135.475 to 135.487 shall be redeemed or applied to the tax credit**
38 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
39 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
40 **and shall not be redeemable or applied to the owner's tax liability.**

41 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
42 **be issued under sections 135.475 to 135.487 after December 31, 2011, unless such tax**
43 **credits are reauthorized by an act of the general assembly. If the tax credits are**
44 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
45 **after the effective date of the initial reauthorization of this section, unless again**
46 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
47 **the tax credits shall automatically sunset on December thirty-first every six years after each**
48 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
49 **general assembly before the sunset date provided in this subsection. The tax credits**
50 **authorized under sections 135.475 to 135.487 shall terminate on September first of the**
51 **calendar year immediately following the calendar year in which the tax credits authorized**
52 **under sections 135.475 to 135.487 are sunset.**

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

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

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

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

22 **5. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
23 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
24 **within three years of the issuance of the tax credits. Any amount of such tax credits that**

25 is not redeemed or that is left unapplied after three years shall expire, and shall not be
26 redeemable or applied to the owner's tax liability.

27 (2) Notwithstanding any other provision of law to the contrary, no tax credits shall
28 be issued under this section after December 31, 2011, unless such tax credits are
29 reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax
30 credits shall automatically sunset on December thirty-first six years after the effective date
31 of the initial reauthorization of this section, unless again reauthorized by an act of the
32 general assembly. If the tax credits are again reauthorized, the tax credits shall
33 automatically sunset on December thirty-first every six years after each reauthorization
34 by an act of the general assembly, unless reauthorized by an act of the general assembly
35 before the sunset date provided in this subsection. The tax credits authorized under this
36 section shall terminate on September first of the calendar year immediately following the
37 calendar year in which the tax credits authorized under this section are sunset.

135.503. 1. Any investor that makes an investment of certified capital shall, in the year
2 of investment, earn a vested credit against state premium tax liability equal to the applicable
3 percentage of the investor's investment of certified capital. An investor shall be entitled to take
4 up to ten percent of the vested credit in any taxable year of the investor. Any time after three
5 years after August 28, 1996, the director, with the approval of the commissioner of
6 administration, may reduce the applicable percentage on a prospective basis. Any such reduction
7 in the applicable percentage by the director shall not have any effect on credits against state
8 premium tax liability which have been claimed or will be claimed by any investor with respect
9 to credits which have been earned and vested pursuant to an investment of certified capital prior
10 to the effective date of any such change.

11 2. An insurance company claiming a state premium tax credit earned through an
12 investment in a certified capital company shall not be required to pay any additional retaliatory
13 tax levied pursuant to section 375.916, RSMo, as a result of claiming such credit.

14 3. The credit against state premium tax liability which is described in subsection 1 of this
15 section may not exceed the state premium tax liability of the investor for any taxable year. All
16 such credits against state premium tax liability may be carried forward indefinitely until the
17 credits are utilized. The maximum amount of certified capital in one or more certified capital
18 companies for which earned and vested tax credits will be allowed in any year to any one
19 investor or its affiliates shall be limited to ten million dollars.

20 4. Except as provided in subsection 5 of this section, the aggregate amount of certified
21 capital for which earned and vested credits against state premium tax liability are allowed for all
22 persons pursuant to sections 135.500 to 135.529 shall not exceed the following amounts: for
23 calendar year 1996, \$0.00; for calendar year 1997, an amount which would entitle all Missouri

24 certified capital company investors to take aggregate credits of five million dollars; and for any
25 year thereafter, an additional amount to be determined by the director but not to exceed aggregate
26 credits of ten million dollars for any year with the approval of the commissioner of
27 administration and reported to the general assembly as provided in subsection 2 of section
28 33.282, RSMo, provided that the amount so determined shall not impair the ability of an investor
29 with earned and vested credits which have been allowed in previous years to take them, pursuant
30 to subsection 1 of this section. During any calendar year in which the limitation described in this
31 subsection will limit the amount of certified capital for which earned and vested credits against
32 state premium tax liability are allowed, certified capital for which credits are allowed will be
33 allocated in order of priority based upon the date of filing of information described in subdivision
34 (1) of subsection 5 of section 135.516. Certified capital limited in any calendar year by the
35 application of the provisions of this subsection shall be allowed and allocated in the immediately
36 succeeding calendar year in the order of priority set forth in this subsection. The department
37 shall make separate allocations of certified capital for which credits are allowed under the
38 limitations described in this subsection and under the limitations described in subsection 5 of this
39 section.

40 5. In addition to the maximum amount pursuant to subsection 4 of this section, the
41 aggregate amount of certified capital for which earned and vested credits against state premium
42 tax liability are allowed for persons pursuant to sections 135.500 to 135.529 shall be the
43 following: for calendar year 1999 and for any year thereafter, an amount to be determined by the
44 director which would entitle all Missouri certified capital company investors to take aggregate
45 credits not to exceed four million dollars for any year with the approval of the commissioner of
46 administration and reported to the general assembly as provided in subsection 2 of section
47 33.282, RSMo, provided that the amount so determined shall not impair the ability of an investor
48 with earned and vested credits which have been allowed in previous years or pursuant to the
49 provisions of subsection 4 of this section to take them, pursuant to subsection 1 of this section.
50 For purposes of any requirement regarding the schedule of qualified investments for certified
51 capital for which earned and vested credits against state premium tax liability are allowed
52 pursuant to this subsection only, the definition of a "qualified Missouri business" as set forth in
53 subdivision (14) of subsection 2 of section 135.500 means a Missouri business that is located in
54 a distressed community as defined in section 135.530, and meets all of the requirements of
55 subdivision (14) of subsection 2 of section 135.500. During any calendar year in which the
56 limitation described in this subsection limits the amount of additional certified capital for which
57 earned and vested credits against state premium tax liability are allowed, additional certified
58 capital for which credits are allowed shall be allocated in order of priority based upon the date
59 of filing of information described in subdivision (1) of subsection 5 of section 135.516 with

60 respect to such additional certified capital. The department shall make separate allocations of
61 certified capital for which credits are allowed under the limitations described in this subsection
62 and under the limitations described in subsection 4 of this section. No limitation applicable to
63 any certified capital company with respect to certified capital for which credits are allowed
64 pursuant to subsection 4 of this section shall limit the amount of certified capital for which
65 credits are allowed pursuant to this subsection. No limitation applicable to any certified capital
66 company with respect to certified capital for which credits are allowed pursuant to this
67 subsection shall limit the amount of certified capital for which credits are allowed pursuant to
68 subsection 4 of this section.

69 6. The department shall advise any Missouri certified capital company, in writing, within
70 fifteen days after receiving the filing described in subdivision (1) of subsection 5 of section
71 135.516 whether the limitations of subsection 3 of this section then in effect will be applicable
72 with respect to the investments and credits described in such filing with the department.

73 **7. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
74 **issued under sections 135.500 to 135.529 shall be redeemed or applied to the tax credit**
75 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
76 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
77 **and shall not be redeemable or applied to the owner's tax liability.**

78 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
79 **be issued under sections 135.500 to 135.529 after December 31, 2011, unless such tax**
80 **credits are reauthorized by an act of the general assembly. If the tax credits are**
81 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
82 **after the effective date of the initial reauthorization of this section, unless again**
83 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
84 **the tax credits shall automatically sunset on December thirty-first every six years after each**
85 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
86 **general assembly before the sunset date provided in this subsection. The tax credits**
87 **authorized under sections 135.500 to 135.529 shall terminate on September first of the**
88 **calendar year immediately following the calendar year in which the tax credits authorized**
89 **under sections 135.500 to 135.529 are sunset.**

135.535. 1. A corporation, limited liability corporation, partnership or sole
2 proprietorship, which moves its operations from outside Missouri or outside a distressed
3 community into a distressed community, or which commences operations in a distressed
4 community on or after January 1, 1999, and in either case has more than seventy-five percent of
5 its employees at the facility in the distressed community, and which has fewer than one hundred
6 employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical

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

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

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

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

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

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

67 7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section shall
68 be for an amount of no more than ten million dollars for each year beginning in 1999. To the
69 extent there are available tax credits remaining under the ten million dollar cap provided in this
70 section, up to one hundred thousand dollars in the remaining credits shall first be used for tax
71 credits authorized under section 135.562. The total maximum credit for all entities already
72 located in distressed communities and claiming credits pursuant to subsection 4 of this section
73 shall be seven hundred and fifty thousand dollars. The department of economic development in
74 approving taxpayers for the credit as provided for in subsection 6 of this section shall use
75 information provided by the department of revenue regarding taxes paid in the previous year, or
76 projected taxes for those entities newly established in the state, as the method of determining
77 when this maximum will be reached and shall maintain a record of the order of approval. Any

78 tax credit not used in the period for which the credit was approved may be carried over until the
79 full credit has been allowed.

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

86 9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax
87 credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the
88 tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and
89 135.245, respectively, for the same business for the same tax period.

90 **10. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
91 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
92 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
93 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
94 **redeemable or applied to the owner's tax liability.**

95 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
96 **be issued under this section after December 31, 2011, unless such tax credits are**
97 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
98 **credits shall automatically sunset on December thirty-first six years after the effective date**
99 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
100 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
101 **automatically sunset on December thirty-first every six years after each reauthorization**
102 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
103 **before the sunset date provided in this subsection. The tax credits authorized under this**
104 **section shall terminate on September first of the calendar year immediately following the**
105 **calendar year in which the tax credits authorized under this section are sunset.**

135.545. 1. A taxpayer shall be allowed a credit for taxes paid pursuant to chapter 143,
2 147 or 148, RSMo, in an amount equal to fifty percent of a qualified investment in transportation
3 development for aviation, mass transportation, including parking facilities for users of mass
4 transportation, railroads, ports, including parking facilities and limited access roads within ports,
5 waterborne transportation, bicycle and pedestrian paths, or rolling stock located in a distressed
6 community as defined in section 135.530, and which are part of a development plan approved
7 by the appropriate local agency. If the department of economic development determines the
8 investment has been so approved, the department shall grant the tax credit in order of date

9 received. A taxpayer may carry forward any unused tax credit for up to ten years and may carry
10 it back for the previous three years until such credit has been fully claimed. Certificates of tax
11 credit issued in accordance with this section may be transferred, sold or assigned by notarized
12 endorsement which names the transferee. The tax credits allowed pursuant to this section shall
13 be for an amount of no more than ten million dollars for each year. This credit shall apply to
14 returns filed for all taxable years beginning on or after January 1, 1999. Any unused portion of
15 the tax credit authorized pursuant to this section shall be available for use in the future by those
16 entities until fully claimed. For purposes of this section, a "taxpayer" shall include any charitable
17 organization that is exempt from federal income tax and whose Missouri unrelated business
18 taxable income, if any, would be subject to the state income tax imposed under chapter 143,
19 RSMo.

20 **2. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
21 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
22 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
23 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
24 **redeemable or applied to the owner's tax liability.**

25 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
26 **be issued under this section after December 31, 2011, unless such tax credits are**
27 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
28 **credits shall automatically sunset on December thirty-first six years after the effective date**
29 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
30 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
31 **automatically sunset on December thirty-first every six years after each reauthorization**
32 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
33 **before the sunset date provided in this subsection. The tax credits authorized under this**
34 **section shall terminate on September first of the calendar year immediately following the**
35 **calendar year in which the tax credits authorized under this section are sunset.**

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 securities, or
3 real property;

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

7 (3) "State tax liability", in the case of a business taxpayer, any liability incurred by such
8 taxpayer pursuant to the provisions of chapter 143, RSMo, chapter 147, RSMo, chapter 148,
9 RSMo, and chapter 153, RSMo, exclusive of the provisions relating to the withholding of tax

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

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

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

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

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

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

43 6. The director of the department of social services shall establish a procedure by which
44 a taxpayer can determine if a facility has been classified as a shelter for victims of domestic
45 violence, and by which such taxpayer can then contribute to such shelter for victims of domestic

46 violence and claim a tax credit. Shelters for victims of domestic violence shall be permitted to
47 decline a contribution from a taxpayer. The cumulative amount of tax credits which may be
48 claimed by all the taxpayers contributing to shelters for victims of domestic violence in any one
49 fiscal year shall not exceed two million dollars.

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

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

67 **9. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
68 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
69 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
70 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
71 **redeemable or applied to the owner's tax liability.**

72 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
73 **be issued under this section after December 31, 2011, unless such tax credits are**
74 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
75 **credits shall automatically sunset on December thirty-first six years after the effective date**
76 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
77 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
78 **automatically sunset on December thirty-first every six years after each reauthorization**
79 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
80 **before the sunset date provided in this subsection. The tax credits authorized under this**

81 **section shall terminate on September first of the calendar year immediately following the**
82 **calendar year in which the tax credits authorized under this section are sunset.**

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

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

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

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

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

27 5. The tax credits allowed, including the maximum amount that may be claimed,
28 pursuant to this section shall be reduced by an amount sufficient to offset any amount of such
29 costs a taxpayer has already deducted from such taxpayer's federal adjusted gross income or to
30 the extent such taxpayer has applied any other state or federal income tax credit to such costs.

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

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

44 8. The provisions of this section shall apply to all tax years beginning on or after January
45 1, 2008.

46 9. [The provisions of this section shall expire December 31, 2013] **(1) Notwithstanding**
47 **any other provision of law to the contrary, the tax credits issued under this section shall**
48 **be redeemed or applied to the tax credit owner's tax liability within three years of the**
49 **issuance of the tax credits. Any amount of such tax credits that is not redeemed or that is**
50 **left unapplied after three years shall expire, and shall not be redeemable or applied to the**
51 **owner's tax liability.**

52 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
53 **be issued under this section after December 31, 2011, unless such tax credits are**
54 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
55 **credits shall automatically sunset on December thirty-first six years after the effective date**
56 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
57 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
58 **automatically sunset on December thirty-first every six years after each reauthorization**
59 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
60 **before the sunset date provided in this subsection. The tax credits authorized under this**
61 **section shall terminate on September first of the calendar year immediately following the**
62 **calendar year in which the tax credits authorized under this section are sunset.**

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

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

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

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

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

7 2. The provisions of this section shall be subject to section 33.282, RSMo. For all
8 taxable years beginning on or after January 1, 2007, a taxpayer shall be allowed a tax credit for
9 donations in excess of one hundred dollars made to the Missouri health care access fund. The
10 tax credit shall be subject to annual approval by the senate appropriations committee and the
11 house budget committee. The tax credit amount shall be equal to one-half of the total donation
12 made, but shall not exceed twenty-five thousand dollars per taxpayer claiming the credit. If the
13 amount of the tax credit issued exceeds the amount of the taxpayer's state tax liability for the tax
14 year for which the credit is claimed, the difference shall not be refundable but may be carried
15 forward to any of the taxpayer's next four taxable years. No tax credit granted under this section
16 shall be transferred, sold, or assigned. The cumulative amount of tax credits which may be
17 issued under this section in any one fiscal year shall not exceed one million dollars.

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

27 4. [Pursuant to section 23.253, RSMo, of the Missouri sunset act:

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

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

33 (3) This section shall terminate on September first of the calendar year immediately
34 following the calendar year in which the program authorized under this section is sunset.] **(1)**
35 **Notwithstanding any other provision of law to the contrary, the tax credits issued under**
36 **this section shall be redeemed or applied to the tax credit owner's tax liability within three**
37 **years of the issuance of the tax credits. Any amount of such tax credits that is not**
38 **redeemed or that is left unapplied after three years shall expire, and shall not be**
39 **redeemable or applied to the owner's tax liability.**

40 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
41 **be issued under this section after December 31, 2011, unless such tax credits are**
42 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
43 **credits shall automatically sunset on December thirty-first six years after the effective date**
44 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
45 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
46 **automatically sunset on December thirty-first every six years after each reauthorization**
47 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
48 **before the sunset date provided in this subsection. The tax credits authorized under this**
49 **section shall terminate on September first of the calendar year immediately following the**
50 **calendar year in which the tax credits authorized under this section are sunset.**

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

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

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

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

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

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

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

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

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

43 6. The director of the department of social services shall establish a procedure by which
44 a taxpayer can determine if a facility has been classified as a maternity home, and by which such
45 taxpayer can then contribute to such maternity home and claim a tax credit. Maternity homes
46 shall be permitted to decline a contribution from a taxpayer. The cumulative amount of tax
47 credits which may be claimed by all the taxpayers contributing to maternity homes in any one
48 fiscal year shall not exceed two million dollars.

49 7. The director of the department of social services shall establish a procedure by which,
50 from the beginning of the fiscal year until some point in time later in the fiscal year to be
51 determined by the director of the department of social services, the cumulative amount of tax
52 credits are equally apportioned among all facilities classified as maternity homes. If a maternity
53 home fails to use all, or some percentage to be determined by the director of the department of
54 social services, of its apportioned tax credits during this predetermined period of time, the
55 director of the department of social services may reapportion these unused tax credits to those
56 maternity homes that have used all, or some percentage to be determined by the director of the
57 department of social services, of their apportioned tax credits during this predetermined period
58 of time. The director of the department of social services may establish more than one period
59 of time and reapportion more than once during each fiscal year. To the maximum extent
60 possible, the director of the department of social services shall establish the procedure described

61 in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits
62 possible up to the cumulative amount of tax credits available for the fiscal year.

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

65 **9. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
66 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
67 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
68 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
69 **redeemable or applied to the owner's tax liability.**

70 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
71 **be issued under this section after December 31, 2011, unless such tax credits are**
72 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
73 **credits shall automatically sunset on December thirty-first six years after the effective date**
74 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
75 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
76 **automatically sunset on December thirty-first every six years after each reauthorization**
77 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
78 **before the sunset date provided in this subsection. The tax credits authorized under this**
79 **section shall terminate on September first of the calendar year immediately following the**
80 **calendar year in which the tax credits authorized under this section are sunset.**

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

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

4 (2) "Director", the director of the department of social services;

5 (3) "Pregnancy resource center", a nonresidential facility located in this state:

6 (a) Established and operating primarily to provide assistance to women with crisis
7 pregnancies or unplanned pregnancies by offering pregnancy testing, counseling, emotional and
8 material support, and other similar services to encourage and assist such women in carrying their
9 pregnancies to term; and

10 (b) Where childbirths are not performed; and

11 (c) Which does not perform, induce, or refer for abortions and which does not hold itself
12 out as performing, inducing, or referring for abortions; and

13 (d) Which provides direct client services at the facility, as opposed to merely providing
14 counseling or referral services by telephone; and

15 (e) Which provides its services at no cost to its clients; and

16 (f) When providing medical services, such medical services must be performed in
17 accordance with Missouri statute; and

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

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

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

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

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

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

48 5. The director shall determine, at least annually, which facilities in this state may be
49 classified as pregnancy resource centers. The director may require of a facility seeking to be
50 classified as a pregnancy resource center whatever information which is reasonably necessary

51 to make such a determination. The director shall classify a facility as a pregnancy resource
52 center if such facility meets the definition set forth in subsection 1 of this section.

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

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

71 8. Each pregnancy resource center shall provide information to the director concerning
72 the identity of each taxpayer making a contribution to the pregnancy resource center who is
73 claiming a tax credit pursuant to this section and the amount of the contribution. The director
74 shall provide the information to the director of revenue. The director shall be subject to the
75 confidentiality and penalty provisions of section 32.057, RSMo, relating to the disclosure of tax
76 information.

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

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

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

83 10. [Pursuant to section 23.253, RSMo, of the Missouri sunset act:

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

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

89 (3) This section shall terminate on September first of the calendar year immediately
90 following the calendar year in which a program authorized under this section is sunset.] **(1)**
91 **Notwithstanding any other provision of law to the contrary, the tax credits issued under**
92 **this section shall be redeemed or applied to the tax credit owner's tax liability within three**
93 **years of the issuance of the tax credits. Any amount of such tax credits that is not**
94 **redeemed or that is left unapplied after three years shall expire, and shall not be**
95 **redeemable or applied to the owner's tax liability.**

96 (2) **Notwithstanding any other provision of law to the contrary, no tax credits shall**
97 **be issued under this section after December 31, 2011, unless such tax credits are**
98 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
99 **credits shall automatically sunset on December thirty-first six years after the effective date**
100 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
101 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
102 **automatically sunset on December thirty-first every six years after each reauthorization**
103 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
104 **before the sunset date provided in this subsection. The tax credits authorized under this**
105 **section shall terminate on September first of the calendar year immediately following the**
106 **calendar year in which the tax credits authorized under this section are sunset.**

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

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

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

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

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

11

12 2. For all tax years beginning on or after January 1, 2007, any taxpayer who donates cash
13 or food, unless such food is donated after the food's expiration date, to any local food pantry shall
14 be allowed a credit against the tax otherwise due under chapter 143, RSMo, excluding
15 withholding tax imposed by sections 143.191 to 143.265, RSMo, in an amount equal to fifty

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

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

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

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

49 6. [Under section 23.253, RSMo, of the Missouri sunset act:

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

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

56 (3) This section shall terminate on September first of the calendar year immediately
57 following the calendar year in which the program authorized under this section is sunset.] **(1)**
58 **Notwithstanding any other provision of law to the contrary, the tax credits issued under**
59 **this section shall be redeemed or applied to the tax credit owner's tax liability within three**
60 **years of the issuance of the tax credits. Any amount of such tax credits that is not**
61 **redeemed or that is left unapplied after three years shall expire, and shall not be**
62 **redeemable or applied to the owner's tax liability.**

63 (2) **Notwithstanding any other provision of law to the contrary, no tax credits shall**
64 **be issued under this section after December 31, 2011, unless such tax credits are**
65 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
66 **credits shall automatically sunset on December thirty-first six years after the effective date**
67 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
68 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
69 **automatically sunset on December thirty-first every six years after each reauthorization**
70 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
71 **before the sunset date provided in this subsection. The tax credits authorized under this**
72 **section shall terminate on September first of the calendar year immediately following the**
73 **calendar year in which the tax credits authorized under this section are sunset.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

44 3. For all taxable years beginning on or after January 1, 2009, but ending on or before
45 December 31, [2016] **2011**, a taxpayer shall be allowed a tax credit for the first qualifying sale
46 and for a subsequent qualifying sale of all qualifying beef animals. The tax credit amount for
47 the first qualifying sale shall be ten cents per pound, shall be based on the backgrounded weight
48 of all qualifying beef animals at the time of the first qualifying sale, and shall be calculated as

49 follows: the qualifying sale weight minus the baseline weight multiplied by ten cents, as long
50 as the qualifying sale weight is equal to or greater than two hundred pounds above the baseline
51 weight. The tax credit amount for each subsequent qualifying sale shall be ten cents per pound,
52 shall be based on the backgrounded weight of all qualifying beef animals at the time of the
53 subsequent qualifying sale, and shall be calculated as follows: the qualifying sale weight minus
54 the baseline weight multiplied by ten cents, as long as the qualifying sale weight is equal to or
55 greater than two hundred pounds above the baseline weight. The authority may waive no more
56 than twenty-five percent of the two hundred pound weight gain requirement, but any such waiver
57 shall be based on a disaster declaration issued by the U. S. Department of Agriculture.

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

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

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

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

94 8. This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298,
95 RSMo.

96 **9. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
97 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
98 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
99 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
100 **redeemable or applied to the owner's tax liability.**

101 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
102 **be issued under this section after December 31, 2011, unless such tax credits are**
103 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
104 **credits shall automatically sunset on December thirty-first six years after the effective date**
105 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
106 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
107 **automatically sunset on December thirty-first every six years after each reauthorization**
108 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
109 **before the sunset date provided in this subsection. The tax credits authorized under this**
110 **section shall terminate on September first of the calendar year immediately following the**
111 **calendar year in which the tax credits authorized under this section are sunset.**

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

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

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

5 (b) The following fraction:

- 6 a. The numerator shall be the dollar amount of qualified low-income community
7 investments held by the issuer in this state as of the credit allowance date during the applicable
8 tax year; and
- 9 b. The denominator shall be the total dollar amount of qualified low-income community
10 investments held by the issuer in all states as of the credit allowance date during the applicable
11 tax year;
- 12 c. For purposes of calculating the amount of qualified low-income community
13 investments held by an issuer, an investment shall be considered held by an issuer even if the
14 investment has been sold or repaid; provided that the issuer reinvests an amount equal to the
15 capital returned to or recovered by the issuer from the original investment, exclusive of any
16 profits realized, in another qualified low-income community investment within twelve months
17 of the receipt of such capital. An issuer shall not be required to reinvest capital returned from
18 qualified low-income community investments after the sixth anniversary of the issuance of the
19 qualified equity investment, the proceeds of which were used to make the qualified low-income
20 community investment, and the qualified low-income community investment shall be considered
21 held by the issuer through the seventh anniversary of the qualified equity investment's issuance;
- 22 (2) "Applicable percentage", zero percent for each of the first two credit allowance dates,
23 seven percent for the third credit allowance date, and eight percent for the next four credit
24 allowance dates;
- 25 (3) "Credit allowance date", with respect to any qualified equity investment:
- 26 (a) The date on which such investment is initially made; and
27 (b) Each of the six anniversary dates of such date thereafter;
- 28 (4) "Long-term debt security", any debt instrument issued by a qualified community
29 development entity, at par value or a premium, with an original maturity date of at least seven
30 years from the date of its issuance, with no acceleration of repayment, amortization, or
31 prepayment features prior to its original maturity date, and with no distribution, payment, or
32 interest features related to the profitability of the qualified community development entity or the
33 performance of the qualified community development entity's investment portfolio. The
34 foregoing shall in no way limit the holder's ability to accelerate payments on the debt instrument
35 in situations where the issuer has defaulted on covenants designed to ensure compliance with this
36 section or Section 45D of the Internal Revenue Code of 1986, as amended;
- 37 (5) "Qualified active low-income community business", the meaning given such term
38 in Section 45D of the Internal Revenue Code of 1986, as amended; provided that any business
39 that derives or projects to derive fifteen percent or more of its annual revenue from the rental or
40 sale of real estate shall not be considered to be a qualified active low-income community
41 business;

42 (6) "Qualified community development entity", the meaning given such term in Section
43 45D of the Internal Revenue Code of 1986, as amended; provided that such entity has entered
44 into an allocation agreement with the Community Development Financial Institutions Fund of
45 the U.S. Treasury Department with respect to credits authorized by Section 45D of the Internal
46 Revenue Code of 1986, as amended, which includes the state of Missouri within the service area
47 set forth in such allocation agreement;

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

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

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

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

59 (8) "Qualified low-income community investment", any capital or equity investment in,
60 or loan to, any qualified active low-income community business. With respect to any one
61 qualified active low-income community business, the maximum amount of qualified low-income
62 community investments made in such business, on a collective basis with all of its affiliates, that
63 may be used from the calculation of any numerator described in subparagraph a. of paragraph
64 (b) of subdivision (1) of this subsection shall be ten million dollars whether issued to one or
65 several qualified community development entities;

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

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

72 2. A taxpayer that makes a qualified equity investment earns a vested right to tax credits
73 under this section. On each credit allowance date of such qualified equity investment the
74 taxpayer, or subsequent holder of the qualified equity investment, shall be entitled to a tax credit
75 during the taxable year including such credit allowance date. The tax credit amount shall be
76 equal to the applicable percentage of the adjusted purchase price paid to the issuer of such
77 qualified equity investment. The amount of the tax credit claimed shall not exceed the amount

78 of the taxpayer's state tax liability for the tax year for which the tax credit is claimed. No tax
79 credit claimed under this section shall be refundable or transferable. Tax credits earned by a
80 partnership, limited liability company, S-corporation, or other pass-through entity may be
81 allocated to the partners, members, or shareholders of such entity for their direct use in
82 accordance with the provisions of any agreement among such partners, members, or
83 shareholders. Any amount of tax credit that the taxpayer is prohibited by this section from
84 claiming in a taxable year may be carried forward to any of the taxpayer's five subsequent taxable
85 years. The department of economic development shall limit the monetary amount of qualified
86 equity investments permitted under this section to a level necessary to limit tax credit utilization
87 at no more than fifteen million dollars of tax credits in any fiscal year. Such limitation on
88 qualified equity investments shall be based on the anticipated utilization of credits without regard
89 to the potential for taxpayers to carry forward tax credits to later tax years.

90 3. The issuer of the qualified equity investment shall certify to the department of
91 economic development the anticipated dollar amount of such investments to be made in this state
92 during the first twelve-month period following the initial credit allowance date. If on the second
93 credit allowance date, the actual dollar amount of such investments is different than the amount
94 estimated, the department of economic development shall adjust the credits arising on the second
95 allowance date to account for such difference.

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

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

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

105 5. The department of economic development shall promulgate rules to implement the
106 provisions of this section, including recapture provisions on a scaled proportional basis, and to
107 administer the allocation of tax credits issued for qualified equity investments, which shall be
108 conducted on a first-come, first-serve basis. Any rule or portion of a rule, as that term is defined
109 in section 536.010, RSMo, that is created under the authority delegated in this section shall
110 become effective only if it complies with and is subject to all of the provisions of chapter 536,
111 RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are
112 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536,
113 RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently

114 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted
115 after September 4, 2007, shall be invalid and void.

116 6. For fiscal years following fiscal year 2010, qualified equity investments shall not be
117 made under this section unless reauthorization is made pursuant to this subsection. For all fiscal
118 years following fiscal year 2010, unless the general assembly adopts a concurrent resolution
119 granting authority to the department of economic development to approve qualified equity
120 investments for the Missouri new markets development program and clearly describing the
121 amount of tax credits available for the next fiscal year, or otherwise complies with the provisions
122 of this subsection, no qualified equity investments may be permitted to be made under this
123 section. The amount of available tax credits contained in such a resolution shall not exceed the
124 limitation provided under subsection 2 of this section. In any year in which the provisions of this
125 section shall sunset pursuant to subsection 7 of this section, reauthorization shall be made by
126 general law and not by concurrent resolution. Nothing in this subsection shall preclude a
127 taxpayer who makes a qualified equity investment prior to the expiration of authority to make
128 qualified equity investments from claiming tax credits relating to such qualified equity
129 investment for each applicable credit allowance date.

130 7. [Under section 23.253, RSMo, of the Missouri sunset act:

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

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

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

142 **(1) Notwithstanding any other provision of law to the contrary, the tax credits issued**
143 **under this section shall be redeemed or applied to the tax credit owner's tax liability within**
144 **three years of the issuance of the tax credits. Any amount of such tax credits that is not**
145 **redeemed or that is left unapplied after three years shall expire, and shall not be**
146 **redeemable or applied to the owner's tax liability.**

147 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
148 **be issued under this section after December 31, 2011, unless such tax credits are**
149 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**

150 **credits shall automatically sunset on December thirty-first six years after the effective date**
151 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
152 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
153 **automatically sunset on December thirty-first every six years after each reauthorization**
154 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
155 **before the sunset date provided in this subsection. The tax credits authorized under this**
156 **section shall terminate on September first of the calendar year immediately following the**
157 **calendar year in which the tax credits authorized under this section are sunset.**

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

12 **2. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
13 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
14 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
15 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
16 **redeemable or applied to the owner's tax liability.**

17 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
18 **be issued under this section after December 31, 2011, unless such tax credits are**
19 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
20 **credits shall automatically sunset on December thirty-first six years after the effective date**
21 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
22 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
23 **automatically sunset on December thirty-first every six years after each reauthorization**
24 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
25 **before the sunset date provided in this subsection. The tax credits authorized under this**
26 **section shall terminate on September first of the calendar year immediately following the**
27 **calendar year in which the tax credits authorized under this section are sunset.**

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

- 2 (1) "Alternative fuels", any motor fuel at least seventy percent of the volume of which
3 consists of one or more of the following:
- 4 (a) Ethanol;
 - 5 (b) Natural gas;
 - 6 (c) Compressed natural gas;
 - 7 (d) Liquified natural gas;
 - 8 (e) Liquified petroleum gas;
 - 9 (f) Any mixture of biodiesel and diesel fuel, without regard to any use of kerosene;
 - 10 (g) Hydrogen;
- 11 (2) "Department", the department of natural resources;
- 12 (3) "Eligible applicant", a business entity that is the owner of a qualified alternative fuel
13 vehicle refueling property;
- 14 (4) "Qualified alternative fuel vehicle refueling property", property in this state owned
15 by an eligible applicant and used for storing alternative fuels and for dispensing such alternative
16 fuels into fuel tanks of motor vehicles owned by such eligible applicant or private citizens which,
17 if constructed after August 28, 2008, was constructed with at least fifty-one percent of the costs
18 being paid to qualified Missouri contractors for the:
- 19 (a) Fabrication of premanufactured equipment or process piping used in the construction
20 of such facility;
 - 21 (b) Construction of such facility; and
 - 22 (c) General maintenance of such facility during the time period in which such facility
23 receives any tax credit under this section. If no qualified Missouri contractor is located within
24 seventy-five miles of the property, the requirement that fifty-one percent of the costs shall be
25 paid to qualified Missouri contractors shall not apply;
- 26 (5) "Qualified Missouri contractor", a contractor whose principal place of business is
27 located in Missouri and has been located in Missouri for a period of not less than five years.
- 28 2. For all tax years beginning on or after January 1, 2009, but before January 1, 2012,
29 any eligible applicant who installs and operates a qualified alternative fuel vehicle refueling
30 property shall be allowed a credit against the tax otherwise due under chapter 143, RSMo,
31 excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or due under chapter
32 147, RSMo, or chapter 148, RSMo, for any tax year in which the applicant is constructing the
33 refueling property. The credit allowed in this section per eligible applicant shall not exceed the
34 lesser of twenty thousand dollars or twenty percent of the total costs directly associated with the
35 purchase and installation of any alternative fuel storage and dispensing equipment on any
36 qualified alternative fuel vehicle refueling property, which shall not include the following:

37 (1) Costs associated with the purchase of land upon which to place a qualified alternative
38 fuel vehicle refueling property;

39 (2) Costs associated with the purchase of an existing qualified alternative fuel vehicle
40 refueling property; or

41 (3) Costs for the construction or purchase of any structure.

42 3. Tax credits allowed by this section shall be claimed by the eligible applicant at the
43 time such applicant files a return for the tax year in which the storage and dispensing facilities
44 were placed in service at a qualified alternative fuel vehicle refueling property, and shall be
45 applied against the income tax liability imposed by chapter 143, RSMo, chapter 147, RSMo, or
46 chapter 148, RSMo, after all other credits provided by law have been applied. The cumulative
47 amount of tax credits which may be claimed by eligible applicants claiming all credits authorized
48 in this section shall not exceed the following amounts:

49 (1) In taxable year 2009, three million dollars;

50 (2) In taxable year 2010, two million dollars; and

51 (3) In taxable year 2011, one million dollars.

52 4. If the amount of the tax credit exceeds the eligible applicant's tax liability, the
53 difference shall not be refundable. Any amount of credit that an eligible applicant is prohibited
54 by this section from claiming in a taxable year may be carried forward to any of such applicant's
55 two subsequent taxable years. Tax credits allowed under this section may be assigned,
56 transferred, sold, or otherwise conveyed.

57 5. An alternative fuel vehicle refueling property, for which an eligible applicant receives
58 tax credits under this section, which ceases to sell alternative fuel shall cause the forfeiture of
59 such eligible applicant's tax credits provided under this section for the taxable year in which the
60 alternative fuel vehicle refueling property ceased to sell alternative fuel and for future taxable
61 years with no recapture of tax credits obtained by an eligible applicant with respect to such
62 applicant's tax years which ended before the sale of alternative fuel ceased.

63 6. The director of revenue shall establish the procedure by which the tax credits in this
64 section may be claimed, and shall establish a procedure by which the cumulative amount of tax
65 credits is apportioned equally among all eligible applicants claiming the credit. To the maximum
66 extent possible, the director of revenue shall establish the procedure described in this subsection
67 in such a manner as to ensure that eligible applicants can claim all the tax credits possible up to
68 the cumulative amount of tax credits available for the taxable year. No eligible applicant
69 claiming a tax credit under this section shall be liable for any interest or penalty for filing a tax
70 return after the date fixed for filing such return as a result of the apportionment procedure under
71 this subsection.

72 7. Any eligible applicant desiring to claim a tax credit under this section shall submit the
73 appropriate application for such credit with the department. The application for a tax credit
74 under this section shall include any information required by the department. The department
75 shall review the applications and certify to the department of revenue each eligible applicant that
76 qualifies for the tax credit.

77 8. The department and the department of revenue may promulgate rules to implement
78 the provisions of this section. Any rule or portion of a rule, as that term is defined in section
79 536.010, RSMo, that is created under the authority delegated in this section shall become
80 effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo,
81 and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are
82 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536,
83 RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently
84 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted
85 after August 28, 2008, shall be invalid and void.

86 9. [Pursuant to section 23.253, RSMo, of the Missouri sunset act:

87 (1) The provisions of the new program authorized under this section shall automatically
88 sunset six years after August 28, 2008, unless reauthorized by an act of the general assembly; and

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

92 (3) This section shall terminate on December thirty-first of the calendar year immediately
93 following the calendar year in which the program authorized under this section is sunset.] **(1)**
94 **Notwithstanding any other provision of law to the contrary, the tax credits issued under**
95 **this section shall be redeemed or applied to the tax credit owner's tax liability within three**
96 **years of the issuance of the tax credits. Any amount of such tax credits that is not**
97 **redeemed or that is left unapplied after three years shall expire, and shall not be**
98 **redeemable or applied to the owner's tax liability.**

99 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
100 **be issued under this section after December 31, 2011, unless such tax credits are**
101 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
102 **credits shall automatically sunset on December thirty-first six years after the effective date**
103 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
104 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
105 **automatically sunset on December thirty-first every six years after each reauthorization**
106 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
107 **before the sunset date provided in this subsection. The tax credits authorized under this**

108 **section shall terminate on September first of the calendar year immediately following the**
109 **calendar year in which the tax credits authorized under this section are sunset.**

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

- 2 (1) "Highly compensated individual", any individual who receives compensation in
3 excess of one million dollars in connection with a single qualified film production project;
- 4 (2) "Qualified film production project", any film, video, commercial, or television
5 production, as approved by the department of economic development and the office of the
6 Missouri film commission, that is under thirty minutes in length with an expected in-state
7 expenditure budget in excess of fifty thousand dollars, or that is over thirty minutes in length
8 with an expected in-state expenditure budget in excess of one hundred thousand dollars.
9 Regardless of the production costs, "qualified film production project" shall not include any:
 - 10 (a) News or current events programming;
 - 11 (b) Talk show;
 - 12 (c) Production produced primarily for industrial, corporate, or institutional purposes, and
13 for internal use;
 - 14 (d) Sports event or sports program;
 - 15 (e) Gala presentation or awards show;
 - 16 (f) Infomercial or any production that directly solicits funds;
 - 17 (g) Political ad;
 - 18 (h) Production that is considered obscene, as defined in section 573.010, RSMo;
- 19 (3) "Qualifying expenses", the sum of the total amount spent in this state for the
20 following by a production company in connection with a qualified film production project:
 - 21 (a) Goods and services leased or purchased by the production company. For goods with
22 a purchase price of twenty-five thousand dollars or more, the amount included in qualifying
23 expenses shall be the purchase price less the fair market value of the goods at the time the
24 production is completed;
 - 25 (b) Compensation and wages paid by the production company on which the production
26 company remitted withholding payments to the department of revenue under chapter 143, RSMo.
27 For purposes of this section, compensation and wages shall not include any amounts paid to a
28 highly compensated individual;
 - 29 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, RSMo,
30 excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or otherwise due
31 under chapter 148, RSMo;
 - 32 (5) "Taxpayer", any individual, partnership, or corporation as described in section
33 143.441, 143.471, RSMo, or section 148.370, RSMo, that is subject to the tax imposed in
34 chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo,

35 or the tax imposed in chapter 148, RSMo, or any charitable organization which is exempt from
36 federal income tax and whose Missouri unrelated business taxable income, if any, would be
37 subject to the state income tax imposed under chapter 143, RSMo.

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

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

55 4. For all taxable years ending on or before December 31, 2007, tax credits certified
56 pursuant to subsection 2 of this section shall not exceed one million dollars per taxpayer per year,
57 and shall not exceed a total for all tax credits certified of one million five hundred thousand
58 dollars per year. For all taxable years beginning on or after January 1, 2008, **but ending on or**
59 **before December 31, 2009**, tax credits certified under subsection 1 of this section shall not
60 exceed a total for all tax credits certified of four million five hundred thousand dollars per year.
61 **For all taxable years beginning on or after January 1, 2010, tax credits certified under**
62 **subsection 1 of this section shall not exceed a total for all tax credits certified of five**
63 **hundred thousand dollars per year.** Taxpayers may carry forward unused credits for up to five
64 tax periods, provided all such credits shall be claimed within ten tax periods following the tax
65 period in which the film production or production-related activities for which the credits are
66 certified by the department occurred.

67 5. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,
68 exchange, convey or otherwise transfer tax credits allowed in subsection 2 of this section. The
69 taxpayer acquiring the tax credits may use the acquired credits to offset the tax liabilities
70 otherwise imposed by chapter 143, RSMo, excluding withholding tax imposed by sections

71 143.191 to 143.265, RSMo, or chapter 148, RSMo. Unused acquired credits may be carried
72 forward for up to five tax periods, provided all such credits shall be claimed within ten tax
73 periods following the tax period in which the film production or production-related activities for
74 which the credits are certified by the department occurred.

75 6. [Under section 23.253, RSMo, of the Missouri sunset act:

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

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

82 (3) This section shall terminate on September first of the calendar year immediately
83 following the calendar year in which the program authorized under this section is sunset.] **(1)**
84 **Notwithstanding any other provision of law to the contrary, the tax credits issued under**
85 **this section shall be redeemed or applied to the tax credit owner's tax liability within three**
86 **years of the issuance of the tax credits. Any amount of such tax credits that is not**
87 **redeemed or that is left unapplied after three years shall expire, and shall not be**
88 **redeemable or applied to the owner's tax liability.**

89 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
90 **be issued under this section after December 31, 2011, unless such tax credits are**
91 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
92 **credits shall automatically sunset on December thirty-first six years after the effective date**
93 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
94 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
95 **automatically sunset on December thirty-first every six years after each reauthorization**
96 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
97 **before the sunset date provided in this subsection. The tax credits authorized under this**
98 **section shall terminate on September first of the calendar year immediately following the**
99 **calendar year in which the tax credits authorized under this section are sunset.**

135.766. An eligible small business, as defined in Section 44 of the Internal Revenue
2 Code, shall be allowed a credit against the tax otherwise due pursuant to chapter 143, RSMo, not
3 including sections 143.191 to 143.265, RSMo, in an amount equal to any amount paid by the
4 eligible small business to the United States Small Business Administration as a guaranty fee
5 pursuant to obtaining Small Business Administration guaranteed financing and to programs
6 administered by the United States Department of Agriculture for rural development or farm
7 service agencies.

8 **2. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
9 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
10 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
11 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
12 **redeemable or applied to the owner's tax liability.**

13 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
14 **be issued under this section after December 31, 2011, unless such tax credits are**
15 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
16 **credits shall automatically sunset on December thirty-first six years after the effective date**
17 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
18 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
19 **automatically sunset on December thirty-first every six years after each reauthorization**
20 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
21 **before the sunset date provided in this subsection. The tax credits authorized under this**
22 **section shall terminate on September first of the calendar year immediately following the**
23 **calendar year in which the tax credits authorized under this section are sunset.**

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

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

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

12 (1) The number of new business facility employees engaged or maintained in
13 employment at the new business facility for the taxable year for which the credit is claimed
14 equals or exceeds two; and

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

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

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

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

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

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

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

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

32 5. Prior to January 1, 2007, in no event shall the department authorize more than four
33 million dollars annually to be issued for all enhanced business enterprises. After December 31,
34 2006, in no event shall the department authorize more than twenty-four million dollars annually
35 to be issued for all enhanced business enterprises.

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

38 (1) The taxpayer's new business facility investment in the expansion during the tax
39 period in which the credits allowed in this section are claimed exceeds one hundred thousand
40 dollars and if the number of new business facility employees engaged or maintained in
41 employment at the expansion facility for the taxable year for which credit is claimed equals or
42 exceeds two, and the total number of employees at the facility after the expansion is at least two
43 greater than the total number of employees before the expansion; and

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

46 7. The number of new business facility employees during any taxable year shall be
47 determined by dividing by twelve the sum of the number of individuals employed on the last
48 business day of each month of such taxable year. If the new business facility is in operation for
49 less than the entire taxable year, the number of new business facility employees shall be
50 determined by dividing the sum of the number of individuals employed on the last business day
51 of each full calendar month during the portion of such taxable year during which the new
52 business facility was in operation by the number of full calendar months during such period. For
53 the purpose of computing the credit allowed by this section in the case of a facility which
54 qualifies as a new business facility under subsection 6 of this section, and in the case of a new

55 business facility which satisfies the requirements of paragraph (c) of subdivision (17) of section
56 135.950, or subdivision (25) of section 135.950, the number of new business facility employees
57 at such facility shall be reduced by the average number of individuals employed, computed as
58 provided in this subsection, at the facility during the taxable year immediately preceding the
59 taxable year in which such expansion, acquisition, or replacement occurred and shall further be
60 reduced by the number of individuals employed by the taxpayer or related taxpayer that was
61 subsequently transferred to the new business facility from another Missouri facility and for which
62 credits authorized in this section are not being earned, whether such credits are earned because
63 of an expansion, acquisition, relocation, or the establishment of a new facility.

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

71 9. For the purpose of computing the credit allowed by this section in the case of a facility
72 which qualifies as a new business facility pursuant to subsection 6 of this section, and in the case
73 of a new business facility which satisfies the requirements of paragraph (c) of subdivision (17)
74 of section 135.950 or subdivision (25) of section 135.950, the amount of the taxpayer's new
75 business facility investment in such facility shall be reduced by the average amount, computed
76 as provided in subdivision (19) of section 135.950 for new business facility investment, of the
77 investment of the taxpayer, or related taxpayer immediately preceding such expansion or
78 replacement or at the time of acquisition. Furthermore, the amount of the taxpayer's new
79 business facility investment shall also be reduced by the amount of investment employed by the
80 taxpayer or related taxpayer which was subsequently transferred to the new business facility from
81 another Missouri facility and for which credits authorized in this section are not being earned,
82 whether such credits are earned because of an expansion, acquisition, relocation, or the
83 establishment of a new facility.

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

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

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

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

97 14. Prior to the issuance of tax credits, the department shall verify through the
98 department of revenue, or any other state department, that the tax credit applicant does not owe
99 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent
100 fees or assessments levied by any state department and through the department of insurance,
101 financial institutions and professional registration that the applicant does not owe any delinquent
102 insurance taxes. Such delinquency shall not affect the authorization of the application for such
103 tax credits, except that the amount of credits issued shall be reduced by the applicant's tax
104 delinquency. If the department of revenue or the department of insurance, financial institutions
105 and professional registration, or any other state department, concludes that a taxpayer is
106 delinquent after June fifteenth but before July first of any year and the application of tax credits
107 to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer
108 shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions
109 to tax shall be tolled. After applying all available credits toward a tax delinquency, the
110 administering agency shall notify the appropriate department, and that department shall update
111 the amount of outstanding delinquent tax owed by the applicant. If any credits remain after
112 satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be
113 issued to the applicant, subject to the restrictions of other provisions of law.

114 **15. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
115 **issued under sections 135.950 to 135.970 shall be redeemed or applied to the tax credit**
116 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
117 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
118 **and shall not be redeemable or applied to the owner's tax liability.**

119 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
120 **be issued under sections 135.950 to 135.970 after December 31, 2011, unless such tax**
121 **credits are reauthorized by an act of the general assembly. If the tax credits are**
122 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
123 **after the effective date of the initial reauthorization of this section, unless again**
124 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
125 **the tax credits shall automatically sunset on December thirty-first every six years after each**

126 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
127 **general assembly before the sunset date provided in this subsection. The tax credits**
128 **authorized under sections 135.950 to 135.970 shall terminate on September first of the**
129 **calendar year immediately following the calendar year in which the tax credits authorized**
130 **under sections 135.950 to 135.970 are sunset.**

135.968. 1. A taxpayer who establishes a megaproject, approved by the department,
2 within an enhanced enterprise zone shall, in exchange for the consideration provided by new tax
3 revenues and other economic stimuli that will be generated from the new jobs created by the
4 megaproject, be allowed an income tax credit equal to the percentage of actual new annual
5 payroll of the taxpayer attributable to employees directly related to the manufacturing and
6 assembly process and administration, as provided under subsection 4 of this section. A taxpayer
7 seeking approval of a megaproject shall submit an application to the department. The
8 department shall not approve any megaproject after December 31, 2008. The department shall
9 not approve any credits for megaprojects to be issued prior to January 1, 2013, and in no event
10 shall the department authorize more than forty million dollars to be issued annually for all
11 megaprojects. The total amount of credits issued under this section shall not exceed two hundred
12 forty million dollars.

13 2. In considering applications for approval of megaprojects, the department may approve
14 an application if:

15 (1) The taxpayer's project is financially sound and the taxpayer has adequately
16 demonstrated an ability to successfully undertake and complete the megaproject. This
17 determination shall be supported by a professional third-party market feasibility analysis
18 conducted on behalf of the state by a firm with direct experience with the industry of the
19 proposed megaproject, and by a professional third-party financial analysis of the taxpayer's
20 ability to complete the project;

21 (2) The taxpayer's plan of repayment to the state of the amount of tax credits provided
22 is reasonable and sound;

23 (3) The taxpayer's megaproject will create new jobs that were not jobs previously
24 performed by employees of the taxpayer or a related taxpayer in Missouri;

25 (4) Local taxing entities are providing a significant level of incentives for the
26 megaproject relative to the projected new local tax revenues created by the megaproject;

27 (5) There is at least one other state or foreign country that the taxpayer verifies is being
28 considered for the project, and receiving megaproject tax credits is a major factor in the
29 taxpayer's decision to go forward with the project and not receiving the credit will result in the
30 taxpayer not creating new jobs in Missouri;

31 (6) The megaproject will be located in an enhanced enterprise zone which constitutes
32 an economic or social liability and a detriment to the public health, safety, morals, or welfare in
33 its present condition and use;

34 (7) The completion of the megaproject will serve an essential public municipal purpose
35 by creating a substantial number of new jobs for citizens, increasing their purchasing power,
36 improving their living conditions, and relieving the demand for unemployment and welfare
37 assistance thereby promoting the economic development of the enhanced enterprise zone, the
38 municipality, and the state; and

39 (8) The creation of new jobs will assist the state in providing the services needed to
40 protect the health, safety, and social and economic well-being of the citizens of the state.

41 3. Prior to final approval of an application, a binding contract shall be executed between
42 the taxpayer and the department of economic development which shall include, but not be
43 limited to:

44 (1) A repayment plan providing for cash payment to the state general revenue fund which
45 shall result in a positive internal rate of return to the state and fully comply with the provisions
46 of the World Trade Organization Agreement on Subsidies and Countervailing Measures. The
47 rate of return shall be commercially reasonable and, over the life of the project, exceed one
48 hundred and fifty percent of the state's borrowing costs based on the AAA-rated twenty-year
49 tax-exempt bond rate average over a twenty-year borrowing period. The rate shall be verified
50 by a professional third-party financial analysis;

51 (2) The taxpayer's obligation to construct a facility of at least one million square feet
52 within five years from the date of approval;

53 (3) A requirement that the issuance of tax credits authorized under this section shall
54 cease and the taxpayer shall immediately submit payment, to the state general revenue fund, in
55 an amount equal to all credits previously issued less any amounts previously repaid, increased
56 by an additional amount that shall provide the state a reasonable rate of return, in the event the
57 taxpayer:

58 (a) Fails to construct a facility of at least one million square feet within five years of the
59 date of approval;

60 (b) Fails to make a scheduled payment as required by the repayment plan; or

61 (c) Fails to compensate new jobs at rate equal to or in excess of the county average wage
62 or fails to offer health insurance to all such new jobs and pay at least eighty percent of such
63 premiums; and

64 (4) A requirement that the department shall suspend issuance of tax credits authorized
65 under this section if, at any point, the total amount of tax credits issued less the total amount of
66 repayments received equals one hundred and fifty-five million dollars.

67 4. Upon approval of an application by the department, tax credits shall be issued
68 annually for a period not to exceed eight years from the commencement of commercial
69 operations of the megaproject. The eight-year period for the issuance of megaproject tax credits
70 may extend beyond the expiration of the enhanced enterprise zone. The maximum percentage
71 of the annual payroll of the taxpayer for new jobs located at the megaproject which may be
72 approved or issued by the department for tax credits shall not exceed:

73 (1) Eighty percent for the first three years that tax credits will be issued for the
74 megaproject;

75 (2) Sixty percent for the next two subsequent years;

76 (3) Fifty percent for the next two subsequent years; and

77 (4) Thirty percent for the remaining year. In no event shall the department issue more
78 than forty million dollars annually in megaproject tax credits to any taxpayer. In any given year,
79 the amount of tax credits issued shall be the lesser of forty million dollars, the applicable annual
80 payroll percentage, or the amount of tax credits remaining unissued under the two hundred forty
81 million dollar limitation on megaproject tax credit issuance provided under subsection 1 of this
82 section.

83 5. Tax credits issued under this section may be claimed against the tax imposed by
84 chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo.
85 For taxpayers with flow-through tax treatment of its members, partners, or shareholders, the
86 credit shall be allowed to members, partners, or shareholders in proportion to their share of
87 ownership on the last day of the taxpayer's tax period. The director of revenue shall issue a
88 refund to a taxpayer to the extent the amount of credits allowed in this section exceeds the
89 amount of the taxpayer's income tax liability in the year redemption is authorized. An owner of
90 tax credits issued under this section shall not be required to have any Missouri income tax
91 liability in order to redeem such tax credits and receive a refund. The director of revenue shall
92 prepare a form to permit the owner of such tax credits to obtain a refund.

93 6. Certificates of tax credits authorized under this section may be transferred, sold, or
94 assigned by filing a notarized endorsement thereof with the department that names the transferee,
95 the amount of tax credit transferred, and the value received for the credit, as well as any other
96 information reasonably requested by the department. Upon such transfer, sale, or assignment,
97 the transferee shall be the owner of such tax credits entitled to claim the tax credits or any
98 refunds with respect thereto issued to the taxpayer. Tax credits may not be carried forward past
99 the year of issuance. Tax credits authorized by this section may not be pledged or used to secure
100 any bonds or other indebtedness issued by the state or any political subdivision of the state.
101 Once such tax credits have been issued, nothing shall prohibit the owner of the tax credits from
102 pledging the tax credits to any lender or other third party.

103 7. Any taxpayer issued tax credits under this section shall provide an annual report to the
104 department and the house and senate appropriations committees of the number of new jobs
105 located at the megaproject, the new annual payroll of such new jobs, and such other information
106 as may be required by the department to document the basis for benefits under this section. The
107 department may withhold the approval of the annual issuance of any tax credits until it is
108 satisfied that proper documentation has been provided, and shall reduce the tax credits to reflect
109 any reduction in new payroll. If the department determines the average wage is below the county
110 average wage, or the taxpayer has not maintained employee health insurance as required, the
111 taxpayer shall not receive tax credits for that year.

112 8. Notwithstanding any provision of law to the contrary, any taxpayer who is awarded
113 tax credits under this section shall not also receive tax credits under sections 135.100 to 135.150,
114 sections 135.200 to 135.286, section 135.535, or sections 620.1875 to 620.1890, RSMo.

115 9. Any action brought in any court contesting the approval of a megaproject and the
116 issuance of the tax credits, or any other action undertaken pursuant to this section related to such
117 megaproject, shall be filed within ninety days following approval of the megaproject by the
118 department.

119 10. Records and documents relating to a proposed megaproject shall be deemed closed
120 records until such time as the application has been approved. Provisions of this subsection to
121 the contrary notwithstanding, records containing business plan information which may endanger
122 the competitiveness of the business shall remain closed.

123 11. Notwithstanding any provision of this section to the contrary, no taxpayer who
124 receives megaproject tax credits authorized under this section or any related taxpayer shall
125 employ, prior to January 1, 2022, directly:

126 (1) Any elected public official of this state holding office as of January 1, 2008;

127 (2) Any director, deputy director, division director, or employee directly involved in
128 negotiations between the department of economic development and a taxpayer relative to the
129 megaproject who was employed as of January 1, 2008, by the department.

130 **12. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
131 **issued under sections 135.950 to 135.970 shall be redeemed or applied to the tax credit**
132 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
133 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
134 **and shall not be redeemable or applied to the owner's tax liability.**

135 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
136 **be issued under sections 135.950 to 135.970 after December 31, 2011, unless such tax**
137 **credits are reauthorized by an act of the general assembly. If the tax credits are**
138 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**

139 **after the effective date of the initial reauthorization of this section, unless again**
140 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
141 **the tax credits shall automatically sunset on December thirty-first every six years after each**
142 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
143 **general assembly before the sunset date provided in this subsection. The tax credits**
144 **authorized under sections 135.950 to 135.970 shall terminate on September first of the**
145 **calendar year immediately following the calendar year in which the tax credits authorized**
146 **under sections 135.950 to 135.970 are sunset.**

135.1150. 1. This section shall be known and may be cited as the "Residential
2 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 that are used
7 solely to provide direct care services to children who are residents of this state. Eligible
8 donations may include cash, publicly traded stocks and bonds, and real estate that will be valued
9 and documented according to rules promulgated by the department of social services. For
10 purposes of this section, "direct care services" include but are not limited to increasing the
11 quality of care and service for children through improved employee compensation and training;

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

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

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

26 (b) A corporation subject to the annual corporation franchise tax imposed in chapter 147,
27 RSMo;

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

30 (d) Any other financial institution paying taxes to the state of Missouri or any political
31 subdivision of this state under chapter 148, RSMo;

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

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

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

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

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

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

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

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

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

62 7. The department shall promulgate rules to implement the provisions of this section.
63 Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created

64 under the authority delegated in this section shall become effective only if it complies with and
65 is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028,
66 RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested
67 with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date,
68 or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
69 rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be invalid
70 and void.

71 8. [Under section 23.253, RSMo, of the Missouri sunset act:

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

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

77 (3) This section shall terminate on September first of the calendar year immediately
78 following the calendar year in which the program authorized under this section is sunset.] **(1)**

79 **Notwithstanding any other provision of law to the contrary, the tax credits issued under**
80 **this section shall be redeemed or applied to the tax credit owner's tax liability within three**
81 **years of the issuance of the tax credits. Any amount of such tax credits that is not**
82 **redeemed or that is left unapplied after three years shall expire, and shall not be**
83 **redeemable or applied to the owner's tax liability.**

84 (2) **Notwithstanding any other provision of law to the contrary, no tax credits shall**
85 **be issued under this section after December 31, 2011, unless such tax credits are**
86 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
87 **credits shall automatically sunset on December thirty-first six years after the effective date**
88 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
89 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
90 **automatically sunset on December thirty-first every six years after each reauthorization**
91 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
92 **before the sunset date provided in this subsection. The tax credits authorized under this**
93 **section shall terminate on September first of the calendar year immediately following the**
94 **calendar year in which the tax credits authorized under this section are sunset.**

137.106. 1. This section [may] shall be known and may be cited as "The Missouri
2 Homestead Preservation Act".

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

4 (1) "Department", the department of revenue;

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

6 (3) "Disabled", as such term is defined in section 135.010, RSMo;

7 (4) "Eligible owner", any individual owner of property who is sixty-five years old or
8 older as of January first of the tax year in which the individual is claiming the credit or who is
9 disabled, and who had an income of equal to or less than the maximum upper limit in the year
10 prior to completing an application pursuant to this section; or

11 (a) In the case of a married couple owning property either jointly or as tenants by the
12 entirety, or where only one spouse owns the property, such couple shall be considered an eligible
13 taxpayer if both spouses have reached the age of sixty-five or if one spouse is disabled, or if one
14 spouse is at least sixty-five years old and the other spouse is at least sixty years old, and the
15 combined income of the couple in the year prior to completing an application pursuant to this
16 section did not exceed the maximum upper limit; or

17 (b) In the case of joint ownership by unmarried persons or ownership by tenancy in
18 common by two or more unmarried persons, such owners shall be considered an eligible owner
19 if each person with an ownership interest individually satisfies the eligibility requirements for
20 an individual eligible owner under this section and the combined income of all individuals with
21 an interest in the property is equal to or less than the maximum upper limit in the year prior to
22 completing an application under this section. If any individual with an ownership interest in the
23 property fails to satisfy the eligibility requirements of an individual eligible owner or if the
24 combined income of all individuals with interest in the property exceeds the maximum upper
25 limit, then all individuals with an ownership interest in such property shall be deemed ineligible
26 owners regardless of such other individual's ability to individually meet the eligibility
27 requirements; or

28 (c) In the case of property held in trust, the eligible owner and recipient of the tax credit
29 shall be the trust itself provided the previous owner of the homestead or the previous owner's
30 spouse: is the settlor of the trust with respect to the homestead; currently resides in such
31 homestead; and but for the transfer of such property would have satisfied the age, ownership, and
32 maximum upper limit requirements for income as defined in subdivisions (7) and (8) of this
33 subsection[;].

34

35 No individual shall be an eligible owner if the individual has not paid [their] **the individual's**
36 property tax liability, if any, in full by the payment due date in any of the three prior tax years,
37 except that a late payment of a property tax liability in any prior year shall not disqualify a
38 potential eligible owner if such owner paid in full the tax liability and any and all penalties,
39 additions and interest that arose as a result of such late payment; no individual shall be an
40 eligible owner if such person filed a valid claim for the senior citizens property tax relief credit
41 pursuant to sections 135.010 to 135.035, RSMo;

42 (5) "Homestead", as such term is defined pursuant to section 135.010, RSMo, except as
43 limited by provisions of this section to the contrary. No property shall be considered a
44 homestead if such property was improved since the most recent annual assessment by more than
45 five percent of the prior year appraised value, except where an eligible owner of the property has
46 made such improvements to accommodate a disabled person;

47 (6) "Homestead exemption limit", a percentage increase, rounded to the nearest
48 hundredth of a percent, which shall be equal to the percentage increase to tax liability, not
49 including improvements, of a homestead from one tax year to the next that exceeds a certain
50 percentage set pursuant to subsection 10 of this section. For applications filed in 2005 or 2006,
51 the homestead exemption limit shall be based on the increase to tax liability from 2004 to 2005.
52 For applications filed between April 1, 2005, and September 30, 2006, an eligible owner, who
53 otherwise satisfied the requirements of this section, shall not apply for the homestead exemption
54 credit more than once during such period. For applications filed after 2006, the homestead
55 exemption limit shall be based on the increase to tax liability from two years prior to application
56 to the year immediately prior to application. For applications filed between December 31, 2008,
57 and December 31, 2011, the homestead exemption limit shall be based on the increase in tax
58 liability from the base year to the year prior to the application year. For applications filed on or
59 after January 1, 2012, the homestead exemption limit shall be based on the increase to tax
60 liability from two years prior to application to the year immediately prior to application. For
61 purposes of this subdivision, the term "base year" means the year prior to the first year in which
62 the eligible owner's application was approved, or 2006, whichever is later;

63 (7) "Income", federal adjusted gross income, and in the case of ownership of the
64 homestead by trust, the income of the settlor applicant shall be imputed to the income of the trust
65 for purposes of determining eligibility with regards to the maximum upper limit;

66 (8) "Maximum upper limit", in the calendar year 2005, the income sum of seventy
67 thousand dollars; in each successive calendar year this amount shall be raised by the incremental
68 increase in the general price level, as defined pursuant to article X, section 17 of the Missouri
69 Constitution.

70 3. Pursuant to article X, section 6(a) of the Constitution of Missouri, if in the prior tax
71 year, the property tax liability on any parcel of subclass (1) real property increased by more than
72 the homestead exemption limit, without regard for any prior credit received due to the provisions
73 of this section, then any eligible owner of the property shall receive a homestead exemption
74 credit to be applied in the current tax year property tax liability to offset the prior year increase
75 to tax liability that exceeds the homestead exemption limit, except as eligibility for the credit is
76 limited by the provisions of this section. The amount of the credit shall be listed separately on
77 each taxpayer's tax bill for the current tax year, or on a document enclosed with the taxpayer's

78 bill. The homestead exemption credit shall not affect the process of setting the tax rate as
79 required pursuant to article X, section 22 of the Constitution of Missouri and section 137.073 in
80 any prior, current, or subsequent tax year.

81 4. [If application is made in 2005, any potential eligible owner may apply for the
82 homestead exemption credit by completing an application through their local assessor's office.
83 Applications may be completed between April first and September thirtieth of any tax year in
84 order for the taxpayer to be eligible for the homestead exemption credit in the tax year next
85 following the calendar year in which the homestead exemption credit application was completed.
86 The application shall be on forms provided to the assessor's office by the department. Forms also
87 shall be made available on the department's Internet site and at all permanent branch offices and
88 all full-time, temporary, or fee offices maintained by the department of revenue. The applicant
89 shall attest under penalty of perjury:

90 (1) To the applicant's age;

91 (2) That the applicant's prior year income was less than the maximum upper limit;

92 (3) To the address of the homestead property; and

93 (4) That any improvements made to the homestead, not made to accommodate a disabled
94 person, did not total more than five percent of the prior year appraised value. The applicant shall
95 also include with the application copies of receipts indicating payment of property tax by the
96 applicant for the homestead property for the two prior tax years.

97 5. If application is made in 2005, the assessor, upon request for an application, shall:

98 (1) Certify the parcel number and owner of record as of January first of the homestead,
99 including verification of the acreage classified as residential on the assessor's property record
100 card;

101 (2) Obtain appropriate prior tax year levy codes for each homestead from the county
102 clerks for inclusion on the form;

103 (3) Record on the application the assessed valuation of the homestead for the current tax
104 year, and any new construction or improvements for the current tax year; and

105 (4) Sign the application, certifying the accuracy of the assessor's entries.

106 6.] If application is made after 2005, any potential eligible owner may apply for the
107 homestead exemption credit by completing an application. Applications may be completed
108 between April first and October fifteenth of any tax year in order for the taxpayer to be eligible
109 for the homestead exemption credit in the tax year next following the calendar year in which the
110 homestead exemption credit application was completed. The application shall be on forms
111 provided by the department. Forms also shall be made available on the department's Internet site
112 and at all permanent branch offices and all full-time, temporary, or fee offices maintained by the
113 department of revenue. The applicant shall attest under penalty of perjury:

- 114 (1) To the applicant's age;
115 (2) That the applicant's prior year income was less than the maximum upper limit;
116 (3) To the address of the homestead property;
117 (4) That any improvements made to the homestead, not made to accommodate a disabled
118 person, did not total more than five percent of the prior year appraised value; and

119 (5) The applicant shall also include with the application copies of receipts indicating
120 payment of property tax by the applicant for the homestead property for the three prior tax years.

121 [7.] 5. Each applicant shall send the application to the department by October fifteenth
122 of each year for the taxpayer to be eligible for the homestead exemption credit in the tax year
123 next following the calendar year in which the application was completed.

124 [8. If application is made in 2005, upon receipt of the applications, the department shall
125 calculate the tax liability, adjusted to exclude new construction or improvements, verify
126 compliance with the maximum income limit, verify the age of the applicants, and make
127 adjustments to these numbers as necessary on the applications. The department also shall
128 disallow any application where the applicant has also filed a valid application for the senior
129 citizens property tax credit, pursuant to sections 135.010 to 135.035, RSMo. Once adjusted tax
130 liability, age, and income are verified, the director shall determine eligibility for the credit, and
131 provide a list of all verified eligible owners to the county collectors or county clerks in counties
132 with a township form of government by December fifteenth of each year. By January fifteenth,
133 the county collectors or county clerks in counties with a township form of government shall
134 provide a list to the department of any verified eligible owners who failed to pay the property tax
135 due for the tax year that ended immediately prior. Such eligible owners shall be disqualified
136 from receiving the credit in the current tax year.

137 9.] 6. If application is made after 2005, upon receipt of the applications, the department
138 shall calculate the tax liability, verify compliance with the maximum income limit, verify the age
139 of the applicants, and make adjustments to these numbers as necessary on the applications. The
140 department also shall disallow any application where the applicant also has filed a valid
141 application for the senior citizens property tax credit under sections 135.010 to 135.035, RSMo.
142 Once adjusted tax liability, age, and income are verified, the director shall determine eligibility
143 for the credit and provide a list of all verified eligible owners to the county assessors or county
144 clerks in counties with a township form of government by December fifteenth of each year. By
145 January fifteenth, the county assessors shall provide a list to the department of any verified
146 eligible owners who made improvements not for accommodation of a disability to the homestead
147 and the dollar amount of the assessed value of such improvements. If the dollar amount of the
148 assessed value of such improvements totaled more than five percent of the prior year appraised
149 value, such eligible owners shall be disqualified from receiving the credit in the current tax year.

150 [10.] 7. The director shall calculate the level of appropriation necessary to set the
151 homestead exemption limit at five percent when based on a year of general reassessment or at
152 two and one-half percent when based on a year without general reassessment for the homesteads
153 of all verified eligible owners, and provide such calculation to the speaker of the house of
154 representatives, the president pro tempore of the senate, and the director of the office of budget
155 and planning in the office of administration by January thirty-first of each year.

156 [11. For applications made in 2005, the general assembly shall make an appropriation
157 for the funding of the homestead exemption credit that is signed by the governor, then the
158 director shall, by July thirty-first of such year, set the homestead exemption limit. The limit shall
159 be a single, statewide percentage increase to tax liability, rounded to the nearest hundredth of a
160 percent, which, if applied to all homesteads of verified eligible owners who applied for the
161 homestead exemption credit in the immediately prior tax year, would cause all but one-quarter
162 of one percent of the amount of the appropriation, minus any withholding by the governor, to be
163 distributed during that fiscal year. The remaining one-quarter of one percent shall be distributed
164 to the county assessment funds of each county on a proportional basis, based on the number of
165 eligible owners in each county; such one-quarter percent distribution shall be delineated in any
166 such appropriation as a separate line item in the total appropriation. If no appropriation is made
167 by the general assembly during any tax year or no funds are actually distributed pursuant to any
168 appropriation therefor, then no homestead preservation credit shall apply in such year.

169 12. After setting the homestead exemption limit for applications made in 2005, the
170 director shall apply the limit to the homestead of each verified eligible owner and calculate the
171 credit to be associated with each verified eligible owner's homestead, if any. The director shall
172 send a list of those eligible owners who are to receive the homestead exemption credit, including
173 the amount of each credit, the certified parcel number of the homestead, and the address of the
174 homestead property, to the county collectors or county clerks in counties with a township form
175 of government by August thirty-first. Pursuant to such calculation, the director shall instruct the
176 state treasurer as to how to distribute the appropriation and assessment fund allocation to the
177 county collector's funds of each county or the treasurer ex officio collector's fund in counties with
178 a township form of government where recipients of the homestead exemption credit are located,
179 so as to exactly offset each homestead exemption credit being issued, plus the one-quarter of one
180 percent distribution for the county assessment funds. As a result of the appropriation, in no case
181 shall a political subdivision receive more money than it would have received absent the
182 provisions of this section plus the one-quarter of one percent distribution for the county
183 assessment funds. Funds, at the direction of the county collector or the treasurer ex officio
184 collector in counties with a township form of government, shall be deposited in the county
185 collector's fund of a county or the treasurer ex officio collector's fund or may be sent by mail to

186 the collector of a county, or the treasurer ex officio collector in counties with a township form
187 of government, not later than October first in any year a homestead exemption credit is
188 appropriated as a result of this section and shall be distributed as moneys in such funds are
189 commonly distributed from other property tax revenues by the collector of the county or the
190 treasurer ex officio collector of the county in counties with a township form of government, so
191 as to exactly offset each homestead exemption credit being issued. In counties with a township
192 form of government, the county clerk shall provide the treasurer ex officio collector a summary
193 of the homestead exemption credit for each township for the purpose of distributing the total
194 homestead exemption credit to each township collector in a particular county.

195 [13.]**8.** If, in any given year after 2005, the general assembly shall make an appropriation
196 for the funding of the homestead exemption credit that is signed by the governor, then the
197 director shall determine the apportionment percentage by equally apportioning the appropriation
198 among all eligible applicants on a percentage basis. If no appropriation is made by the general
199 assembly during any tax year or no funds are actually distributed pursuant to any appropriation
200 therefor, then no homestead preservation credit shall apply in such year.

201 [14.]**9.** After determining the apportionment percentage, the director shall calculate the
202 credit to be associated with each verified eligible owner's homestead, if any. The director shall
203 send a list of those eligible owners who are to receive the homestead exemption credit, including
204 the amount of each credit, the certified parcel number of the homestead, and the address of the
205 homestead property, to the county collectors or county clerks in counties with a township form
206 of government by August thirty-first. Pursuant to such calculation, the director shall instruct the
207 state treasurer as to how to distribute the appropriation to the county collector's fund of each
208 county where recipients of the homestead exemption credit are located, so as to exactly offset
209 each homestead exemption credit being issued. As a result of the appropriation, in no case shall
210 a political subdivision receive more money than it would have received absent the provisions of
211 this section. Funds, at the direction of the collector of the county or treasurer ex officio collector
212 in counties with a township form of government, shall be deposited in the county collector's fund
213 of a county or may be sent by mail to the collector of a county, or treasurer ex officio collector
214 in counties with a township form of government, not later than October first in any year a
215 homestead exemption credit is appropriated as a result of this section and shall be distributed as
216 moneys in such funds are commonly distributed from other property tax revenues by the collector
217 of the county or the treasurer ex officio collector of the county in counties with a township form
218 of government, so as to exactly offset each homestead exemption credit being issued.

219 [15.]**10.** The department shall promulgate rules for implementation of this section. Any
220 rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under
221 the authority delegated in this section shall become effective only if it complies with and is

222 subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo.
223 This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the
224 general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to
225 disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking
226 authority and any rule proposed or adopted after August 28, 2004, shall be invalid and void. Any
227 rule promulgated by the department shall in no way impact, affect, interrupt, or interfere with the
228 performance of the required statutory duties of any county elected official, more particularly
229 including the county collector when performing such duties as deemed necessary for the
230 distribution of any homestead appropriation and the distribution of all other real and personal
231 property taxes.

232 [16.] **11.** In the event that an eligible owner dies or transfers ownership of the property
233 after the homestead exemption limit has been set in any given year, but prior to January first of
234 the year in which the credit would otherwise be applied, the credit shall be void and any
235 corresponding moneys, pursuant to subsection 12 of this section, shall lapse to the state to be
236 credited to the general revenue fund. In the event the collector of the county or the treasurer ex
237 officio collector of the county in counties with a township form of government determines prior
238 to issuing the credit that the individual is not an eligible owner because the individual did not pay
239 the prior three years' property tax liability in full, the credit shall be void and any corresponding
240 moneys, under subsection 11 of this section, shall lapse to the state to be credited to the general
241 revenue fund.

242 [17. This section shall apply to all tax years beginning on or after January 1, 2005. This
243 subsection shall become effective June 28, 2004.

244 18. In accordance with the provisions of sections 23.250 to 23.298, RSMo, and unless
245 otherwise authorized pursuant to section 23.253, RSMo:

246 (1) Any new program authorized under the provisions of this section shall automatically
247 sunset six years after the effective date of this section; and

248 (2) This section shall terminate on September first of the year following the year in
249 which any new program authorized under this section is sunset, and the revisor of statutes shall
250 designate such sections and this section in a revision bill for repeal.]

251 **12. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
252 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
253 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
254 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
255 **redeemable or applied to the owner's tax liability.**

256 (2) **Notwithstanding any other provision of law to the contrary, no tax credits shall**
257 **be issued under this section after December 31, 2011, unless such tax credits are**

258 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
259 **credits shall automatically sunset on December thirty-first six years after the effective date**
260 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
261 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
262 **automatically sunset on December thirty-first every six years after each reauthorization**
263 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
264 **before the sunset date provided in this subsection. The tax credits authorized under this**
265 **section shall terminate on September first of the calendar year immediately following the**
266 **calendar year in which the tax credits authorized under this section are sunset.**

137.1018. 1. The commission shall ascertain the statewide average rate of property taxes
2 levied the preceding year, based upon the total assessed valuation of the railroad and street
3 railway companies and the total property taxes levied upon the railroad and street railway
4 companies. It shall determine total property taxes levied from reports prescribed by the
5 commission from the railroad and street railway companies. Total taxes levied shall not include
6 revenues from the surtax on subclass three real property.

7 2. The commission shall report its determination of average property tax rate for the
8 preceding year, together with the taxable distributable assessed valuation of each freight line
9 company for the current year to the director no later than October first of each year.

10 3. Taxes on property of such freight line companies shall be collected at the state level
11 by the director on behalf of the counties and other local public taxing entities and shall be
12 distributed in accordance with sections 137.1021 and 137.1024. The director shall tax such
13 property based upon the distributable assessed valuation attributable to Missouri of each freight
14 line company, using the average tax rate for the preceding year of the railroad and street railway
15 companies certified by the commission. Such tax shall be due and payable on or before
16 December thirty-first of the year levied and, if it becomes delinquent, shall be subject to a penalty
17 equal to that specified in section 140.100, RSMo.

18 4. (1) As used in this subsection, the following terms mean:

19 (a) "Eligible expenses", expenses incurred in this state to manufacture, maintain, or
20 improve a freight line company's qualified rolling stock;

21 (b) "Qualified rolling stock", any freight, stock, refrigerator, or other railcars subject to
22 the tax levied under this section.

23 (2) For all taxable years beginning on or after January 1, 2009, a freight line company
24 shall, subject to appropriation, be allowed a credit against the tax levied under this section for
25 the applicable tax year. The tax credit amount shall be equal to the amount of eligible expenses
26 incurred during the calendar year immediately preceding the tax year for which the credit under
27 this section is claimed. The amount of the tax credit issued shall not exceed the freight line

28 company's liability for the tax levied under this section for the tax year for which the credit is
29 claimed.

30 (3) A freight line company may apply for the credit by submitting to the commission an
31 application in the form prescribed by the state tax commission.

32 (4) Subject to appropriation, the state shall reimburse, on an annual basis, any political
33 subdivision of this state for any decrease in revenue due to the provisions of this subsection.

34 5. [Pursuant to section 23.253, RSMo, of the Missouri sunset act:

35 (1) The provisions of the new program authorized under this section shall automatically
36 sunset six years after August 28, 2008, unless reauthorized by an act of the general assembly; and

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

40 (3) This section shall terminate on September first of the calendar year immediately
41 following the calendar year in which the program authorized under this section is sunset.] **(1)**
42 **Notwithstanding any other provision of law to the contrary, the tax credits issued under**
43 **this section shall be redeemed or applied to the tax credit owner's tax liability within three**
44 **years of the issuance of the tax credits. Any amount of such tax credits that is not**
45 **redeemed or that is left unapplied after three years shall expire, and shall not be**
46 **redeemable or applied to the owner's tax liability.**

47 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
48 **be issued under this section after December 31, 2011, unless such tax credits are**
49 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
50 **credits shall automatically sunset on December thirty-first six years after the effective date**
51 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
52 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
53 **automatically sunset on December thirty-first every six years after each reauthorization**
54 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
55 **before the sunset date provided in this subsection. The tax credits authorized under this**
56 **section shall terminate on September first of the calendar year immediately following the**
57 **calendar year in which the tax credits authorized under this section are sunset.**

143.119. 1. A self-employed taxpayer, as such term is used in the federal internal
2 revenue code, who is otherwise ineligible for the federal income tax health insurance deduction
3 under Section 162 of the federal internal revenue code shall be entitled to a credit against the tax
4 otherwise due under this chapter, excluding withholding tax imposed by sections 143.191 to
5 143.265, in an amount equal to the portion of such taxpayer's federal tax liability incurred due
6 to such taxpayer's inclusion of such payments in federal adjusted gross income. The tax credits

7 authorized under this section shall be nontransferable. To the extent tax credit issued under this
8 section exceeds a taxpayer's state income tax liability, such excess shall be considered an
9 overpayment of tax and shall be refunded to the taxpayer.

10 2. The director of the department of revenue shall promulgate rules and regulations to
11 administer the provisions of this section. Any rule or portion of a rule, as that term is defined
12 in section 536.010, RSMo, that is created under the authority delegated in this section shall
13 become effective only if it complies with and is subject to all of the provisions of chapter 536,
14 RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are
15 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536,
16 RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently
17 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted
18 after August 28, 2007, shall be invalid and void.

19 **3. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
20 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
21 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
22 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
23 **redeemable or applied to the owner's tax liability.**

24 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
25 **be issued under this section after December 31, 2011, unless such tax credits are**
26 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
27 **credits shall automatically sunset on December thirty-first six years after the effective date**
28 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
29 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
30 **automatically sunset on December thirty-first every six years after each reauthorization**
31 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
32 **before the sunset date provided in this subsection. The tax credits authorized under this**
33 **section shall terminate on September first of the calendar year immediately following the**
34 **calendar year in which the tax credits authorized under this section are sunset.**

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

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

6 (1) Any modification described in sections 143.121 and 143.141 which relates to an item
7 of S corporation income, gain, loss, or deduction shall be made in accordance with the
8 shareholder's pro rata share, for federal income tax purposes, of the item to which the

9 modification relates. Where a shareholder's pro rata share of any such item is not required to be
10 taken into account separately for federal income tax purposes, the shareholder's pro rata share
11 of such item shall be determined in accordance with his pro rata share, for federal income tax
12 purposes, of S corporation taxable income or loss generally;

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

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

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

38 5. If an S corporation pays or credits amounts to any of its nonresident individual
39 shareholders as dividends or as their share of the S corporation's undistributed taxable income
40 for the taxable year, the S corporation shall either timely file with the department of revenue an
41 agreement as provided in subsection 6 of this section or withhold Missouri income tax as
42 provided in subsection 7 of this section. An S corporation that timely files an agreement as
43 provided in subsection 6 of this section with respect to a nonresident shareholder for a taxable
44 year shall be considered to have timely filed such an agreement for each subsequent taxable year.

45 An S corporation that does not timely file such an agreement for a taxable year shall not be
46 precluded from timely filing such an agreement for subsequent taxable years. An S corporation
47 is not required to deduct and withhold Missouri income tax for a nonresident shareholder if:

48 (1) The nonresident shareholder not otherwise required to file a return agrees to have the
49 Missouri income tax due paid as part of the S corporation's composite return;

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

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

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

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

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

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

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

66 7. The amount of Missouri income tax to be withheld is determined by multiplying the
67 amount of dividends or undistributed income allocable to Missouri that is paid or credited to a
68 nonresident shareholder during the taxable year by the highest rate used to determine a Missouri
69 income tax liability for an individual, except that the amount of the tax withheld may be
70 determined based on withholding tables provided by the director of revenue if the shareholder
71 submits a Missouri withholding allowance certificate.

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

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

78 (1) The credit allowed by this subsection shall be equal to the bank tax calculated
79 pursuant to chapter 148, RSMo, based on bank income in 1999 and after, on a bank that makes
80 an election pursuant to 26 U.S.C. Section 1362, and such credit shall be allocated to the

81 qualifying shareholder according to stock ownership, determined by multiplying a fraction,
82 where the numerator is the shareholder's stock, and the denominator is the total stock issued by
83 such bank or bank holding company;

84 (2) The tax credit authorized in this subsection shall be permitted only to the
85 shareholders that qualify as S corporation shareholders, provided the stock at all times during the
86 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such
87 stock is held by the shareholder during the taxable period. The credit created by this section on
88 a yearly basis is available to each qualifying shareholder, including shareholders filing joint
89 returns. A bank holding company is not allowed this credit, except that, such credit shall flow
90 through to such bank holding company's qualified shareholders, and be allocated to such
91 shareholders under the same conditions; and

92 (3) In the event such shareholder cannot use all or part of the tax credit in the taxable
93 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser
94 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri
95 taxable income.

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

100 (1) The credit allowed by this subsection shall be equal to the savings and loan
101 association tax calculated under chapter 148, RSMo, based on the computations provided in
102 section 148.630, RSMo, on an association that makes an election under 26 U.S.C. Section 1362,
103 and such credit shall be allocated to the qualifying shareholder according to stock ownership,
104 determined by multiplying a fraction, where the numerator is the shareholder's stock, and the
105 denominator is the total stock issued by the association;

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

114 (3) In the event such shareholder cannot use all or part of the tax credit in the taxable
115 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser

116 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri
117 taxable income.

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

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

128 (2) The tax credit authorized in this subsection shall be permitted only to the
129 shareholders that qualify as S corporation shareholders, provided the stock at all times during the
130 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such
131 stock is held by the shareholder during the taxable period. The credit created by this section on
132 a yearly basis is available to each qualifying shareholder, including shareholders filing joint
133 returns. A credit institution holding company is not allowed this credit, except that, such credit
134 shall flow through to such credit institution holding company's qualified shareholders, and be
135 allocated to such shareholders under the same conditions; and

136 (3) In the event such shareholder cannot use all or part of the tax credit in the taxable
137 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser
138 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri
139 taxable income.

140 **12. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
141 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
142 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
143 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
144 **redeemable or applied to the owner's tax liability.**

145 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
146 **be issued under this section after December 31, 2011, unless such tax credits are**
147 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
148 **credits shall automatically sunset on December thirty-first six years after the effective date**
149 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
150 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
151 **automatically sunset on December thirty-first every six years after each reauthorization**

152 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
153 **before the sunset date provided in this subsection. The tax credits authorized under this**
154 **section shall terminate on September first of the calendar year immediately following the**
155 **calendar year in which the tax credits authorized under this section are sunset.**

148.064. 1. Notwithstanding any law to the contrary, this section shall determine the
2 ordering and limit reductions for certain taxes and tax credits which may be used as credits
3 against various taxes paid or payable by banking institutions. Except as adjusted in subsections
4 2, 3 and 6 of this section, such credits shall be applied in the following order until used against:

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

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

9 (3) The state income tax in section 143.071, RSMo.

10 2. The tax credits permitted against taxes payable pursuant to subdivision (2) of
11 subsection 2 of section 148.030 shall be utilized first and include taxes referenced in
12 subdivisions (2) and (3) of subsection 1 of this section, which shall be determined without
13 reduction for any tax credits identified in subsection 5 of this section which are used to reduce
14 such taxes. Where a banking institution subject to this section joins in the filing of a
15 consolidated state income tax return under chapter 143, RSMo, the credit allowed under this
16 section for state income taxes payable under chapter 143, RSMo, shall be determined based upon
17 the consolidated state income tax liability of the group and allocated to a banking institution,
18 without reduction for any tax credits identified in subsection 5 of this section which are used to
19 reduce such consolidated taxes as provided in chapter 143, RSMo.

20 3. The taxes referenced in subdivisions (2) and (3) of subsection 1 of this section may
21 be reduced by the tax credits in subsection 5 of this section without regard to any adjustments
22 in subsection 2 of this section.

23 4. To the extent that certain tax credits which the taxpayer is entitled to claim are
24 transferable, such transferability may include transfers among such taxpayers who are members
25 of a single consolidated income tax return, and this subsection shall not impact other tax credit
26 transferability.

27 5. For the purpose of this section, the tax credits referred to in subsections 2 and 3 shall
28 include tax credits available for economic development, low-income housing and neighborhood
29 assistance which the taxpayer is entitled to claim for the year, including by way of example and
30 not of limitation, tax credits pursuant to the following sections: section 32.115, RSMo, section
31 100.286, RSMo, and sections 135.110, 135.225, 135.352 and 135.403, RSMo.

32 6. For tax returns filed on or after January 1, 2001, including returns based on income
33 in the year 2000, and after, a banking institution shall be entitled to an annual tax credit equal
34 to one-sixtieth of one percent of its outstanding shares and surplus employed in this state if the
35 outstanding shares and surplus exceed one million dollars, determined in the same manner as in
36 section 147.010, RSMo. This tax credit shall be taken as a dollar-for-dollar credit against the
37 bank tax provided for in subdivision (2) of subsection 2 of section 148.030; if such bank tax was
38 already reduced to zero by other credits, then against the corporate income tax provided for in
39 chapter 143, RSMo.

40 7. In the event the corporation franchise tax in chapter 147, RSMo, is repealed by the
41 general assembly, there shall also be a reduction in the taxation of banks as follows: in lieu of
42 the loss of the corporation franchise tax credit reduction in subdivision (1) of subsection 2 of
43 section 148.030, the bank shall receive a tax credit equal to one and one-half percent of net
44 income as determined in this chapter. This subsection shall take effect at the same time the
45 corporation franchise tax in chapter 147, RSMo, is repealed.

46 8. An S corporation bank or bank holding company that otherwise qualifies to distribute
47 tax credits to its shareholders shall pass through any tax credits referred to in subsection 5 of this
48 section to its shareholders as otherwise provided for in subsection 9 of section 143.471, RSMo,
49 with no reductions or limitations resulting from the transfer through such S corporation, and on
50 the same terms originally made available to the original taxpayer, subject to any original dollar
51 or percentage limitations on such credits, and when such S corporation is the original taxpayer,
52 treating such S corporation as having not elected Subchapter S status.

53 9. Notwithstanding any law to the contrary, in the event the corporation franchise tax in
54 chapter 147, RSMo, is repealed by the general assembly, after such repeal all Missouri taxes of
55 any nature and type imposed directly or used as a tax credit against the bank's taxes shall be
56 passed through to the S corporation bank or bank holding company shareholder in the form
57 otherwise permitted by law, except for the following:

58 (1) Credits for taxes on real estate and tangible personal property owned by the bank and
59 held for lease or rental to others;

60 (2) Contributions paid pursuant to the unemployment compensation tax law of Missouri;
61 or

62 (3) State and local sales and use taxes collected by the bank on its sales of tangible
63 personal property and the services enumerated in chapter 144, RSMo.

64 **10. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
65 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
66 **within three years of the issuance of the tax credits. Any amount of such tax credits that**

67 is not redeemed or that is left unapplied after three years shall expire, and shall not be
68 redeemable or applied to the owner's tax liability.

69 (2) Notwithstanding any other provision of law to the contrary, no tax credits shall
70 be issued under this section after December 31, 2011, unless such tax credits are
71 reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax
72 credits shall automatically sunset on December thirty-first six years after the effective date
73 of the initial reauthorization of this section, unless again reauthorized by an act of the
74 general assembly. If the tax credits are again reauthorized, the tax credits shall
75 automatically sunset on December thirty-first every six years after each reauthorization
76 by an act of the general assembly, unless reauthorized by an act of the general assembly
77 before the sunset date provided in this subsection. The tax credits authorized under this
78 section shall terminate on September first of the calendar year immediately following the
79 calendar year in which the tax credits authorized under this section are sunset.

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

14 2. (1) Notwithstanding any other provision of law to the contrary, the tax credits
15 issued under this section shall be redeemed or applied to the tax credit owner's tax liability
16 within three years of the issuance of the tax credits. Any amount of such tax credits that
17 is not redeemed or that is left unapplied after three years shall expire, and shall not be
18 redeemable or applied to the owner's tax liability.

19 (2) Notwithstanding any other provision of law to the contrary, no tax credits shall
20 be issued under this section after December 31, 2011, unless such tax credits are
21 reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax
22 credits shall automatically sunset on December thirty-first six years after the effective date
23 of the initial reauthorization of this section, unless again reauthorized by an act of the

24 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
25 **automatically sunset on December thirty-first every six years after each reauthorization**
26 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
27 **before the sunset date provided in this subsection. The tax credits authorized under this**
28 **section shall terminate on September first of the calendar year immediately following the**
29 **calendar year in which the tax credits authorized under this section are sunset.**

148.620. 1. Every taxpayer shall be subject to an annual tax for the privilege of
2 exercising its corporate franchises within the state according to and measured by its net income
3 for the preceding year.

4 2. The rate of tax for each taxable year shall be seven percent of such net income.

5 3. The tax imposed on the net income by this law shall be exclusive and in lieu of all
6 other state and local taxes against and upon credit unions and associations, their capital, or
7 income, except taxes on all property, contributions paid pursuant to the unemployment
8 compensation law of Missouri, Social Security taxes, sales and use taxes.

9 4. Each taxpayer shall be entitled to credits against the tax imposed by this law for all
10 taxes paid to the state of Missouri or any political subdivision thereof during the relevant income
11 period, except taxes on real estate and tangible personal property owned by the taxpayer and held
12 for lease or rental to others, contributions paid pursuant to the unemployment compensation law
13 of Missouri, Social Security taxes, sales and use taxes, and taxes imposed by this law.

14 **5. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
15 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
16 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
17 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
18 **redeemable or applied to the owner's tax liability.**

19 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
20 **be issued under this section after December 31, 2011, unless such tax credits are**
21 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
22 **credits shall automatically sunset on December thirty-first six years after the effective date**
23 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
24 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
25 **automatically sunset on December thirty-first every six years after each reauthorization**
26 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
27 **before the sunset date provided in this subsection. The tax credits authorized under this**
28 **section shall terminate on September first of the calendar year immediately following the**
29 **calendar year in which the tax credits authorized under this section are sunset.**

148.655. 1. Subchapter S corporation shareholders of an association required to pay franchise taxes under section 148.620 may take a tax credit against such shareholder's state income tax return, as provided in section 143.471, RSMo. Such tax credit shall be the taxpayer's pro rata share of the franchise tax paid by the association as provided in this chapter.

2. (1) **Notwithstanding any other provision of law to the contrary, the tax credits issued under this section shall be redeemed or applied to the tax credit owner's tax liability within three years of the issuance of the tax credits. Any amount of such tax credits that is not redeemed or that is left unapplied after three years shall expire, and shall not be redeemable or applied to the owner's tax liability.**

(2) **Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under this section after December 31, 2011, unless such tax credits are reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax credits shall automatically sunset on December thirty-first six years after the effective date of the initial reauthorization of this section, unless again reauthorized by an act of the general assembly. If the tax credits are again reauthorized, the tax credits shall automatically sunset on December thirty-first every six years after each reauthorization by an act of the general assembly, unless reauthorized by an act of the general assembly before the sunset date provided in this subsection. The tax credits authorized under this section shall terminate on September first of the calendar year immediately following the calendar year in which the tax credits authorized under this section are sunset.**

148.657. 1. Subchapter S corporation shareholders of a credit institution required to pay franchise taxes under section 148.140 may take a tax credit against such shareholder's state income tax return, as provided in section 143.471, RSMo. Such tax credit shall be the taxpayer's pro rata share of the franchise tax paid by the credit institution as provided in this chapter.

2. (1) **Notwithstanding any other provision of law to the contrary, the tax credits issued under this section shall be redeemed or applied to the tax credit owner's tax liability within three years of the issuance of the tax credits. Any amount of such tax credits that is not redeemed or that is left unapplied after three years shall expire, and shall not be redeemable or applied to the owner's tax liability.**

(2) **Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under this section after December 31, 2011, unless such tax credits are reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax credits shall automatically sunset on December thirty-first six years after the effective date of the initial reauthorization of this section, unless again reauthorized by an act of the general assembly. If the tax credits are again reauthorized, the tax credits shall automatically sunset on December thirty-first every six years after each reauthorization**

17 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
18 **before the sunset date provided in this subsection. The tax credits authorized under this**
19 **section shall terminate on September first of the calendar year immediately following the**
20 **calendar year in which the tax credits authorized under this section are sunset.**

178.762. 1. If an agreement provides that all or part of program costs are to be met by
2 receipt of retained jobs credit from withholding, such retained jobs credit from withholding shall
3 be determined and paid as follows:

4 (1) Retained jobs credit from withholding shall be based upon the wages paid to the
5 employees in the retained jobs;

6 (2) A portion of the total payments made by the employer under section 143.221, RSMo,
7 shall be designated as the retained jobs credit from withholding. Such portion shall be an
8 amount equal to two and one-half percent of the gross wages paid by the employer for each of
9 the first one hundred jobs included in the project and one and one-half percent of the gross wages
10 paid by the employer for each of the remaining jobs included in the project. If business or
11 employment conditions cause the amount of the retained jobs credit from withholding to be less
12 than the amount projected in the agreement for any time period, then other withholding tax paid
13 by the employer under section 143.221, RSMo, shall be credited to the Missouri community
14 college retained job training fund by the amount of such difference.

15 The employer shall remit the amount of the retained jobs credit to the department of revenue in
16 the manner prescribed in section 178.764. When all program costs, including the principal,
17 premium, and interest on the certificates have been paid, the employer credits shall cease;

18 (3) The community college district participating in a project shall establish a special fund
19 for and in the name of the project. All funds appropriated by the general assembly from the
20 Missouri community college job training retention program fund and disbursed by the division
21 of workforce development for the project and other amounts received by the district in respect
22 of the project and required by the agreement to be used to pay program costs for the project shall
23 be deposited in the special fund. Amounts held in the special fund may be used and disbursed
24 by the district only to pay program costs for the project. The special fund may be divided into
25 such accounts and subaccounts as shall be provided in the agreement, and amounts held therein
26 may be invested in investments which are legal for the investment of the district's other funds;

27 (4) Any disbursement in respect of a project received from the division of workforce
28 development under sections 178.760 to 178.764 and the special fund into which it is paid may
29 be irrevocably pledged by a community college district for the payment of the principal,
30 premium, and interest on the certificate issued by a community college district to finance or
31 refinance, in whole or in part, the project;

32 (5) The employer shall certify to the department of revenue that the credit from
33 withholding is in accordance with an agreement and shall provide other information the
34 department may require;

35 (6) An employee participating in a project will receive full credit for the amount
36 designated as a retained jobs credit from withholding and withheld as provided in section
37 143.221, RSMo;

38 (7) If an agreement provides that all or part of program costs are to be met by receipt of
39 retained jobs credit from withholding, the provisions of this subsection shall also apply to any
40 successor to the original employer until such time as the principal and interest on the certificates
41 have been paid.

42 **2. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
43 **issued under sections 178.760 to 178.764 shall be redeemed or applied to the tax credit**
44 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
45 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
46 **and shall not be redeemable or applied to the owner's tax liability.**

47 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
48 **be issued under sections 178.760 to 178.764 after December 31, 2011, unless such tax**
49 **credits are reauthorized by an act of the general assembly. If the tax credits are**
50 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
51 **after the effective date of the initial reauthorization of this section, unless again**
52 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
53 **the tax credits shall automatically sunset on December thirty-first every six years after each**
54 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
55 **general assembly before the sunset date provided in this subsection. The tax credits**
56 **authorized under sections 178.760 to 178.764 shall terminate on September first of the**
57 **calendar year immediately following the calendar year in which the tax credits authorized**
58 **under sections 178.760 to 178.764 are sunset.**

178.894. **1.** If an agreement provides that all or part of program costs are to be met by
2 receipt of new jobs credit from withholding, such new jobs credit from withholding shall be
3 determined and paid as follows:

4 (1) New jobs credit from withholding shall be based upon the wages paid to the
5 employees in the new jobs;

6 (2) A portion of the total payments made by the employer pursuant to section 143.221,
7 RSMo, shall be designated as the new jobs credit from withholding. Such portion shall be an
8 amount equal to two and one-half percent of the gross wages paid by the employer for each of
9 the first one hundred jobs included in the project and one and one-half percent of the gross wages

10 paid by the employer for each of the remaining jobs included in the project. If business or
11 employment conditions cause the amount of the new jobs credit from withholding to be less than
12 the amount projected in the agreement for any time period, then other withholding tax paid by
13 the employer pursuant to section 143.221, RSMo, shall be credited to the Missouri community
14 college job training fund by the amount of such difference. The employer shall remit the amount
15 of the new jobs credit to the department of revenue in the manner prescribed in section 178.896.
16 When all program costs, including the principal of, premium, if any, and interest on the
17 certificates have been paid, the employer credits shall cease;

18 (3) The community college district participating in a project shall establish a special fund
19 for and in the name of the project. All funds appropriated by the general assembly from the
20 Missouri community college job training program fund and disbursed by the division of job
21 development and training for the project and other amounts received by the district in respect of
22 the project and required by the agreement to be used to pay program costs for the project shall
23 be deposited in the special fund. Amounts held in the special fund may be used and disbursed
24 by the district only to pay program costs for the project. The special fund may be divided into
25 such accounts and subaccounts as shall be provided in the agreement, and amounts held therein
26 may be invested in investments which are legal for the investment of the district's other funds;

27 (4) Any disbursement in respect of a project received from the division of job
28 development and training under the provisions of sections 178.892 to 178.896 and the special
29 fund into which it is paid may be irrevocably pledged by a community college district for the
30 payment of the principal of, premium, if any, and interest on the certificate issued by a
31 community college district to finance or refinance, in whole or in part, the project;

32 (5) The employer shall certify to the department of revenue that the credit from
33 withholding is in accordance with an agreement and shall provide other information the
34 department may require;

35 (6) An employee participating in a project will receive full credit for the amount
36 designated as a new jobs credit from withholding and withheld as provided in section 143.221,
37 RSMo;

38 (7) If an agreement provides that all or part of program costs are to be met by receipt of
39 new jobs credit from withholding, the provisions of this subsection shall also apply to any
40 successor to the original employer until such time as the principal and interest on the certificates
41 have been paid.

42 **2. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
43 **issued under sections 178.892 to 178.896 shall be redeemed or applied to the tax credit**
44 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**

45 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
46 **and shall not be redeemable or applied to the owner's tax liability.**

47 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
48 **be issued under sections 178.892 to 178.896 after December 31, 2011, unless such tax**
49 **credits are reauthorized by an act of the general assembly. If the tax credits are**
50 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
51 **after the effective date of the initial reauthorization of this section, unless again**
52 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
53 **the tax credits shall automatically sunset on December thirty-first every six years after each**
54 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
55 **general assembly before the sunset date provided in this subsection. The tax credits**
56 **authorized under sections 178.892 to 178.896 shall terminate on September first of the**
57 **calendar year immediately following the calendar year in which the tax credits authorized**
58 **under sections 178.892 to 178.896 are sunset.**

191.1056. 1. There is hereby created in the state treasury the "Missouri Health Care
2 Access Fund", which shall consist of gifts, grants, and devises deposited into the fund with
3 approval of the oversight committee created in section 208.955, RSMo. The state treasurer shall
4 be custodian of the fund and may disburse moneys from the fund in accordance with sections
5 30.170 and 30.180, RSMo. Disbursements from the fund shall be subject to appropriations and
6 the director shall approve disbursements from the fund consistent with such appropriations to
7 any eligible facility to attract and recruit health care professionals and other necessary personnel,
8 to purchase or rent facilities, to pay for facility expansion or renovation, to purchase office and
9 medical equipment, to pay personnel salaries, or to pay any other costs associated with providing
10 primary health care services to the population in the facility's area of defined need.

11 2. The state of Missouri shall provide matching moneys from the general revenue fund
12 equaling one-half of the amount deposited into the fund. The total annual amount available to
13 the fund from state sources under such a match program shall be five hundred thousand dollars
14 for fiscal year 2008, one million five hundred thousand dollars for fiscal year 2009, and one
15 million dollars annually thereafter.

16 3. The maximum annual donation that any one individual or corporation may make is
17 fifty thousand dollars. Any individual or corporation, excluding nonprofit corporations, that
18 make a contribution to the fund totaling one hundred dollars or more shall receive a tax credit
19 for one-half of all donations made annually under section 135.575, RSMo. In addition, any
20 office or medical equipment donated to any eligible facility shall be an eligible donation for
21 purposes of receipt of a tax credit under section 135.575, RSMo, but shall not be eligible for any
22 matching funds under subsection 2 of this section.

23 4. If any clinic or facility **that** has received money from the fund closes or significantly
24 decreases its operations, as determined by the department, within one year of receiving such
25 money, the amount of such money received and the amount of the match provided from the
26 general revenue fund shall be refunded to each appropriate source.

27 5. Notwithstanding the provisions of section 33.080, RSMo, to the contrary, any moneys
28 remaining in the fund at the end of the biennium shall not revert to the credit of the general
29 revenue fund.

30 6. The state treasurer shall invest moneys in the fund in the same manner as other funds
31 are invested. Any interest and moneys earned on such investments shall be credited to the fund.

32 **7. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
33 **issued under sections 191.1050 to 191.1056 shall be redeemed or applied to the tax credit**
34 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
35 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
36 **and shall not be redeemable or applied to the owner's tax liability.**

37 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
38 **be issued under sections 191.1050 to 191.1056 after December 31, 2011, unless such tax**
39 **credits are reauthorized by an act of the general assembly. If the tax credits are**
40 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
41 **after the effective date of the initial reauthorization of this section, unless again**
42 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
43 **the tax credits shall automatically sunset on December thirty-first every six years after each**
44 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
45 **general assembly before the sunset date provided in this subsection. The tax credits**
46 **authorized under sections 191.1050 to 191.1056 shall terminate on September first of the**
47 **calendar year immediately following the calendar year in which the tax credits authorized**
48 **under sections 191.1050 to 191.1056 are sunset.**

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

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

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

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

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

23 6. **For all fiscal years ending on or before June 30, 2010**, the total tax credits
24 authorized pursuant to sections 208.750 to 208.775 shall not exceed four million dollars in any
25 fiscal year. **For all fiscal years beginning on or after July 1, 2010**, the total tax credits
26 **authorized under sections 208.750 to 208.775 shall not exceed one hundred thousand**
27 **dollars in any fiscal year.**

28 7. (1) **Notwithstanding any other provision of law to the contrary, the tax credits**
29 **issued under sections 208.750 to 208.775 shall be redeemed or applied to the tax credit**
30 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
31 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
32 **and shall not be redeemable or applied to the owner's tax liability.**

33 (2) **Notwithstanding any other provision of law to the contrary, no tax credits shall**
34 **be issued under sections 208.750 to 208.775 after December 31, 2011, unless such tax**
35 **credits are reauthorized by an act of the general assembly. If the tax credits are**
36 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
37 **after the effective date of the initial reauthorization of this section, unless again**
38 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
39 **the tax credits shall automatically sunset on December thirty-first every six years after each**
40 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
41 **general assembly before the sunset date provided in this subsection. The tax credits**
42 **authorized under sections 208.750 to 208.775 shall terminate on September first of the**
43 **calendar year immediately following the calendar year in which the tax credits authorized**
44 **under sections 208.750 to 208.775 are sunset.**

253.550. 1. Any person, firm, partnership, trust, estate, or corporation incurring costs
2 and expenses for the rehabilitation of eligible property, which is a certified historic structure or

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

13 **2. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
14 **issued under sections 253.545 to 253.559 shall be redeemed or applied to the tax credit**
15 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
16 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
17 **and shall not be redeemable or applied to the owner's tax liability.**

18 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
19 **be issued under sections 253.545 to 253.559 after December 31, 2011, unless such tax**
20 **credits are reauthorized by an act of the general assembly. If the tax credits are**
21 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
22 **after the effective date of the initial reauthorization of this section, unless again**
23 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
24 **the tax credits shall automatically sunset on December thirty-first every six years after each**
25 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
26 **general assembly before the sunset date provided in this subsection. The tax credits**
27 **authorized under sections 253.545 to 253.559 shall terminate on September first of the**
28 **calendar year immediately following the calendar year in which the tax credits authorized**
29 **under sections 253.545 to 253.559 are sunset.**

320.093. 1. Any person, firm or corporation who purchases a dry fire hydrant, as defined
2 in section 320.273, or provides an acceptable means of water storage for such dry fire hydrant
3 including a pond, tank or other storage facility with the primary purpose of fire protection within
4 the state of Missouri, shall be eligible for a credit on income taxes otherwise due pursuant to
5 chapter 143, RSMo, except sections 143.191 to 143.261, RSMo, as an incentive to implement
6 safe and efficient fire protection controls. The tax credit, not to exceed five thousand dollars,
7 shall be equal to fifty percent of the cost in actual expenditure for any new water storage
8 construction, equipment, development and installation of the dry hydrant, including pipes,
9 valves, hydrants and labor for each such installation of a dry hydrant or new water storage

10 facility. The amount of the tax credit claimed for in-kind contributions shall not exceed
11 twenty-five percent of the total amount of the contribution for which the tax credit is claimed.

12 2. Any amount of credit which exceeds the tax due shall not be refunded but may be
13 carried over to any subsequent taxable year, not to exceed seven years. The person, firm or
14 corporation may elect to assign to a third party the approved tax credit. The certificate of
15 assignment and other appropriate forms shall be filed with the Missouri department of revenue
16 and the department of economic development.

17 3. The person, firm or corporation shall make application for the credit to the department
18 of economic development after receiving approval of the state fire marshal. The fire marshal
19 shall establish by rule promulgated pursuant to chapter 536, RSMo, the requirements to be met
20 based on the National Resources Conservation Service's Dry Hydrant Standard. The state fire
21 marshal or designated local representative shall review and authorize the construction and
22 installation of any dry fire hydrant site. Only approved dry fire hydrant sites shall be eligible for
23 tax credits as indicated in this section. Under no circumstance shall such authority deny any
24 entity the ability to provide a dry fire hydrant site when tax credits are not requested.

25 4. The department of public safety shall certify to the department of revenue that the dry
26 hydrant system meets the requirements to obtain a tax credit as specified in subsection 5 of this
27 section.

28 5. In order to qualify for a tax credit under this section, a dry hydrant or new water
29 storage facility shall meet the following minimum requirements:

30 (1) Each body of water or water storage structure shall be able to provide two hundred
31 fifty gallons per minute for a continuous two-hour period during a fifty-year drought or freeze
32 at a vertical lift of eighteen feet;

33 (2) Each dry hydrant shall be located within twenty-five feet of an all-weather roadway
34 and shall be accessible to fire protection equipment;

35 (3) Dry hydrants shall be located a reasonable distance from other dry or pressurized
36 hydrants; and

37 (4) The site shall provide a measurable economic improvement potential for rural
38 development.

39 6. New credits shall not be awarded under this section after August 28, 2010. The total
40 amount of all tax credits allowed pursuant to this section is five hundred thousand dollars in any
41 one fiscal year as approved by the director of the department of economic development.

42 7. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that
43 is created under the authority delegated in this section shall become effective only if it complies
44 with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section
45 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers

46 vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the
47 effective date or to 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, 2007, shall be
49 invalid and void.

50 **8. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
51 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
52 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
53 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
54 **redeemable or applied to the owner's tax liability.**

55 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
56 **be issued under this section after December 31, 2011, unless such tax credits are**
57 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
58 **credits shall automatically sunset on December thirty-first six years after the effective date**
59 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
60 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
61 **automatically sunset on December thirty-first every six years after each reauthorization**
62 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
63 **before the sunset date provided in this subsection. The tax credits authorized under this**
64 **section shall terminate on September first of the calendar year immediately following the**
65 **calendar year in which the tax credits authorized under this section are sunset.**

348.302. 1. Any person who makes a qualified contribution to a qualified fund shall be
2 entitled to receive a tax credit equal to fifty percent of the amount of the qualified contribution.
3 The tax credit shall be evidenced by a tax credit certificate in accordance with the provisions of
4 sections 348.300 to 348.318 and may be used to satisfy the state tax liability of the owner of such
5 certificate that becomes due in the tax year in which the qualified contribution is made, or in any
6 of the ten tax years thereafter. No person may receive a tax credit pursuant to sections 348.300
7 to 348.318 unless that person presents a tax credit certificate to the department of revenue for
8 payment of such state tax liability.

9 2. The amount of such qualified contributions which can be made is limited so that the
10 aggregate of all tax credits authorized under the provisions of sections 348.300 to 348.318 shall
11 not exceed nine million dollars. All tax credits authorized under the provisions of this section
12 may be transferred, sold or assigned.

13 **3. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
14 **issued under sections 348.300 to 348.318 shall be redeemed or applied to the tax credit**
15 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**

16 such tax credits that is not redeemed or that is left unapplied after three years shall expire,
17 and shall not be redeemable or applied to the owner's tax liability.

18 (2) Notwithstanding any other provision of law to the contrary, no tax credits shall
19 be issued under sections 348.300 to 348.318 after December 31, 2011, unless such tax
20 credits are reauthorized by an act of the general assembly. If the tax credits are
21 reauthorized, the tax credits shall automatically sunset on December thirty-first six years
22 after the effective date of the initial reauthorization of this section, unless again
23 reauthorized by an act of the general assembly. If the tax credits are again reauthorized,
24 the tax credits shall automatically sunset on December thirty-first every six years after each
25 reauthorization by an act of the general assembly, unless reauthorized by an act of the
26 general assembly before the sunset date provided in this subsection. The tax credits
27 authorized under sections 348.300 to 348.318 shall terminate on September first of the
28 calendar year immediately following the calendar year in which the tax credits authorized
29 under sections 348.300 to 348.318 are sunset.

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

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

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

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

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

15 4. (1) Notwithstanding any other provision of law to the contrary, the tax credits
16 issued under sections 348.430 to 348.439 shall be redeemed or applied to the tax credit
17 owner's tax liability within three years of the issuance of the tax credits. Any amount of
18 such tax credits that is not redeemed or that is left unapplied after three years shall expire,
19 and shall not be redeemable or applied to the owner's tax liability.

20 (2) Notwithstanding any other provision of law to the contrary, no tax credits shall
21 be issued under sections 348.430 to 348.439 after December 31, 2011, unless such tax
22 credits are reauthorized by an act of the general assembly. If the tax credits are

23 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
24 **after the effective date of the initial reauthorization of this section, unless again**
25 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
26 **the tax credits shall automatically sunset on December thirty-first every six years after each**
27 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
28 **general assembly before the sunset date provided in this subsection. The tax credits**
29 **authorized under sections 348.430 to 348.439 shall terminate on September first of the**
30 **calendar year immediately following the calendar year in which the tax credits authorized**
31 **under sections 348.430 to 348.439 are sunset.**

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

5 2. Any eligible lender under the family farm livestock loan program under section
6 348.500 shall be entitled to receive a tax credit equal to one hundred percent of the amount of
7 interest waived by the lender under section 348.500 on a qualifying loan for the first year of the
8 loan only. The tax credit shall be evidenced by a tax credit certificate issued by the agricultural
9 and small business development authority and may be used to satisfy the state tax liability of the
10 owner of such certificate that becomes due in the tax year in which the interest on a qualified
11 loan is waived by the lender under section 348.500. No lender may receive a tax credit under
12 this section unless such person presents a tax credit certificate to the department of revenue for
13 payment of such state tax liability. The amount of the tax credits that may be issued to all
14 eligible lenders claiming tax credits authorized in this section in a fiscal year shall not exceed
15 three hundred thousand dollars.

16 3. The agricultural and small business development authority shall be responsible for the
17 administration and issuance of the certificate of tax credits authorized by this section. The
18 authority shall issue a certificate of tax credit at the request of any lender. Each request shall
19 include a true copy of the loan documents, the name of the lender who is to receive a certificate
20 of tax credit, the type of state tax liability against which the tax credit is to be used, and the
21 amount of the certificate of tax credit to be issued to the lender based on the interest waived by
22 the lender under section 348.500 on the loan for the first year.

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

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

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

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

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

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

47 **6. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
48 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
49 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
50 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
51 **redeemable or applied to the owner's tax liability.**

52 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
53 **be issued under this section after December 31, 2011, unless such tax credits are**
54 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
55 **credits shall automatically sunset on December thirty-first six years after the effective date**
56 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
57 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
58 **automatically sunset on December thirty-first every six years after each reauthorization**
59 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
60 **before the sunset date provided in this subsection. The tax credits authorized under this**
61 **section shall terminate on September first of the calendar year immediately following the**
62 **calendar year in which the tax credits authorized under this section are sunset.**

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

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

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

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

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

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

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

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

6. (1) Notwithstanding any other provision of law to the contrary, the tax credits issued under sections 375.771 to 375.779 shall be redeemed or applied to the tax credit owner's tax liability within three years of the issuance of the tax credits. Any amount of such tax credits that is not redeemed or that is left unapplied after three years shall expire, and shall not be redeemable or applied to the owner's tax liability.

(2) Notwithstanding any other provision of law to the contrary, no tax credits shall be issued under sections 375.771 to 375.779 after December 31, 2011, unless such tax credits are reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax credits shall automatically sunset on December thirty-first six years after the effective date of the initial reauthorization of this section, unless again reauthorized by an act of the general assembly. If the tax credits are again reauthorized, the tax credits shall automatically sunset on December thirty-first every six years after each

37 reauthorization by an act of the general assembly, unless reauthorized by an act of the
38 general assembly before the sunset date provided in this subsection. The tax credits
39 authorized under sections 375.771 to 375.779 shall terminate on September first of the
40 calendar year immediately following the calendar year in which the tax credits authorized
41 under sections 375.771 to 375.779 are sunset.

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

6 2. A member insurer exempt from chapter 148, RSMo, may offset against its sales or use
7 tax liability to this state an assessment described in section 376.738 to the extent of twenty
8 percent of the amount of such assessment for each of the five calendar years following the year
9 in which such assessment was paid. In the event a member insurer should cease doing business,
10 all uncredited assessments may be credited against its sales or use tax liability for the year it
11 ceases doing business.

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

18 **4. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
19 **issued under sections 376.715 to 376.758 shall be redeemed or applied to the tax credit**
20 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
21 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
22 **and shall not be redeemable or applied to the owner's tax liability.**

23 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
24 **be issued under sections 376.715 to 376.758 after December 31, 2011, unless such tax**
25 **credits are reauthorized by an act of the general assembly. If the tax credits are**
26 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
27 **after the effective date of the initial reauthorization of this section, unless again**
28 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
29 **the tax credits shall automatically sunset on December thirty-first every six years after each**
30 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
31 **general assembly before the sunset date provided in this subsection. The tax credits**

32 **authorized under sections 376.715 to 376.758 shall terminate on September first of the**
33 **calendar year immediately following the calendar year in which the tax credits authorized**
34 **under sections 376.715 to 376.758 are sunset.**

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

13 **2. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
14 **issued under sections 376.960 to 376.989 shall be redeemed or applied to the tax credit**
15 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
16 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
17 **and shall not be redeemable or applied to the owner's tax liability.**

18 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
19 **be issued under sections 376.960 to 376.989 after December 31, 2011, unless such tax**
20 **credits are reauthorized by an act of the general assembly. If the tax credits are**
21 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
22 **after the effective date of the initial reauthorization of this section, unless again**
23 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
24 **the tax credits shall automatically sunset on December thirty-first every six years after each**
25 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
26 **general assembly before the sunset date provided in this subsection. The tax credits**
27 **authorized under sections 376.960 to 376.989 shall terminate on September first of the**
28 **calendar year immediately following the calendar year in which the tax credits authorized**
29 **under sections 376.960 to 376.989 are sunset.**

376.980. **1.** Each pool member exempt from chapter 148, RSMo, shall be allowed to
2 offset against any sales or use tax on purchases due, paid, or payable in the calendar year in
3 which such assessments are made. Further, such assessment, for any fiscal year, shall not exceed
4 one percent of nongroup premium income, exclusive of Medicare supplement programs, received

5 in the previous year. If the assessment exceeds the part of any sales tax or use tax due or payable
6 in such year, the excess shall be a credit or offset carried forward against the part of any sales tax
7 or use tax due or payable in succeeding years until the excess is exhausted. The director of
8 revenue, in consultation with the board, shall promulgate and enforce reasonable rules and
9 regulations and prescribe forms for the administration and enforcement of this law.

10 **2. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
11 **issued under sections 376.960 to 376.989 shall be redeemed or applied to the tax credit**
12 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
13 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
14 **and shall not be redeemable or applied to the owner's tax liability.**

15 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
16 **be issued under sections 376.960 to 376.989 after December 31, 2011, unless such tax**
17 **credits are reauthorized by an act of the general assembly. If the tax credits are**
18 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
19 **after the effective date of the initial reauthorization of this section, unless again**
20 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
21 **the tax credits shall automatically sunset on December thirty-first every six years after each**
22 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
23 **general assembly before the sunset date provided in this subsection. The tax credits**
24 **authorized under sections 376.960 to 376.989 shall terminate on September first of the**
25 **calendar year immediately following the calendar year in which the tax credits authorized**
26 **under sections 376.960 to 376.989 are sunset.**

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

11 (1) For receipt of the ad valorem tax abatement pursuant to section 135.215, RSMo, the
12 eligible project must create at least ten new jobs or retain businesses which supply at least
13 twenty-five existing jobs. The city, or county if the eligible project is not located in a city, must

14 provide ad valorem tax abatement of at least fifty percent for a period not less than ten years and
15 not more than twenty-five years;

16 (2) For receipt of the income tax exemption pursuant to section 135.220, RSMo, and tax
17 credit for new or expanded business facilities pursuant to sections 135.100 to 135.150, and
18 135.225, RSMo, the eligible project must create at least ten new jobs or retain businesses which
19 supply at least twenty-five existing jobs, or combination thereof. For purposes of sections
20 447.700 to 447.718, the tax credits described in section 135.225, RSMo, are modified as follows:
21 the tax credit shall be four hundred dollars per employee per year, an additional four hundred
22 dollars per year for each employee exceeding the minimum employment thresholds of ten and
23 twenty-five jobs for new and existing businesses, respectively, an additional four hundred dollars
24 per year for each person who is a person difficult to employ as defined by section 135.240,
25 RSMo, and investment tax credits at the same amounts and levels as provided in subdivision (4)
26 of subsection 1 of section 135.225, RSMo;

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

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

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

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

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

50 in connection with, the eligible project on a full-time basis. "Full-time basis" means the
51 employee works an average of at least thirty-five hours per week during the taxpayer's tax period
52 for which the tax credits are earned. For the purposes of this section, "related taxpayer" has the
53 same meaning as defined in subdivision (9) of section 135.100, RSMo;

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

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

76 (10) Notwithstanding any provision of law to the contrary, for the purpose of this
77 section, the number of new jobs created and maintained, the number of existing jobs retained,
78 and the value of new qualified investment used at the eligible project during any tax year shall
79 be determined by dividing by twelve, in the case of jobs, the sum of the number of individuals
80 employed at the eligible project, or in the case of new qualified investment, the value of new
81 qualified investment used at the eligible project, on the last business day of each full calendar
82 month of the tax year. If the eligible project is in operation for less than the entire tax year, the
83 number of new jobs created and maintained, the number of existing jobs retained, and the value
84 of new qualified investment created at the eligible project during any tax year shall be
85 determined by dividing the sum of the number of individuals employed at the eligible project,

86 or in the case of new qualified investment, the value of new qualified investment used at the
87 eligible project, on the last business day of each full calendar month during the portion of the tax
88 year during which the eligible project was in operation, by the number of full calendar months
89 during such period;

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

95 2. The determination of the director of economic development pursuant to subsection
96 1 of this section shall not affect requirements for the prospective purchaser to obtain the approval
97 of the granting of real property tax abatement by the municipal or county government where the
98 eligible project is located.

99 3. (1) The director of the department of economic development, with the approval of
100 the director of the department of natural resources, may, in addition to the tax credits allowed
101 in subsection 1 of this section, grant a remediation tax credit to the applicant for up to one
102 hundred percent of the costs of materials, supplies, equipment, labor, professional engineering,
103 consulting and architectural fees, permitting fees and expenses, demolition, asbestos abatement,
104 and direct utility charges for performing the voluntary remediation activities for the preexisting
105 hazardous substance contamination and releases, including, but not limited to, the costs of
106 performing operation and maintenance of the remediation equipment at the property beyond the
107 year in which the systems and equipment are built and installed at the eligible project and the
108 costs of performing the voluntary remediation activities over a period not in excess of four tax
109 years following the taxpayer's tax year in which the system and equipment were first put into use
110 at the eligible project, provided the remediation activities are the subject of a plan submitted to,
111 and approved by, the director of natural resources pursuant to sections 260.565 to 260.575,
112 RSMo. The tax credit may also include up to one hundred percent of the costs of demolition that
113 are not directly part of the remediation activities, provided that the demolition is on the property
114 where the voluntary remediation activities are occurring, the demolition is necessary to
115 accomplish the planned use of the facility where the remediation activities are occurring, and the
116 demolition is part of a redevelopment plan approved by the municipal or county government and
117 the department of economic development. The demolition may occur on an adjacent property
118 if the project is located in a municipality which has a population less than twenty thousand and
119 the above conditions are otherwise met. The adjacent property shall independently qualify as
120 abandoned or underutilized. The amount of the credit available for demolition not associated

121 with remediation cannot exceed the total amount of credits approved for remediation including
122 demolition required for remediation.

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

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

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

137 (5) No more than seventy-five percent of earned remediation tax credits may be issued
138 when the remediation costs were paid, and the remaining percentage may be issued when the
139 department of natural resources issues a "Letter of Completion" letter or covenant not to sue
140 following completion of the voluntary remediation activities. It shall not include any costs
141 associated with ongoing operational environmental compliance of the facility or remediation
142 costs arising out of spills, leaks, or other releases arising out of the ongoing business operations
143 of the facility.

144 4. In the exercise of the sound discretion of the director of the department of economic
145 development or the director's designee, the tax credits and exemptions described in this section
146 may be terminated, suspended or revoked, if the eligible project fails to continue to meet the
147 conditions set forth in this section. In making such a determination, the director shall consider
148 the severity of the condition violation, actions taken to correct the violation, the frequency of any
149 condition violations and whether the actions exhibit a pattern of conduct by the eligible facility
150 owner and operator. The director shall also consider changes in general economic conditions and
151 the recommendation of the director of the department of natural resources, or his or her designee,
152 concerning the severity, scope, nature, frequency and extent of any violations of the
153 environmental compliance conditions. The taxpayer or person claiming the tax credits or
154 exemptions may appeal the decision regarding termination, suspension or revocation of any tax
155 credit or exemption in accordance with the procedures outlined in subsections 4 [to 6] **and 5** of
156 section 135.250, RSMo. The director of the department of economic development shall notify

157 the directors of the departments of natural resources and revenue of the termination, suspension
158 or revocation of any tax credits as determined in this section or pursuant to the provisions of
159 section 447.716.

160 5. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax
161 credits, exemptions or refund otherwise allowed in subdivisions (2), (3) and (4) of subsection
162 1 of this section and the tax credits otherwise allowed in section 135.110, RSMo, or the tax
163 credits, exemptions and refund otherwise allowed in sections 135.215, 135.220, 135.225 and
164 135.245, RSMo, respectively, for the same facility for the same tax period.

165 6. The total amount of the tax credits allowed in subsection 1 of this section [may] **shall**
166 not exceed the greater of:

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

168 (2) One hundred percent of the total business' income tax if the eligible facility does not
169 replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax
170 period in which the tax credits are earned, and further provided the taxpayer does not operate any
171 other facilities besides the eligible project in Missouri; fifty percent of the total business' income
172 tax if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the
173 end of the taxpayer's tax period in which the credits are earned, and further provided the taxpayer
174 does not operate any other facilities besides the eligible project in Missouri; or twenty-five
175 percent of the total business income if the taxpayer operates, in addition to the eligible facility,
176 any other facilities in Missouri. In no case shall a taxpayer operating more than one eligible
177 project in Missouri be allowed to offset more than twenty-five percent of the taxpayer's business
178 income in any tax period. That portion of the taxpayer's income attributed to the eligible project
179 as referenced in subdivision (1) of this subsection, for which the credits allowed in sections
180 135.110 and 135.225, RSMo, and subsection 3 of this section, may apply, shall be determined
181 in the same manner as prescribed in subdivision (6) of section 135.100, RSMo. That portion of
182 the taxpayer's franchise tax attributed to the eligible project for which the remediation tax credit
183 may offset, shall be determined in the same manner as prescribed in paragraph (a) of subdivision
184 (6) of section 135.100, RSMo.

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

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

198 9. The recipient of remediation tax credits, for the purpose of this subsection referred to
199 as assignor, may assign, sell or transfer, in whole or in part, the remediation tax credit allowed
200 in subsection 3 of this section to any other person, for the purpose of this subsection referred to
201 as assignee. To perfect the transfer, the assignor shall provide written notice to the director of
202 the assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective,
203 the assignee's name, address and the assignee's tax period and the amount of tax credits to be
204 transferred. The number of tax periods during which the assignee may subsequently claim the
205 tax credits shall not exceed twenty tax periods, less the number of tax periods the assignor
206 previously claimed the credits before the transfer occurred.

207 10. In the case where an operator and assignor of an eligible project has been certified
208 to claim state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section, and
209 sells or otherwise transfers title of the eligible project to another taxpayer or assignee who
210 continues the same or substantially similar operations at the eligible project, the director shall
211 allow the assignee to claim the credits for a period of time to be determined by the director;
212 except that, the total number of tax periods the tax credits may be earned by the assignor and the
213 assignee shall not exceed ten. To perfect the transfer, the assignor shall provide written notice
214 to the director of the assignor's intent to transfer the tax credits to the assignee, the date the
215 transfer is effective, the assignee's name, address, and the assignee's tax period, and the amount
216 of tax credits to be transferred.

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

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

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

224 **12. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
225 **issued under sections 447.700 to 447.718 shall be redeemed or applied to the tax credit**
226 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
227 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
228 **and shall not be redeemable or applied to the owner's tax liability.**

229 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
230 **be issued under sections 447.700 to 447.718 after December 31, 2011, unless such tax**
231 **credits are reauthorized by an act of the general assembly. If the tax credits are**
232 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
233 **after the effective date of the initial reauthorization of this section, unless again**
234 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
235 **the tax credits shall automatically sunset on December thirty-first every six years after each**
236 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
237 **general assembly before the sunset date provided in this subsection. The tax credits**
238 **authorized under sections 447.700 to 447.718 shall terminate on September first of the**
239 **calendar year immediately following the calendar year in which the tax credits authorized**
240 **under sections 447.700 to 447.718 are sunset.**

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

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

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

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

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

12 (4) "Participant", a sole proprietorship, business partnership or corporation operating a
13 business for profit through which the owner avails himself or herself of business development
14 services in an incubator program;

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

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

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

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

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

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

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

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

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

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

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

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

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

39 (1) Loans awarded or guaranteed and grants awarded shall be used only for the
40 acquisition and leasing of land and existing buildings, the rehabilitation of buildings or other
41 facilities, construction of new facilities, the purchase of equipment and furnishings which are
42 necessary for the creation and operation of the incubator, and business development services
43 including, but not limited to, business management advising and business education;

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

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

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

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

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

54 (3) Furnish and equip the program to provide business services to the tenants and
55 participants;

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

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

- 60 (6) Set rental and service fees;
- 61 (7) Encourage the sharing of ideas between tenants and participants and otherwise aid
62 the tenants and participants in an innovative manner while they are within the incubator;
- 63 (8) Establish policies and criteria for the acceptance of tenants and participants into the
64 incubator and for the termination of occupancy of tenants so as to maximize the opportunity to
65 succeed for the greatest number of tenants, consistent with those specified in this section.
- 66 7. The department:
- 67 (1) May adopt such rules, statements of policy, procedures, forms and guidelines as may
68 be necessary for the implementation of this section;
- 69 (2) May make loans, loan guarantees and grants to local sponsors for incubators;
- 70 (3) Shall ensure that local sponsors receiving loans, loan guarantees or grants meet the
71 conditions of this section;
- 72 (4) Shall receive and evaluate annual reports from local sponsors. Such annual reports
73 shall include, but need not be limited to, a financial statement for the incubator, evidence that
74 all tenants and participants in the program are eligible under the terms of this section, and a list
75 of companies in the incubator.
- 76 8. The department of economic development is also hereby authorized to review any
77 previous loans made under this program and, where appropriate in the department's judgment,
78 convert such loans to grant status.
- 79 9. On or before January first of each year, the department shall provide a report to the
80 governor, the chief clerk of the house of representatives and the secretary of the senate which
81 shall include, but need not be limited to:
- 82 (1) The number of applications for incubators submitted to the department;
- 83 (2) The number of applications for incubators approved by the department;
- 84 (3) The number of incubators created through the small business incubator program;
- 85 (4) The number of tenants and participants engaged in each incubator;
- 86 (5) The number of jobs provided by each incubator and tenants and participant of each
87 incubator;
- 88 (6) The occupancy rate of each incubator;
- 89 (7) The number of firms still operating in the state after leaving incubators and the
90 number of jobs they have provided.
- 91 10. There is hereby established in the state treasury a special fund to be known as the
92 "Missouri Small Business Incubators Fund", which shall consist of all moneys which may be
93 appropriated to it by the general assembly, and also any gifts, contributions, grants or bequests
94 received from federal, private or other sources. Moneys for loans, loan guarantees and grants
95 under the small business incubator program may be obtained from appropriations made by the

96 general assembly from the Missouri small business incubators fund. Any moneys remaining in
97 the Missouri small business incubators fund at the end of any fiscal year shall not lapse to the
98 general revenue fund, as provided in section 33.080, RSMo, but shall remain in the Missouri
99 small business incubators fund.

100 11. For any taxable year beginning after December 31, 1989, a taxpayer, including any
101 charitable organization which is exempt from federal income tax and whose Missouri unrelated
102 business taxable income, if any, would be subject to the state income tax imposed under chapter
103 143, RSMo, shall be entitled to a tax credit against any tax otherwise due under the provisions
104 of chapter 143, RSMo, or chapter 147, RSMo, or chapter 148, RSMo, excluding withholding tax
105 imposed by sections 143.191 to 143.265, RSMo, in the amount of fifty percent of any amount
106 contributed by the taxpayer to the Missouri small business incubators fund during the taxpayer's
107 tax year or any contribution by the taxpayer to a local sponsor after the local sponsor's
108 application has been accepted and approved by the department. The tax credit allowed by this
109 subsection shall be claimed by the taxpayer at the time he files his return and shall be applied
110 against the income tax liability imposed by chapter 143, RSMo, or chapter 147, RSMo, or
111 chapter 148, RSMo, after all other credits provided by law have been applied. That portion of
112 earned tax credits which exceeds the taxpayer's tax liability may be carried forward for up to five
113 years. The aggregate of all tax credits authorized under this section shall not exceed five hundred
114 thousand dollars in any taxable year.

115 12. Notwithstanding any provision of Missouri law to the contrary, any taxpayer may
116 sell, assign, exchange, convey or otherwise transfer tax credits allowed in subsection 11 of this
117 section under the terms and conditions prescribed in subdivisions (1) and (2) of this subsection.
118 Such taxpayer, hereinafter the assignor for the purpose of this subsection, may sell, assign,
119 exchange or otherwise transfer earned tax credits:

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

121 (2) In an amount not to exceed one hundred percent of annual earned credits. The
122 taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection, may
123 use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise
124 imposed by chapter 143, RSMo, or chapter 147, RSMo, or chapter 148, RSMo, excluding
125 withholding tax imposed by sections 143.191 to 143.265, RSMo. Unused credits in the hands
126 of the assignee may be carried forward for up to five years. The assignor shall enter into a
127 written agreement with the assignee establishing the terms and conditions of the agreement and
128 shall perfect such transfer by notifying the department of economic development in writing
129 within thirty calendar days following the effective day of the transfer and shall provide any
130 information as may be required by the department of economic development to administer and
131 carry out the provisions of this section. The director of the department of economic development

132 shall prescribe the method for submitting applications for claiming the tax credit allowed under
133 subsection 11 of this section and shall, if the application is approved, certify to the director of
134 revenue that the taxpayer claiming the credit has satisfied all the requirements specified in this
135 section and is eligible to claim the credit.

136 **13. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
137 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
138 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
139 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
140 **redeemable or applied to the owner's tax liability.**

141 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
142 **be issued under this section after December 31, 2011, unless such tax credits are**
143 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
144 **credits shall automatically sunset on December thirty-first six years after the effective date**
145 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
146 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
147 **automatically sunset on December thirty-first every six years after each reauthorization**
148 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
149 **before the sunset date provided in this subsection. The tax credits authorized under this**
150 **section shall terminate on September first of the calendar year immediately following the**
151 **calendar year in which the tax credits authorized under this section are sunset.**

620.650. 1. The sole purpose of each qualified fund is to make investments. One
2 hundred percent of investments made from qualified contributions shall be qualified investments.

3 2. Any person who makes a qualified contribution to a qualified fund shall receive a tax
4 credit against the tax otherwise due pursuant to chapter 143, RSMo, chapter 147, RSMo, or
5 chapter 148, RSMo, other than taxes withheld pursuant to sections 143.191 to 143.265, RSMo,
6 in an amount equal to one hundred percent of such person's qualified contribution.

7 3. Such person shall submit to the department an application for the tax credit on a form
8 provided by the department. The department shall award tax credits in the order the applications
9 are received and based upon the strategy approved by the board. Tax credits issued pursuant to
10 this section may be claimed for the tax year in which the qualified contribution is made or in any
11 of the following ten years, and may be assigned, transferred or sold.

12 4. There is hereby imposed on each qualified fund a tax equal to fifteen percent of the
13 qualified fund's uninvested capital at the close of such qualified fund's tax year. For purposes
14 of tax computation, any distribution made by a qualified fund during a tax year is deemed made
15 at the end of such tax year. Each tax year, every qualified fund shall remit the tax imposed by

16 this section to the director of the department of revenue for deposit in the state treasury to the
17 credit of the general revenue fund.

18 **5. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
19 **issued under sections 620.635 to 620.653 shall be redeemed or applied to the tax credit**
20 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
21 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
22 **and shall not be redeemable or applied to the owner's tax liability.**

23 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
24 **be issued under sections 620.635 to 620.653 after December 31, 2011, unless such tax**
25 **credits are reauthorized by an act of the general assembly. If the tax credits are**
26 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
27 **after the effective date of the initial reauthorization of this section, unless again**
28 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
29 **the tax credits shall automatically sunset on December thirty-first every six years after each**
30 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
31 **general assembly before the sunset date provided in this subsection. The tax credits**
32 **authorized under sections 620.635 to 620.653 shall terminate on September first of the**
33 **calendar year immediately following the calendar year in which the tax credits authorized**
34 **under sections 620.635 to 620.653 are sunset.**

620.1881. 1. The department of economic development shall respond within thirty days
2 to a company who provides a notice of intent with either an approval or a rejection of the notice
3 of intent. The department shall give preference to qualified companies and projects targeted at
4 an area of the state which has recently been classified as a disaster area by the federal
5 government. Failure to respond on behalf of the department of economic development shall
6 result in the notice of intent being deemed an approval for the purposes of this section. A
7 qualified company who is provided an approval for a project shall be allowed a benefit as
8 provided in this program in the amount and duration provided in this section. A qualified
9 company may receive additional periods for subsequent new jobs at the same facility after the
10 full initial period if the minimum thresholds are met as set forth in sections 620.1875 to
11 620.1890. There is no limit on the number of periods a qualified company may participate in the
12 program, as long as the minimum thresholds are achieved and the qualified company provides
13 the department with the required reporting and is in proper compliance for this program or other
14 state programs. A qualified company may elect to file a notice of intent to start a new project
15 period concurrent with an existing project period if the minimum thresholds are achieved and
16 the qualified company provides the department with the required reporting and is in proper
17 compliance for this program and other state programs; however, the qualified company may not

18 receive any further benefit under the original approval for jobs created after the date of the new
19 notice of intent, and any jobs created before the new notice of intent may not be included as new
20 jobs for the purpose of benefit calculation in relation to the new approval.

21 2. Notwithstanding any provision of law to the contrary, any qualified company that is
22 awarded benefits under this program may not simultaneously receive tax credits or exemptions
23 under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections
24 135.900 to 135.906, RSMo, at the same project facility. The benefits available to the company
25 under any other state programs for which the company is eligible and which utilize withholding
26 tax from the new jobs of the company must first be credited to the other state program before the
27 withholding retention level applicable under the Missouri quality jobs act will begin to accrue.
28 These other state programs include, but are not limited to, the new jobs training program under
29 sections 178.892 to 178.896, RSMo, the job retention program under sections 178.760 to
30 178.764, RSMo, the real property tax increment allocation redevelopment act, sections 99.800
31 to 99.865, RSMo, or the Missouri downtown and rural economic stimulus act under sections
32 99.915 to 99.980, RSMo. If any qualified company also participates in the new jobs training
33 program in sections 178.892 to 178.896, RSMo, the company shall retain no withholding tax,
34 but the department shall issue a refundable tax credit for the full amount of benefit allowed under
35 this subdivision. The calendar year annual maximum amount of tax credits which may be issued
36 to a qualifying company that also participates in the new job training program shall be increased
37 by an amount equivalent to the withholding tax retained by that company under the new jobs
38 training program. However, if the combined benefits of the quality jobs program and the new
39 jobs training program exceed the projected state benefit of the project, as determined by the
40 department of economic development through a cost-benefit analysis, the increase in the
41 maximum tax credits shall be limited to the amount that would not cause the combined benefits
42 to exceed the projected state benefit. Any taxpayer who is awarded benefits under this program
43 who knowingly hires individuals who are not allowed to work legally in the United States shall
44 immediately forfeit such benefits and shall repay the state an amount equal to any state tax
45 credits already redeemed and any withholding taxes already retained.

46 3. The types of projects and the amount of benefits to be provided are:

47 (1) Small and expanding business projects: in exchange for the consideration provided
48 by the new tax revenues and other economic stimuli that will be generated by the new jobs
49 created by the program, a qualified company may retain an amount equal to the withholding tax
50 as calculated under subdivision (33) of section 620.1878 from the new jobs that would otherwise
51 be withheld and remitted by the qualified company under the provisions of sections 143.191 to
52 143.265, RSMo, for a period of three years from the date the required number of new jobs were
53 created if the average wage of the new payroll equals or exceeds the county average wage or for

54 a period of five years from the date the required number of new jobs were created if the average
55 wage of the new payroll equals or exceeds one hundred twenty percent of the county average
56 wage;

57 (2) Technology business projects: in exchange for the consideration provided by the new
58 tax revenues and other economic stimuli that will be generated by the new jobs created by the
59 program, a qualified company may retain an amount equal to a maximum of five percent of new
60 payroll for a period of five years from the date the required number of jobs were created from
61 the withholding tax of the new jobs that would otherwise be withheld and remitted by the
62 qualified company under the provisions of sections 143.191 to 143.265, RSMo, if the average
63 wage of the new payroll equals or exceeds the county average wage. An additional one-half
64 percent of new payroll may be added to the five percent maximum if the average wage of the
65 new payroll in any year exceeds one hundred twenty percent of the county average wage in the
66 county in which the project facility is located, plus an additional one-half percent of new payroll
67 may be added if the average wage of the new payroll in any year exceeds one hundred forty
68 percent of the average wage in the county in which the project facility is located. The department
69 shall issue a refundable tax credit for any difference between the amount of benefit allowed
70 under this subdivision and the amount of withholding tax retained by the company, in the event
71 the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified
72 company under this subdivision. The calendar year annual maximum amount of tax credits that
73 may be issued to any qualified company for a project or combination of projects is five hundred
74 thousand dollars;

75 (3) High impact projects: in exchange for the consideration provided by the new tax
76 revenues and other economic stimuli that will be generated by the new jobs created by the
77 program, a qualified company may retain an amount from the withholding tax of the new jobs
78 that would otherwise be withheld and remitted by the qualified company under the provisions
79 of sections 143.191 to 143.265, RSMo, equal to three percent of new payroll for a period of five
80 years from the date the required number of jobs were created if the average wage of the new
81 payroll equals or exceeds the county average wage of the county in which the project facility is
82 located. The percentage of payroll allowed under this subdivision shall be three and one-half
83 percent of new payroll if the average wage of the new payroll in any year exceeds one hundred
84 twenty percent of the county average wage in the county in which the project facility is located.
85 The percentage of payroll allowed under this subdivision shall be four percent of new payroll if
86 the average wage of the new payroll in any year exceeds one hundred forty percent of the county
87 average wage in the county in which the project facility is located. An additional one percent
88 of new payroll may be added to these percentages if local incentives equal between ten percent
89 and twenty-four percent of the new direct local revenue; an additional two percent of new payroll

90 is added to these percentages if the local incentives equal between twenty-five percent and
91 forty-nine percent of the new direct local revenue; or an additional three percent of payroll is
92 added to these percentages if the local incentives equal fifty percent or more of the new direct
93 local revenue. The department shall issue a refundable tax credit for any difference between the
94 amount of benefit allowed under this subdivision and the amount of withholding tax retained by
95 the company, in the event the withholding tax is not sufficient to provide the entire amount of
96 benefit due to the qualified company under this subdivision. The calendar year annual maximum
97 amount of tax credits that may be issued to any qualified company for a project or combination
98 of projects is seven hundred fifty thousand dollars. The calendar year annual maximum amount
99 of tax credit that may be issued to any qualified company for a project or combination of projects
100 may be increased up to one million dollars if the number of new jobs will exceed five hundred
101 and if such action is proposed by the department and approved by the quality jobs advisory task
102 force established in section 620.1887; provided, however, until such time as the initial at-large
103 members of the quality jobs advisory task force are appointed, this determination shall be made
104 by the director of the department of economic development. In considering such a request, the
105 task force shall rely on economic modeling and other information supplied by the department
106 when requesting the increased limit on behalf of the project;

107 (4) Job retention projects: a qualified company may receive a tax credit for the retention
108 of jobs in this state, provided the qualified company and the project meets all of the following
109 conditions:

110 (a) For each of the twenty-four months preceding the year in which application for the
111 program is made the qualified company must have maintained at least one thousand full-time
112 employees at the employer's site in the state at which the jobs are based, and the average wage
113 of such employees must meet or exceed the county average wage;

114 (b) The qualified company retained at the project facility the level of full-time employees
115 that existed in the taxable year immediately preceding the year in which application for the
116 program is made;

117 (c) The qualified company is considered to have a significant statewide effect on the
118 economy, and has been determined to represent a substantial risk of relocation from the state by
119 the quality jobs advisory task force established in section 620.1887; provided, however, until
120 such time as the initial at-large members of the quality jobs advisory task force are appointed,
121 this determination shall be made by the director of the department of economic development;

122 (d) The qualified company in the project facility will cause to be invested a minimum
123 of seventy million dollars in new investment prior to the end of two years or will cause to be
124 invested a minimum of thirty million dollars in new investment prior to the end of two years and

125 maintain an annual payroll of at least seventy million dollars during each of the years for which
126 a credit is claimed; and

127 (e) The local taxing entities shall provide local incentives of at least fifty percent of the
128 new direct local revenues created by the project over a ten-year period. The quality jobs advisory
129 task force may recommend to the department of economic development that appropriate
130 penalties be applied to the company for violating the agreement. The amount of the job retention
131 credit granted may be equal to up to fifty percent of the amount of withholding tax generated by
132 the full-time jobs at the project facility for a period of five years. The calendar year annual
133 maximum amount of tax credit that may be issued to any qualified company for a job retention
134 project or combination of job retention projects shall be seven hundred fifty thousand dollars per
135 year, but the maximum amount may be increased up to one million dollars if such action is
136 proposed by the department and approved by the quality jobs advisory task force established in
137 section 620.1887; provided, however, until such time as the initial at-large members of the
138 quality jobs advisory task force are appointed, this determination shall be made by the director
139 of the department of economic development. In considering such a request, the task force shall
140 rely on economic modeling and other information supplied by the department when requesting
141 the increased limit on behalf of the job retention project. In no event shall the total amount of
142 all tax credits issued for the entire job retention program under this subdivision exceed three
143 million dollars annually. Notwithstanding the above, no tax credits shall be issued for job
144 retention projects approved by the department after August 30, 2013;

145 (5) Small business job retention and flood survivor relief: a qualified company may
146 receive a tax credit under sections 620.1875 to 620.1890 for the retention of jobs and flood
147 survivor relief in this state for each job retained over a three-year period, provided that:

148 (a) The qualified company did not receive any state or federal benefits, incentives, or tax
149 relief or abatement in locating its facility in a flood plain;

150 (b) The qualified company and related companies have fewer than one hundred
151 employees at the time application for the program is made;

152 (c) The average wage of the qualified company's and related companies' employees must
153 meet or exceed the county average wage;

154 (d) All of the qualified company's and related companies' facilities are located in this
155 state;

156 (e) The facilities at the primary business site in this state have been directly damaged by
157 floodwater rising above the level of a five hundred year flood at least two years, but fewer than
158 eight years, prior to the time application is made;

159 (f) The qualified company made significant efforts to protect the facilities prior to any
160 impending danger from rising floodwaters;

161 (g) For each year it receives tax credits under sections 620.1875 to 620.1890, the
162 qualified company and related companies retained, at the company's facilities in this state, at
163 least the level of full-time, year-round employees that existed in the taxable year immediately
164 preceding the year in which application for the program is made; and

165 (h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company
166 cumulatively invests at least two million dollars in capital improvements in facilities and
167 equipment located at such facilities that are not located within a five hundred year flood plain
168 as designated by the Federal Emergency Management Agency, and amended from time to time.
169 The amount of the small business job retention and flood survivor relief credit granted may be
170 equal to up to one hundred percent of the amount of withholding tax generated by the full-time
171 jobs at the project facility for a period of three years. The calendar year annual maximum
172 amount of tax credit that may be issued to any qualified company for a small business job
173 retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the
174 maximum amount may be increased up to five hundred thousand dollars if such action is
175 proposed by the department and approved by the quality jobs advisory task force established in
176 section 620.1887. In considering such a request, the task force shall rely on economic modeling
177 and other information supplied by the department when requesting an increase in the limit on
178 behalf of the small business job retention and flood survivor relief project. In no event shall the
179 total amount of all tax credits issued for the entire small business job retention and flood survivor
180 relief program under this subdivision exceed five hundred thousand dollars annually.
181 Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued
182 for small business job retention and flood survivor relief projects approved by the department
183 after August 30, 2010.

184 4. The qualified company shall provide an annual report of the number of jobs and such
185 other information as may be required by the department to document the basis for the benefits
186 of this program. The department may withhold the approval of any benefits until it is satisfied
187 that proper documentation has been provided, and shall reduce the benefits to reflect any
188 reduction in full-time employees or new payroll. Upon approval by the department, the qualified
189 company may begin the retention of the withholding taxes when it reaches the minimum number
190 of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be
191 issued upon satisfaction by the department that the qualified company has exceeded the county
192 average wage and the minimum number of new jobs. In such annual report, if the average wage
193 is below the county average wage, the qualified company has not maintained the employee
194 insurance as required, or if the number of new jobs is below the minimum, the qualified
195 company shall not receive tax credits or retain the withholding tax for the balance of the benefit
196 period. In the case of a qualified company that initially filed a notice of intent and received an

197 approval from the department for high impact benefits and the minimum number of new jobs in
198 an annual report is below the minimum for high impact projects, the company shall not receive
199 tax credits for the balance of the benefit period but may continue to retain the withholding taxes
200 if it otherwise meets the requirements of a small and expanding business under this program.

201 5. The maximum calendar year annual tax credits issued for the entire program shall not
202 exceed sixty million dollars. Notwithstanding any provision of law to the contrary, the maximum
203 annual tax credits authorized under section 135.535, RSMo, are hereby reduced from ten million
204 dollars to eight million dollars, with the balance of two million dollars transferred to this
205 program. There shall be no limit on the amount of withholding taxes that may be retained by
206 approved companies under this program.

207 6. The department shall allocate the annual tax credits based on the date of the approval,
208 reserving such tax credits based on the department's best estimate of new jobs and new payroll
209 of the project, and the other factors in the determination of benefits of this program. However,
210 the annual issuance of tax credits is subject to the annual verification of the actual new payroll.
211 The allocation of tax credits for the period assigned to a project shall expire if, within two years
212 from the date of commencement of operations, or approval if applicable, the minimum
213 thresholds have not been achieved. The qualified company may retain authorized amounts from
214 the withholding tax under this section once the minimum new jobs thresholds are met for the
215 duration of the project period. No benefits shall be provided under this program until the
216 qualified company meets the minimum new jobs thresholds. In the event the qualified company
217 does not meet the minimum new job threshold, the qualified company may submit a new notice
218 of intent or the department may provide a new approval for a new project of the qualified
219 company at the project facility or other facilities.

220 7. For a qualified company with flow-through tax treatment to its members, partners, or
221 shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion
222 to their share of ownership on the last day of the qualified company's tax period.

223 8. Tax credits may be claimed against taxes otherwise imposed by chapters 143 and 148,
224 RSMo, and may not be carried forward but shall be claimed within one year of the close of the
225 taxable year for which they were issued, except as provided under subdivision (4) of subsection
226 3 of this section.

227 9. Tax credits authorized by this section may be transferred, sold, or assigned by filing
228 a notarized endorsement thereof with the department that names the transferee, the amount of
229 tax credit transferred, and the value received for the credit, as well as any other information
230 reasonably requested by the department.

231 10. Prior to the issuance of tax credits, the department shall verify through the
232 department of revenue, or any other state department, that the tax credit applicant does not owe

233 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent
234 fees or assessments levied by any state department and through the department of insurance,
235 financial institutions and professional registration that the applicant does not owe any delinquent
236 insurance taxes. Such delinquency shall not affect the authorization of the application for such
237 tax credits, except that at issuance credits shall be first applied to the delinquency and any
238 amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue
239 or the department of insurance, financial institutions and professional registration, or any other
240 state department, concludes that a taxpayer is delinquent after June fifteenth but before July first
241 of any year and the application of tax credits to such delinquency causes a tax deficiency on
242 behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the
243 deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all
244 available credits toward a tax delinquency, the administering agency shall notify the appropriate
245 department and that department shall update the amount of outstanding delinquent tax owed by
246 the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax
247 delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions
248 of other provisions of law.

249 11. Except as provided under subdivision (4) of subsection 3 of this section, the director
250 of revenue shall issue a refund to the qualified company to the extent that the amount of credits
251 allowed in this section exceeds the amount of the qualified company's income tax.

252 12. An employee of a qualified company will receive full credit for the amount of tax
253 withheld as provided in section 143.211, RSMo.

254 13. If any provision of sections 620.1875 to 620.1890 or application thereof to any
255 person or circumstance is held invalid, the invalidity shall not affect other provisions or
256 application of these sections which can be given effect without the invalid provisions or
257 application, and to this end, the provisions of sections 620.1875 to 620.1890 are hereby declared
258 severable.

259 **14. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
260 **issued under sections 620.1875 to 620.1890 shall be redeemed or applied to the tax credit**
261 **owner's tax liability within three years of the issuance of the tax credits. Any amount of**
262 **such tax credits that is not redeemed or that is left unapplied after three years shall expire,**
263 **and shall not be redeemable or applied to the owner's tax liability.**

264 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
265 **be issued under sections 620.1875 to 620.1890 after December 31, 2011, unless such tax**
266 **credits are reauthorized by an act of the general assembly. If the tax credits are**
267 **reauthorized, the tax credits shall automatically sunset on December thirty-first six years**
268 **after the effective date of the initial reauthorization of this section, unless again**

269 **reauthorized by an act of the general assembly. If the tax credits are again reauthorized,**
270 **the tax credits shall automatically sunset on December thirty-first every six years after each**
271 **reauthorization by an act of the general assembly, unless reauthorized by an act of the**
272 **general assembly before the sunset date provided in this subsection. The tax credits**
273 **authorized under sections 620.1875 to 620.1890 shall terminate on September first of the**
274 **calendar year immediately following the calendar year in which the tax credits authorized**
275 **under sections 620.1875 to 620.1890 are sunset.**

660.055. 1. Any registered caregiver who meets the requirements of this section shall
2 be eligible for a shared care tax credit in an amount not to exceed five hundred dollars to defray
3 the cost of caring for an elderly person. In order to be eligible for a shared care tax credit, a
4 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 certified by his
7 or her physician licensed pursuant to chapter 334, RSMo, or by the division of aging staff when
8 an assessment has been completed for the purpose of qualification for other services; and

9 (b) Requires assistance with activities of daily living to the extent that without care and
10 oversight at home would require placement in a facility licensed pursuant to chapter 198, RSMo;
11 and

12 (c) Under no circumstances, is able or allowed to operate a motor vehicle; and

13 (d) Does not receive funding or services through Medicaid or social services block grant
14 funding;

15 (2) Live in the same residence to give protective oversight for the elderly person meeting
16 the requirements described in subdivision (1) of this subsection for an aggregate of more than
17 six months per tax year;

18 (3) Not receive monetary compensation for providing care for the elderly person meeting
19 the requirements described in subdivision (1) of this subsection; and

20 (4) File the original completed and signed physician certification for shared care tax
21 credit form or the original completed and signed division of aging certification for shared care
22 tax credit form provided for in subsection 2 of section 660.054 along with such caregiver's
23 Missouri individual income tax return to the department of revenue.

24 2. The tax credit allowed by this section shall apply to any year beginning after
25 December 31, 1999.

26 3. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that
27 is created under the authority delegated in sections 660.050 to 660.057 shall become effective
28 only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if
29 applicable, section 536.028, RSMo. All rulemaking authority delegated prior to August 28,

30 1999, is of no force and effect and repealed. Nothing in this section shall be interpreted to repeal
31 or affect the validity of any rule filed or adopted prior to August 28, 1999, if it fully complied
32 with all applicable provisions of law. This section and chapter 536, RSMo, are nonseverable and
33 if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review,
34 to delay the effective date or to disapprove and annul a rule are subsequently held
35 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
36 August 28, 1999, shall be invalid and void.

37 4. Any person who knowingly falsifies any document required for the shared care tax
38 credit shall be subject to the same penalties for falsifying other tax documents as provided in
39 chapter 143, RSMo.

40 **5. (1) Notwithstanding any other provision of law to the contrary, the tax credits**
41 **issued under this section shall be redeemed or applied to the tax credit owner's tax liability**
42 **within three years of the issuance of the tax credits. Any amount of such tax credits that**
43 **is not redeemed or that is left unapplied after three years shall expire, and shall not be**
44 **redeemable or applied to the owner's tax liability.**

45 **(2) Notwithstanding any other provision of law to the contrary, no tax credits shall**
46 **be issued under this section after December 31, 2011, unless such tax credits are**
47 **reauthorized by an act of the general assembly. If the tax credits are reauthorized, the tax**
48 **credits shall automatically sunset on December thirty-first six years after the effective date**
49 **of the initial reauthorization of this section, unless again reauthorized by an act of the**
50 **general assembly. If the tax credits are again reauthorized, the tax credits shall**
51 **automatically sunset on December thirty-first every six years after each reauthorization**
52 **by an act of the general assembly, unless reauthorized by an act of the general assembly**
53 **before the sunset date provided in this subsection. The tax credits authorized under this**
54 **section shall terminate on September first of the calendar year immediately following the**
55 **calendar year in which the tax credits authorized under this section are sunset.**

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