

HOUSE

AMENDMENT NO. _____

Offered by

of

1 AMEND House Committee Substitute for Senate Substitute No. 2 for
2 Senate Committee Substitute for Senate Bill Nos. 26, 11, & 31,
3 Page 7, Section 32.087, Line 141, by inserting after all of said
4 line the following:

5 "32.115. 1. The department of revenue shall grant a tax
6 credit, to be applied in the following order until used, against:

7 (1) The annual tax on gross premium receipts of insurance
8 companies in chapter 148;

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

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

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

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

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

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

18 2. For proposals approved pursuant to section 32.110:

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

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

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

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

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

13 (c) A standard metropolitan statistical area and a
14 substantial number of persons in such county derive their income
15 from agriculture. Such community may also be in an
16 unincorporated area in such county as provided in subdivision
17 (1), (2) or (3) of this subsection. Except in no case shall the
18 total economic benefit of the combined federal and state tax
19 savings to the taxpayer exceed the amount contributed by the
20 taxpayer during the tax year;

21 (4) Such tax credit allocation, equal to seventy percent of
22 the total amount contributed, shall not exceed four million
23 dollars in fiscal year 1999 and six million dollars in fiscal
24 year 2000 through fiscal year 2013, and three million dollars in
25 fiscal year 2014 and any subsequent fiscal year. When the
26 maximum dollar limit on the seventy percent tax credit allocation
27 is committed, the tax credit allocation for such programs shall
28 then be equal to fifty percent credit of the total amount
29 contributed. Regulations establishing special program priorities
30 are to be promulgated during the first month of each fiscal year
31 and at such times during the year as the public interest
32 dictates. Such credit shall not exceed two hundred and fifty
33 thousand dollars annually except as provided in subdivision (5)
34 of this subsection. No tax credit shall be approved for any
35 bank, bank and trust company, insurance company, trust company,
36 national bank, savings association, or building and loan
37 association for activities that are a part of its normal course
38 of business. Any tax credit not used in the period the

1 contribution was made may be carried over the next five
2 succeeding calendar or fiscal years until the full credit has
3 been claimed. Except as otherwise provided for proposals
4 approved pursuant to section 32.111, 32.112 or 32.117, in no
5 event shall the total amount of all other tax credits allowed
6 pursuant to sections 32.100 to 32.125 exceed thirty-two million
7 dollars in any one fiscal year, of which six million shall be
8 credits allowed pursuant to section 135.460. If six million
9 dollars in credits are not approved, then the remaining credits
10 may be used for programs approved pursuant to sections 32.100 to
11 32.125;

12 (5) The credit may exceed two hundred fifty thousand
13 dollars annually and shall not be limited if community services,
14 crime prevention, education, job training, physical
15 revitalization or economic development, as defined by section
16 32.105, is rendered in an area defined by federal or state law as
17 an impoverished, economically distressed, or blighted area or as
18 a neighborhood experiencing problems endangering its existence as
19 a viable and stable neighborhood, or if the community services,
20 crime prevention, education, job training, physical
21 revitalization or economic development is limited to impoverished
22 persons.

23 3. For proposals approved pursuant to section 32.111:

24 (1) The amount of the tax credit shall not exceed
25 fifty-five percent of the total amount invested in affordable
26 housing assistance activities or market rate housing in
27 distressed communities as defined in section 135.530 by a
28 business firm. Whenever such investment is made in the form of
29 an equity investment or a loan, as opposed to a donation alone,
30 tax credits may be claimed only where the loan or equity
31 investment is accompanied by a donation which is eligible for
32 federal income tax charitable deduction, and where the total
33 value of the tax credits herein plus the value of the federal
34 income tax charitable deduction is less than or equal to the
35 value of the donation. Any tax credit not used in the period for
36 which the credit was approved may be carried over the next ten
37 succeeding calendar or fiscal years until the full credit has
38 been allowed. If the affordable housing units or market rate

1 housing units in distressed communities for which a tax is
2 claimed are within a larger structure, parts of which are not the
3 subject of a tax credit claim, then expenditures applicable to
4 the entire structure shall be reduced on a prorated basis in
5 proportion to the ratio of the number of square feet devoted to
6 the affordable housing units or market rate housing units in
7 distressed communities, for purposes of determining the amount of
8 the tax credit. The total amount of tax credit granted for
9 programs approved pursuant to section 32.111 for the fiscal year
10 beginning July 1, 1991, shall not exceed two million dollars, to
11 be increased by no more than two million dollars each succeeding
12 fiscal year, until the total tax credits that may be approved
13 reaches ten million dollars in any fiscal year, until the fiscal
14 years beginning on or after July 1, 2013, in which years the
15 total amount of the tax credit shall not exceed one million five
16 hundred thousand dollars;

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

26 (3) In the case of owner-occupied affordable housing units,
27 the qualifying owner occupant shall, before the end of the first
28 year in which credits are claimed, certify to the commission that
29 the occupant is income eligible during the preceding two years,
30 and at the time of the initial purchase contract, but not
31 thereafter. The qualifying owner occupant shall further certify
32 to the commission, before the end of the first year in which
33 credits are claimed, that during the compliance period indicated
34 in the land use restriction agreement, the cost of the affordable
35 housing unit to the occupant for the claimed unit can reasonably
36 be projected to be in compliance with the provisions of sections
37 32.100 to 32.125. Any succeeding owner occupant acquiring the
38 affordable housing unit during the compliance period indicated in

1 the land use restriction agreement shall make the same
2 certification;

3 (4) If at any time during the compliance period the
4 commission determines a project for which a proposal has been
5 approved is not in compliance with the applicable provisions of
6 sections 32.100 to 32.125 or rules promulgated therefor, the
7 commission may within one hundred fifty days of notice to the
8 owner either seek injunctive enforcement action against the
9 owner, or seek legal damages against the owner representing the
10 value of the tax credits, or foreclose on the lien in the land
11 use restriction agreement, selling the project at a public sale,
12 and paying to the owner the proceeds of the sale, less the costs
13 of the sale and less the value of all tax credits allowed herein.
14 The commission shall remit to the director of revenue the portion
15 of the legal damages collected or the sale proceeds representing
16 the value of the tax credits. However, except in the event of
17 intentional fraud by the taxpayer, the proposal's certificate of
18 eligibility for tax credits shall not be revoked.

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

28 5. The total amount of tax credits used for market rate
29 housing in distressed communities pursuant to sections 32.100 to
30 32.125 shall not exceed thirty percent of the total amount of all
31 tax credits authorized pursuant to sections 32.111 and 32.112.";
32 and
33

34 Further amend said bill, Page 100, Section 94.705, Line 76,
35 by inserting after all of said line the following:

36 "100.286. 1. Within the discretion of the board, the
37 development and reserve fund, the infrastructure development fund
38 or the export finance fund may be pledged to secure the payment

1 of any bonds or notes issued by the board, or to secure the
2 payment of any loan made by the board or a participating lender
3 which loan:

4 (1) Is requested to finance any project or export trade
5 activity;

6 (2) Is requested by a borrower who is demonstrated to be
7 financially responsible;

8 (3) Can reasonably be expected to provide a benefit to the
9 economy of this state;

10 (4) Is otherwise secured by a mortgage or deed of trust on
11 real or personal property or other security satisfactory to the
12 board; provided that loans to finance export trade activities may
13 be secured by export accounts receivable or inventories of
14 exportable goods satisfactory to the board;

15 (5) Does not exceed five million dollars;

16 (6) Does not have a term longer than five years if such
17 loan is made to finance export trade activities; and

18 (7) Is, when used to finance export trade activities, made
19 to small or medium size businesses or agricultural businesses, as
20 may be defined by the board.

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

28 3. Each application for a loan secured by the development
29 and reserve fund, the infrastructure development fund or the
30 export finance fund shall be reviewed in the first instance by
31 any participating lender to whom the application was submitted.
32 If satisfied that the standards prescribed by the board are met
33 and that the loan is otherwise eligible to be secured by the
34 development and reserve fund, the infrastructure development fund
35 or the export finance fund, the participating lender shall
36 certify the same and forward the application for final approval
37 to the board.

38 4. The securing of any loans by the development and reserve

1 fund, the infrastructure development fund or the export finance
2 fund shall be conditioned upon approval of the application by the
3 board, and receipt of an annual reserve participation fee, as
4 prescribed by the board, submitted by or on behalf of the
5 borrower.

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

12 6. Any taxpayer, including any charitable organization that
13 is exempt from federal income tax and whose Missouri unrelated
14 business taxable income, if any, would be subject to the state
15 income tax imposed under chapter 143, may, subject to the
16 limitations provided under subsection 8 of this section, receive
17 a tax credit against any tax otherwise due under the provisions
18 of chapter 143, excluding withholding tax imposed by sections
19 143.191 to 143.261, chapter 147, or chapter 148, in the amount of
20 fifty percent of any amount contributed in money or property by
21 the taxpayer to the development and reserve fund, the
22 infrastructure development fund or the export finance fund during
23 the taxpayer's tax year, provided, however, the total tax credits
24 awarded in any calendar year beginning after January 1, 1994,
25 shall not be the greater of ten million dollars or five percent
26 of the average growth in general revenue receipts in the
27 preceding three fiscal years. This limit may be exceeded only
28 upon joint agreement by the commissioner of administration, the
29 director of the department of economic development, and the
30 director of the department of revenue that such action is
31 essential to ensure retention or attraction of investment in
32 Missouri. If the board receives, as a contribution, real
33 property, the contributor at such contributor's own expense shall
34 have two independent appraisals conducted by appraisers certified
35 by the Master Appraisal Institute. Both appraisals shall be
36 submitted to the board, and the tax credit certified by the board
37 to the contributor shall be based upon the value of the lower of
38 the two appraisals. The board shall not certify the tax credit

1 until the property is deeded to the board. Such credit shall not
2 apply to reserve participation fees paid by borrowers under
3 sections 100.250 to 100.297. The portion of earned tax credits
4 which exceeds the taxpayer's tax liability may be carried forward
5 for up to five years.

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

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

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

17
18 The taxpayer acquiring earned credits, hereinafter the assignee
19 for the purpose of this subsection, may use the acquired credits
20 to offset up to one hundred percent of the tax liabilities
21 otherwise imposed by chapter 143, excluding withholding tax
22 imposed by sections 143.191 to 143.261, chapter 147, or chapter
23 148. Unused credits in the hands of the assignee may be carried
24 forward for up to five years, provided all such credits shall be
25 claimed within ten years following the tax years in which the
26 contribution was made. The assignor shall enter into a written
27 agreement with the assignee establishing the terms and conditions
28 of the agreement and shall perfect such transfer by notifying the
29 board in writing within thirty calendar days following the
30 effective day of the transfer and shall provide any information
31 as may be required by the board to administer and carry out the
32 provisions of this section. Notwithstanding any other provision
33 of law to the contrary, the amount received by the assignor of
34 such tax credit shall be taxable as income of the assignor, and
35 the excess of the par value of such credit over the amount paid
36 by the assignee for such credit shall be taxable as income of the
37 assignee.

38 8. (1) Provisions of subsections 1 to 7 of this section to

1 the contrary notwithstanding, except as provided in subdivision
2 (2) of this subsection, no more than ten million dollars in tax
3 credits provided under this section, may be authorized or
4 approved annually. The limitation on tax credit authorization
5 and approval provided under this subsection may be exceeded only
6 upon mutual agreement, evidenced by a signed and properly
7 notarized letter, by the commissioner of the office of
8 administration, the director of the department of economic
9 development, and the director of the department of revenue that
10 such action is essential to ensure retention or attraction of
11 investment in Missouri provided, however, that in no case shall
12 more than twenty-five million dollars in tax credits be
13 authorized or approved during such year. Taxpayers shall file,
14 with the board, an application for tax credits authorized under
15 this section on a form provided by the board. The provisions of
16 this subsection shall not be construed to limit or in any way
17 impair the ability of the board to authorize tax credits for
18 issuance for projects authorized or approved, by a vote of the
19 board, on or before the thirtieth day following the effective
20 date of this act, or a taxpayer's ability to redeem such tax
21 credits.

22 (2) For all taxable years beginning on or after January 1,
23 2013, the amount of tax credits that may be authorized or
24 approved under this section shall not exceed seven million five
25 hundred thousand dollars annually.

26 100.297. 1. The board may authorize a tax credit, as
27 described in this section, to the owner of any revenue bonds or
28 notes issued by the board pursuant to the provisions of sections
29 100.250 to 100.297, for infrastructure facilities as defined in
30 subdivision (9) of section 100.255, if, prior to the issuance of
31 such bonds or notes, the board determines that:

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

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

38 2. Upon making the determinations specified in subsection 1

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

1 may include payment of any unpaid fees imposed by such financial
2 institution or guarantor for use of the credit facility.

3 3. The aggregate principal amount of revenue bonds or notes
4 outstanding at any time with respect to which the tax credit
5 provided in this section shall be available shall not exceed
6 fifty million dollars in all taxable years ending on or before
7 December 31, 2012, and for all taxable years beginning on or
8 after January 1, 2013, the aggregate principal amount shall not
9 exceed twenty-five million dollars.

10 100.850. 1. The approved company shall remit to the board
11 a job development assessment fee, not to exceed five percent of
12 the gross wages of each eligible employee whose job was created
13 as a result of the economic development project, or not to exceed
14 ten percent if the economic development project is located within
15 a distressed community as defined in section 135.530, for the
16 purpose of retiring bonds which fund the economic development
17 project.

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

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

25 4. Any approved company which has paid an assessment for
26 debt reduction shall be allowed a tax credit equal to the amount
27 of the assessment. The tax credit may be claimed against taxes
28 otherwise imposed by chapters 143 and 148, except withholding
29 taxes imposed under the provisions of sections 143.191 to
30 143.265, which were incurred during the tax period in which the
31 assessment was made.

32 5. In no event shall the aggregate amount of tax credits
33 authorized by subsection 4 of this section exceed twenty-five
34 million dollars annually in any year ending on or before December
35 31, 2012, or twelve million five hundred thousand dollars
36 annually in any year beginning on or after January 1, 2013. Of
37 such amount, nine hundred fifty thousand dollars shall be
38 reserved for an approved project for a world headquarters of a

1 business whose primary function is tax return preparation that is
2 located in any home rule city with more than four hundred
3 thousand inhabitants and located in more than one county, which
4 amount reserved shall end in the year of the final maturity of
5 the certificates issued for such approved project.

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

10 135.352. 1. A taxpayer owning an interest in a qualified
11 Missouri project shall, subject to the limitations provided under
12 the provisions of subsection 3 of this section, be allowed a
13 state tax credit, whether or not allowed a federal tax credit, to
14 be termed the Missouri low-income housing tax credit, if the
15 commission issues an eligibility statement for that project.

16 2. For qualified Missouri projects placed in service after
17 January 1, 1997, the Missouri low-income housing tax credit
18 available to a project shall be such amount as the commission
19 shall determine is necessary to ensure the feasibility of the
20 project, up to an amount equal to the federal low-income housing
21 tax credit for a qualified Missouri project, for a federal tax
22 period, and such amount shall be subtracted from the amount of
23 state tax otherwise due for the same tax period.

24 3. For all fiscal years ending on or before June 30, 2013,
25 no more than six million dollars in tax credits shall be
26 authorized each fiscal year for projects financed through
27 tax-exempt bond issuance, and for all fiscal years beginning on
28 or after July 1, 2013, no more than twenty-five million dollars
29 in tax credits shall be authorized.

30 4. The Missouri low-income housing tax credit shall be
31 taken against the taxes and in the order specified pursuant to
32 section 32.115. The credit authorized by this section shall not
33 be refundable. Any amount of credit that exceeds the tax due for
34 a taxpayer's taxable year may be carried back to any of the
35 taxpayer's three prior taxable years or carried forward to any of
36 the taxpayer's five subsequent taxable years.

37 5. All or any portion of Missouri tax credits issued in
38 accordance with the provisions of sections 135.350 to 135.362 may

1 be allocated to parties who are eligible pursuant to the
2 provisions of subsection 1 of this section. Beginning January 1,
3 1995, for qualified projects which began on or after January 1,
4 1994, an owner of a qualified Missouri project shall certify to
5 the director the amount of credit allocated to each taxpayer.
6 The owner of the project shall provide to the director
7 appropriate information so that the low-income housing tax credit
8 can be properly allocated.

9 6. In the event that recapture of Missouri low-income
10 housing tax credits is required pursuant to subsection 2 of
11 section 135.355, any statement submitted to the director as
12 provided in this section shall include the proportion of the
13 state credit required to be recaptured, the identity of each
14 taxpayer subject to the recapture and the amount of credit
15 previously allocated to such taxpayer.

16 7. The director of the department may promulgate rules and
17 regulations necessary to administer the provisions of this
18 section. No rule or portion of a rule promulgated pursuant to
19 the authority of this section shall become effective unless it
20 has been promulgated pursuant to the provisions of section
21 536.024.

22 135.484. 1. (1) For all taxable years beginning on or
23 after January 1, 2000, but ending on or before December 31, 2012,
24 tax credits shall be allowed pursuant to section 135.481 in an
25 amount not to exceed sixteen million dollars per year. Of this
26 total amount of tax credits in any given year, eight million
27 dollars shall be set aside for projects in areas described in
28 subdivision (6) of section 135.478 and eight million dollars for
29 projects in areas described in subdivision (10) of section
30 135.478. The maximum tax credit for a project consisting of
31 multiple-unit qualifying residences in a distressed community
32 shall not exceed three million dollars.

33 (2) For all taxable years beginning on or after December
34 31, 2013, the amount of tax credits allowed under section 135.481
35 shall not exceed eight million dollars per year, with four
36 million dollars set aside for projects in areas described in
37 subdivision (6) of section 135.478 and four million dollars for
38 projects in areas described in subdivision (10) of section

1 135.478, and the maximum tax credit for a project consisting of
2 multiple-unit qualifying residences in a distressed community
3 shall not exceed one million five hundred thousand dollars.

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

15 3. The tax credits allowed pursuant to sections 135.475 to
16 135.487 may not be claimed in addition to any other state tax
17 credits, with the exception of the historic structures
18 rehabilitation tax credit authorized pursuant to sections 253.545
19 to 253.559, which insofar as sections 135.475 to 135.487 are
20 concerned may be claimed only in conjunction with the tax credit
21 allowed pursuant to subsection 4 of section 135.481. In order
22 for a taxpayer eligible for the historic structures
23 rehabilitation tax credit to claim the tax credit allowed
24 pursuant to subsection 4 of section 135.481, the taxpayer must
25 comply with the requirements of sections 253.545 to 253.559, and
26 in such cases, the amount of the tax credit pursuant to
27 subsection 4 of section 135.481 shall be limited to the lesser of
28 twenty percent of the taxpayer's eligible costs or forty thousand
29 dollars.

30 135.535. 1. A corporation, limited liability corporation,
31 partnership or sole proprietorship, which moves its operations
32 from outside Missouri or outside a distressed community into a
33 distressed community, or which commences operations in a
34 distressed community on or after January 1, 1999, and in either
35 case has more than seventy-five percent of its employees at the
36 facility in the distressed community, and which has fewer than
37 one hundred employees for whom payroll taxes are paid, and which
38 is a manufacturing, biomedical, medical devices, scientific

1 research, animal research, computer software design or
2 development, computer programming, including internet, web
3 hosting, and other information technology, wireless or wired or
4 other telecommunications or a professional firm shall receive a
5 forty percent credit against income taxes owed pursuant to
6 chapter 143, 147 or 148, other than taxes withheld pursuant to
7 sections 143.191 to 143.265, for each of the three years after
8 such move, if approved by the department of economic development,
9 which shall issue a certificate of eligibility if the department
10 determines that the taxpayer is eligible for such credit. The
11 maximum amount of credits per taxpayer set forth in this
12 subsection shall not exceed one hundred twenty-five thousand
13 dollars for each of the three years for which the credit is
14 claimed. The department of economic development, by means of
15 rule or regulation promulgated pursuant to the provisions of
16 chapter 536, shall assign appropriate North American Industry
17 Classification System numbers to the companies which are eligible
18 for the tax credits provided for in this section.

19 Such three-year credits shall be awarded only one time to any
20 company which moves its operations from outside of Missouri or
21 outside of a distressed community into a distressed community or
22 to a company which commences operations within a distressed
23 community. A taxpayer shall file an application for
24 certification of the tax credits for the first year in which
25 credits are claimed and for each of the two succeeding taxable
26 years for which credits are claimed.

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

1 and the department of revenue.

2 3. A tax credit against income taxes owed pursuant to
3 chapter 143, 147 or 148, other than the taxes withheld pursuant
4 to sections 143.191 to 143.265, in lieu of the credit against
5 income taxes as provided in subsection 1 of this section, may be
6 taken by such an entity in a distressed community in an amount of
7 forty percent of the amount of funds expended for computer
8 equipment and its maintenance, medical laboratories and
9 equipment, research laboratory equipment, manufacturing
10 equipment, fiber optic equipment, high speed telecommunications,
11 wiring or software development expense up to a maximum of
12 seventy-five thousand dollars in tax credits for such equipment
13 or expense per year per entity and for each of three years after
14 commencement in or moving operations into a distressed community.

15 4. A corporation, partnership or sole partnership, which
16 has no more than one hundred employees for whom payroll taxes are
17 paid, which is already located in a distressed community and
18 which expends funds for such equipment pursuant to subsection 3
19 of this section in an amount exceeding its average of the prior
20 two years for such equipment, shall be eligible to receive a tax
21 credit against income taxes owed pursuant to chapters 143, 147
22 and 148 in an amount equal to the lesser of seventy-five thousand
23 dollars or twenty-five percent of the funds expended for such
24 additional equipment per such entity. Tax credits allowed
25 pursuant to this subsection or subsection 1 of this section may
26 be carried back to any of the three prior tax years and carried
27 forward to any of the next five tax years.

28 5. An existing corporation, partnership or sole
29 proprietorship that is located within a distressed community and
30 that relocates employees from another facility outside of the
31 distressed community to its facility within the distressed
32 community, and an existing business located within a distressed
33 community that hires new employees for that facility may both be
34 eligible for the tax credits allowed by subsections 1 and 3 of
35 this section. To be eligible for such tax credits, such a
36 business, during one of its tax years, shall employ within a
37 distressed community at least twice as many employees as were
38 employed at the beginning of that tax year. A business hiring

1 employees shall have no more than one hundred employees before
2 the addition of the new employees. This subsection shall only
3 apply to a business which is a manufacturing, biomedical, medical
4 devices, scientific research, animal research, computer software
5 design or development, computer programming or telecommunications
6 business, or a professional firm.

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

12 7. (1) For all years beginning on or after January 1,
13 1999, but ending on or before December 31, 2012, the tax credits
14 allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section
15 shall be for an amount of no more than ten million dollars for
16 each year beginning in 1999. To the extent there are available
17 tax credits remaining under the ten million dollar cap provided
18 in this section, up to one hundred thousand dollars in the
19 remaining credits shall first be used for tax credits authorized
20 under section 135.562. The total maximum credit for all entities
21 already located in distressed communities and claiming credits
22 pursuant to subsection 4 of this section shall be seven hundred
23 and fifty thousand dollars.

24 (2) For all years beginning on or after January 1, 2013,
25 the tax credits allowed under subsections 1, 2, 3, 4, and 5 of
26 this section shall be for an amount of no more than four million
27 dollars. To the extent there are available tax credits remaining
28 under the four million dollar cap provided in this subdivision,
29 up to fifty thousand dollars in the remaining credits shall first
30 be used for tax credits authorized under section 135.562. The
31 total maximum credit for all entities already located in
32 distressed communities and claiming credits under subsection 4 of
33 this section shall be three hundred seventy-five thousand
34 dollars.

35 _____ (3) The department of economic development in approving
36 taxpayers for the credit as provided for in subsection 6 of this
37 section shall use information provided by the department of
38 revenue regarding taxes paid in the previous year, or projected

1 taxes for those entities newly established in the state, as the
2 method of determining when this maximum will be reached and shall
3 maintain a record of the order of approval. Any tax credit not
4 used in the period for which the credit was approved may be
5 carried over until the full credit has been allowed.

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

15 9. Notwithstanding any provision of law to the contrary, no
16 taxpayer shall earn the tax credits allowed in this section and
17 the tax credits otherwise allowed in section 135.110, or the tax
18 credits, exemptions, and refund otherwise allowed in sections
19 135.200, 135.220, 135.225 and 135.245, respectively, for the same
20 business for the same tax period.

21 135.679. 1. This section shall be known and may be cited
22 as the "Qualified Beef Tax Credit Act".

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

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

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

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

30 (2) "Authority", the agricultural and small business
31 development authority established in chapter 348;

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

35 (4) "Baseline weight", the average weight in the immediate
36 past three years of all beef animals sold that are thirty months
37 of age or younger, categorized by sex. Baseline weight for
38 qualified beef animals that are physically out-of-state but whose

1 ownership is retained by a resident of this state shall be
2 established by the average transfer weight in the immediate past
3 three years of all beef animals that are thirty months of age or
4 younger and that are transferred out-of-state but whose ownership
5 is retained by a resident of this state, categorized by sex. The
6 established baseline weight shall be effective for a period of
7 three years. If the taxpayer is a qualifying beef animal
8 producer with fewer than three years of production, the baseline
9 weight shall be established by the available average weight in
10 the immediate past year of all beef animals sold that are thirty
11 months of age or younger, categorized by sex. If the qualifying
12 beef animal producer has no previous production, the baseline
13 weight shall be established by the authority;

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

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

21 (7) "Qualifying sale", the first time a qualifying beef
22 animal is sold in this state after the qualifying beef animal is
23 backgrounded, and a subsequent sale if the weight of the
24 qualifying beef animal at the time of the subsequent sale is
25 greater than the weight of the qualifying beef animal at the time
26 of the first qualifying sale of such beef animal;

27 (8) "Tax credit", a credit against the tax otherwise due
28 under chapter 143, excluding withholding tax imposed by sections
29 143.191 to 143.265, or otherwise due under chapter 147;

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

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

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

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

1 3. For all taxable years beginning on or after January 1,
2 2009, but ending on or before December 31, 2016, a taxpayer shall
3 be allowed a tax credit for the first qualifying sale and for a
4 subsequent qualifying sale of all qualifying beef animals. The
5 tax credit amount for the first qualifying sale shall be ten
6 cents per pound, shall be based on the backgrounded weight of all
7 qualifying beef animals at the time of the first qualifying sale,
8 and shall be calculated as follows: the qualifying sale weight
9 minus the baseline weight multiplied by ten cents, as long as the
10 qualifying sale weight is equal to or greater than two hundred
11 pounds above the baseline weight. The tax credit amount for each
12 subsequent qualifying sale shall be ten cents per pound, shall be
13 based on the backgrounded weight of all qualifying beef animals
14 at the time of the subsequent qualifying sale, and shall be
15 calculated as follows: the qualifying sale weight minus the
16 baseline weight multiplied by ten cents, as long as the
17 qualifying sale weight is equal to or greater than two hundred
18 pounds above the baseline weight. The authority may waive no
19 more than twenty-five percent of the two hundred pound weight
20 gain requirement, but any such waiver shall be based on a
21 disaster declaration issued by the U.S. Department of
22 Agriculture.

23 4. The amount of the tax credit claimed shall not exceed
24 the amount of the taxpayer's state tax liability for the taxable
25 year for which the credit is claimed. No tax credit claimed
26 under this section shall be refundable. The tax credit shall be
27 claimed in the taxable year in which the qualifying sale of the
28 qualifying beef occurred, but any amount of credit that the
29 taxpayer is prohibited by this section from claiming in a taxable
30 year may be carried forward to any of the taxpayer's five
31 subsequent taxable years and carried backward to any of the
32 taxpayer's three previous taxable years. The amount of tax
33 credits that may be issued to all eligible applicants claiming
34 tax credits authorized in this section in [a] all fiscal [year]
35 years ending on or before June 30, 2013, shall not exceed three
36 million dollars, and in all fiscal years beginning on or after
37 July 1, 2013, but ending on or before June 30, 2017, shall not
38 exceed one million five hundred thousand dollars. Tax credits

1 shall be issued on an as-received application basis until the
2 fiscal year limit is reached. Any credits not issued in any
3 fiscal year shall expire and shall not be issued in any
4 subsequent years.

5 5. To claim the tax credit allowed under this section, the
6 taxpayer shall submit to the authority an application for the tax
7 credit on a form provided by the authority and any application
8 fee imposed by the authority. The application shall be filed
9 with the authority at the end of each calendar year in which a
10 qualified sale was made and for which a tax credit is claimed
11 under this section. The application shall include any certified
12 documentation and information required by the authority. All
13 required information obtained by the authority shall be
14 confidential and not disclosed except by court order, subpoena,
15 or as otherwise provided by law. If the taxpayer and the
16 qualified sale meet all criteria required by this section and
17 approval is granted by the authority, the authority shall issue a
18 tax credit certificate in the appropriate amount. Tax credit
19 certificates issued under this section may be assigned,
20 transferred, sold, or otherwise conveyed, and the new owner of
21 the tax credit certificate shall have the same rights in the tax
22 credit as the original taxpayer. Whenever a tax credit
23 certificate is assigned, transferred, sold or otherwise conveyed,
24 a notarized endorsement shall be filed with the authority
25 specifying the name and address of the new owner of the tax
26 credit certificate or the value of the tax credit.

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

31 7. The authority may promulgate rules to implement the
32 provisions of this section. Any rule or portion of a rule, as
33 that term is defined in section 536.010, that is created under
34 the authority delegated in this section shall become effective
35 only if it complies with and is subject to all of the provisions
36 of chapter 536 and, if applicable, section 536.028. This section
37 and chapter 536 are nonseverable and if any of the powers vested
38 with the general assembly pursuant to chapter 536 to review, to

1 delay the effective date, or to disapprove and annul a rule are
2 subsequently held unconstitutional, then the grant of rulemaking
3 authority and any rule proposed or adopted after August 28, 2007,
4 shall be invalid and void.

5 8. This section shall not be subject to the Missouri sunset
6 act, sections 23.250 to 23.298.

7 135.967. 1. A taxpayer who establishes a new business
8 facility may, upon approval by the department, be allowed a
9 credit, each tax year for up to ten tax years, in an amount
10 determined as set forth in this section, against the tax imposed
11 by chapter 143, excluding withholding tax imposed by sections
12 143.191 to 143.265. No taxpayer shall receive multiple ten-year
13 periods for subsequent expansions at the same facility.

14 2. Notwithstanding any provision of law to the contrary,
15 any taxpayer who establishes a new business facility in an
16 enhanced enterprise zone and is awarded state tax credits under
17 this section may not also receive tax credits under sections
18 135.100 to 135.150, sections 135.200 to 135.286, or section
19 135.535, and may not simultaneously receive tax credits under
20 sections 620.1875 to 620.1890 at the same facility.

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

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

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

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

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

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

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

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

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

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

11 5. Prior to January 1, 2007, in no event shall the
12 department authorize more than four million dollars annually to
13 be issued for all enhanced business enterprises. After December
14 31, 2006, but for all years ending on or before December 31,
15 2012, in no event shall the department authorize more than
16 twenty-four million dollars annually to be issued for all
17 enhanced business enterprises. For all years beginning on or
18 after January 1, 2013, the department shall not issue more than
19 twelve million dollars annually for all enhanced business
20 enterprises.

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

24 (1) The taxpayer's new business facility investment in the
25 expansion during the tax period in which the credits allowed in
26 this section are claimed exceeds one hundred thousand dollars and
27 if the number of new business facility employees engaged or
28 maintained in employment at the expansion facility for the
29 taxable year for which credit is claimed equals or exceeds two,
30 and the total number of employees at the facility after the
31 expansion is at least two greater than the total number of
32 employees before the expansion; and

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

36 7. The number of new business facility employees during any
37 taxable year shall be determined by dividing by twelve the sum of
38 the number of individuals employed on the last business day of

1 each month of such taxable year. If the new business facility is
2 in operation for less than the entire taxable year, the number of
3 new business facility employees shall be determined by dividing
4 the sum of the number of individuals employed on the last
5 business day of each full calendar month during the portion of
6 such taxable year during which the new business facility was in
7 operation by the number of full calendar months during such
8 period. For the purpose of computing the credit allowed by this
9 section in the case of a facility which qualifies as a new
10 business facility under subsection 6 of this section, and in the
11 case of a new business facility which satisfies the requirements
12 of paragraph (c) of subdivision (17) of section 135.950, or
13 subdivision (25) of section 135.950, the number of new business
14 facility employees at such facility shall be reduced by the
15 average number of individuals employed, computed as provided in
16 this subsection, at the facility during the taxable year
17 immediately preceding the taxable year in which such expansion,
18 acquisition, or replacement occurred and shall further be reduced
19 by the number of individuals employed by the taxpayer or related
20 taxpayer that was subsequently transferred to the new business
21 facility from another Missouri facility and for which credits
22 authorized in this section are not being earned, whether such
23 credits are earned because of an expansion, acquisition,
24 relocation, or the establishment of a new facility.

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

35 9. For the purpose of computing the credit allowed by this
36 section in the case of a facility which qualifies as a new
37 business facility pursuant to subsection 6 of this section, and
38 in the case of a new business facility which satisfies the

1 requirements of paragraph (c) of subdivision (17) of section
2 135.950 or subdivision (25) of section 135.950, the amount of the
3 taxpayer's new business facility investment in such facility
4 shall be reduced by the average amount, computed as provided in
5 subdivision (19) of section 135.950 for new business facility
6 investment, of the investment of the taxpayer, or related
7 taxpayer immediately preceding such expansion or replacement or
8 at the time of acquisition. Furthermore, the amount of the
9 taxpayer's new business facility investment shall also be reduced
10 by the amount of investment employed by the taxpayer or related
11 taxpayer which was subsequently transferred to the new business
12 facility from another Missouri facility and for which credits
13 authorized in this section are not being earned, whether such
14 credits are earned because of an expansion, acquisition,
15 relocation, or the establishment of a new facility.

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

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

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

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

34 14. Prior to the issuance of tax credits, the department
35 shall verify through the department of revenue, or any other
36 state department, that the tax credit applicant does not owe any
37 delinquent income, sales, or use tax or interest or penalties on
38 such taxes, or any delinquent fees or assessments levied by any

1 state department and through the department of insurance,
2 financial institutions and professional registration that the
3 applicant does not owe any delinquent insurance taxes. Such
4 delinquency shall not affect the authorization of the application
5 for such tax credits, except that the amount of credits issued
6 shall be reduced by the applicant's tax delinquency. If the
7 department of revenue or the department of insurance, financial
8 institutions and professional registration, or any other state
9 department, concludes that a taxpayer is delinquent after June
10 fifteenth but before July first of any year and the application
11 of tax credits to such delinquency causes a tax deficiency on
12 behalf of the taxpayer to arise, then the taxpayer shall be
13 granted thirty days to satisfy the deficiency in which interest,
14 penalties, and additions to tax shall be tolled. After applying
15 all available credits toward a tax delinquency, the administering
16 agency shall notify the appropriate department, and that
17 department shall update the amount of outstanding delinquent tax
18 owed by the applicant. If any credits remain after satisfying
19 all insurance, income, sales, and use tax delinquencies, the
20 remaining credits shall be issued to the applicant, subject to
21 the restrictions of other provisions of law."; and
22

23 Further amend said bill, Page 170, Section 144.710, Line 5,
24 by inserting after all of said line the following:

25 "178.762. If an agreement provides that all or part of
26 program costs are to be met by receipt of retained jobs credit
27 from withholding, such retained jobs credit from withholding
28 shall be determined and paid as follows:

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

31 (2) A portion of the total payments made by the employer
32 under section 143.221 shall be designated as the retained jobs
33 credit from withholding. For all years ending on or before
34 December 31, 2012, such portion shall be an amount equal to two
35 and one-half percent of the gross wages paid by the employer for
36 each of the first one hundred jobs included in the project and
37 one and one-half percent of the gross wages paid by the employer
38 for each of the remaining jobs included in the project, and for

1 all years beginning on or after January 1, 2013, such portion
2 shall be an amount equal to one and one-fourth percent of the
3 gross wages paid by the employer for each of the first one
4 hundred jobs included in the project and three-fourths of one
5 percent of the gross wages paid by the employer for each of the
6 remaining jobs included in the project. If business or
7 employment conditions cause the amount of the retained jobs
8 credit from withholding to be less than the amount projected in
9 the agreement for any time period, then other withholding tax
10 paid by the employer under section 143.221 shall be credited to
11 the Missouri community college retained job training fund by the
12 amount of such difference. The employer shall remit the amount
13 of the retained jobs credit to the department of revenue in the
14 manner prescribed in section 178.764. When all program costs,
15 including the principal, premium, and interest on the
16 certificates have been paid, the employer credits shall cease;

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

31 (4) Any disbursement in respect of a project received from
32 the division of workforce development under sections 178.760 to
33 178.764 and the special fund into which it is paid may be
34 irrevocably pledged by a community college district for the
35 payment of the principal, premium, and interest on the
36 certificate issued by a community college district to finance or
37 refinance, in whole or in part, the project;

38 (5) The employer shall certify to the department of revenue

1 that the credit from withholding is in accordance with an
2 agreement and shall provide other information the department may
3 require;

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

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

12 178.894. If an agreement provides that all or part of
13 program costs are to be met by receipt of new jobs credit from
14 withholding, such new jobs credit from withholding shall be
15 determined and paid as follows:

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

18 (2) A portion of the total payments made by the employer
19 pursuant to section 143.221 shall be designated as the new jobs
20 credit from withholding. For all years ending on or before
21 December 31, 2012, such portion shall be an amount equal to two
22 and one-half percent of the gross wages paid by the employer for
23 each of the first one hundred jobs included in the project and
24 one and one-half percent of the gross wages paid by the employer
25 for each of the remaining jobs included in the project, and for
26 all years beginning on or after January 1, 2013, such portion
27 shall be an amount equal to one and one-fourth percent of the
28 gross wages paid by the employer for each of the first one
29 hundred jobs included in the project and three-fourths of one
30 percent of the gross wages paid by the employer for each of the
31 remaining jobs included in the project. If business or
32 employment conditions cause the amount of the new jobs credit
33 from withholding to be less than the amount projected in the
34 agreement for any time period, then other withholding tax paid by
35 the employer pursuant to section 143.221 shall be credited to the
36 Missouri community college job training fund by the amount of
37 such difference. The employer shall remit the amount of the new
38 jobs credit to the department of revenue in the manner prescribed

1 in section 178.896. When all program costs, including the
2 principal of, premium, if any, and interest on the certificates
3 have been paid, the employer credits shall cease;

4 (3) The community college district participating in a
5 project shall establish a special fund for and in the name of the
6 project. All funds appropriated by the general assembly from the
7 Missouri community college job training program fund and
8 disbursed by the division of job development and training for the
9 project and other amounts received by the district in respect of
10 the project and required by the agreement to be used to pay
11 program costs for the project shall be deposited in the special
12 fund. Amounts held in the special fund may be used and disbursed
13 by the district only to pay program costs for the project. The
14 special fund may be divided into such accounts and subaccounts as
15 shall be provided in the agreement, and amounts held therein may
16 be invested in investments which are legal for the investment of
17 the district's other funds;

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

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

30 (6) An employee participating in a project will receive
31 full credit for the amount designated as a new jobs credit from
32 withholding and withheld as provided in section 143.221;

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

38 208.770. 1. Moneys deposited in or withdrawn pursuant to

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

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

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

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

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

31 6. For all fiscal years ending on or before June 30, 2010,
32 the total tax credits authorized pursuant to sections 208.750 to
33 208.775 shall not exceed four million dollars in any fiscal year.
34 For all fiscal years beginning on or after July 1, 2010, but
35 ending on or before June 30, 2013, the total tax credits
36 authorized under sections 208.750 to 208.775 shall not exceed
37 three hundred thousand dollars in any fiscal year. For all
38 fiscal years beginning on or after July 1, 2013, the total tax

1 credits authorized under sections 208.750 to 208.775 shall not
2 exceed one hundred fifty thousand dollars in any fiscal year.";
3 and
4

5 Further amend said bill, Page 181, Section 238.410, Line
6 168, by inserting after all of said line the following:

7 "253.550. 1. Any taxpayer incurring costs and expenses for
8 the rehabilitation of eligible property, which is a certified
9 historic structure or structure in a certified historic district,
10 may, subject to the provisions of this section and section
11 253.559, receive a credit against the taxes imposed pursuant to
12 chapters 143 and 148, except for sections 143.191 to 143.265, on
13 such taxpayer in an amount equal to twenty-five percent of the
14 total costs and expenses of rehabilitation incurred after January
15 1, 1998, which shall include, but not be limited to, qualified
16 rehabilitation expenditures as defined under section 47(c)(2)(A)
17 of the Internal Revenue Code of 1986, as amended, and the related
18 regulations thereunder, provided the rehabilitation costs
19 associated with rehabilitation and the expenses exceed fifty
20 percent of the total basis in the property and the rehabilitation
21 meets standards consistent with the standards of the Secretary of
22 the United States Department of the Interior for rehabilitation
23 as determined by the state historic preservation officer of the
24 Missouri department of natural resources.

25 2. During the period beginning on January 1, 2010, but
26 ending on or after June 30, 2010, the department of economic
27 development shall not approve applications for tax credits under
28 the provisions of subsections 3 and 8 of section 253.559 which,
29 in the aggregate, exceed seventy million dollars, increased by
30 any amount of tax credits for which approval shall be rescinded
31 under the provisions of section 253.559. For each fiscal year
32 beginning on or after July 1, 2010, but ending on or before June
33 30, 2013, the department of economic development shall not
34 approve applications for tax credits under the provisions of
35 subsections 3 and 8 of section 253.559 which, in the aggregate,
36 exceed one hundred forty million dollars, increased by any amount
37 of tax credits for which approval shall be rescinded under the
38 provisions of section 253.559. For each fiscal year beginning on

1 or after July 1, 2013, the department of economic development
2 shall not approve applications for tax credits under the
3 provisions of subsections 3 and 8 of section 253.559 which, in
4 the aggregate, exceed twenty-five million dollars, increased by
5 any amount of tax credits for which approval shall be rescinded
6 under the provisions of section 253.559. The limitations
7 provided under this subsection shall not apply to applications
8 approved under the provisions of subsection 3 of section 253.559
9 for projects to receive less than two hundred seventy-five
10 thousand dollars in tax credits.

11 3. For all applications for tax credits approved on or
12 after January 1, 2010, no more than two hundred fifty thousand
13 dollars in tax credits may be issued for eligible costs and
14 expenses incurred in the rehabilitation of an eligible property
15 which is a nonincome producing single-family, owner-occupied
16 residential property and is either a certified historic structure
17 or a structure in a certified historic district.

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

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

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

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

32 (b) Has received certification, by the state historic
33 preservation officer, that the rehabilitation plan meets the
34 standards consistent with the standards of the Secretary of the
35 United States Department of the Interior, and the rehabilitation
36 costs and expenses associated with such rehabilitation shall
37 exceed fifty percent of the total basis in the property.

38 348.430. 1. The tax credit created in this section shall

1 be known as the "Agricultural Product Utilization Contributor Tax
2 Credit".

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

4 (1) "Authority", the agriculture and small business
5 development authority as provided in this chapter;

6 (2) "Contributor", an individual, partnership, corporation,
7 trust, limited liability company, entity or person that
8 contributes cash funds to the authority;

9 (3) "Development facility", a facility producing either a
10 good derived from an agricultural commodity or using a process to
11 produce a good derived from an agricultural product;

12 (4) "Eligible new generation cooperative", a nonprofit
13 cooperative association formed pursuant to chapter 274, or
14 incorporated pursuant to chapter 357, for the purpose of
15 operating within this state a development facility or a renewable
16 fuel production facility;

17 (5) "Eligible new generation processing entity", a
18 partnership, corporation, cooperative, or limited liability
19 company organized or incorporated pursuant to the laws of this
20 state consisting of not less than twelve members, approved by the
21 authority, for the purpose of owning or operating within this
22 state a development facility or a renewable fuel production
23 facility in which producer members:

24 (a) Hold a majority of the governance or voting rights of
25 the entity and any governing committee;

26 (b) Control the hiring and firing of management; and

27 (c) Deliver agricultural commodities or products to the
28 entity for processing, unless processing is required by multiple
29 entities;

30 (6) "Renewable fuel production facility", a facility
31 producing an energy source which is derived from a renewable,
32 domestically grown, organic compound capable of powering
33 machinery, including an engine or power plant, and any by-product
34 derived from such energy source.

35 3. For all tax years beginning on or after January 1, 1999,
36 a contributor who contributes funds to the authority may receive
37 a credit against the tax or estimated quarterly tax otherwise due
38 pursuant to chapter 143, other than taxes withheld pursuant to

1 sections 143.191 to 143.265, [chapter 148] chapter 147, or
2 chapter 148, in an amount of up to one hundred percent of such
3 contribution. Tax credits claimed in a taxable year may be done
4 so on a quarterly basis and applied to the estimated quarterly
5 tax pursuant to this subsection. If a quarterly tax credit claim
6 or series of claims contributes to causing an overpayment of
7 taxes for a taxable year, such overpayment shall not be refunded
8 but shall be applied to the next taxable year. The awarding of
9 such credit shall be at the approval of the authority, based on
10 the least amount of credits necessary to provide incentive for
11 the contributions. A contributor that receives tax credits for a
12 contribution to the authority shall receive no other
13 consideration or compensation for such contribution, other than a
14 federal tax deduction, if applicable, and goodwill.

15 4. A contributor shall submit to the authority an
16 application for the tax credit authorized by this section on a
17 form provided by the authority. If the contributor meets all
18 criteria prescribed by this section and the authority, the
19 authority shall issue a tax credit certificate in the appropriate
20 amount. Tax credits issued pursuant to this section may be
21 claimed in the taxable year in which the contributor contributes
22 funds to the authority. For all fiscal years beginning on or
23 after July 1, 2004, tax credits allowed pursuant to this section
24 may be carried back to any of the contributor's three prior tax
25 years and may be carried forward to any of the contributor's five
26 subsequent taxable years. Tax credits issued pursuant to this
27 section may be assigned, transferred or sold and the new owner of
28 the tax credit shall have the same rights in the credit as the
29 contributor. Whenever a certificate of tax credit is assigned,
30 transferred, sold or otherwise conveyed, a notarized endorsement
31 shall be filed with the authority specifying the name and address
32 of the new owner of the tax credit or the value of the credit.

33 5. The funds derived from contributions in this section
34 shall be used for financial assistance or technical assistance
35 for the purposes provided in section 348.407 to rural
36 agricultural business concepts as approved by the authority. For
37 all fiscal years ending on or before June 30, 2013, the authority
38 may provide or facilitate loans, equity investments, or

1 guaranteed loans for rural agricultural business concepts, but
2 limited to two million dollars per project or the net state
3 economic impact, whichever is less, and for all fiscal years
4 beginning on or after July 1, 2013, such limitation shall be one
5 million dollars per project of the net state economic impact,
6 whichever is less. Loans, equity investments or guaranteed loans
7 may only be provided to feasible projects, and for an amount that
8 is the least amount necessary to cause the project to occur, as
9 determined by the authority. The authority may structure the
10 loans, equity investments or guaranteed loans in a way that
11 facilitates the project, but also provides for a compensatory
12 return on investment or loan payment to the authority, based on
13 the risk of the project.

14 6. In any given year, at least ten percent of the funds
15 granted to rural agricultural business concepts shall be awarded
16 to grant requests of twenty-five thousand dollars or less. No
17 single rural agricultural business concept shall receive more
18 than two hundred thousand dollars in grant awards from the
19 authority. Agricultural businesses owned by minority members or
20 women shall be given consideration in the allocation of funds.

21 348.432. 1. The tax credit created in this section shall
22 be known as the "New Generation Cooperative Incentive Tax
23 Credit".

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

25 (1) "Authority", the agriculture and small business
26 development authority as provided in this chapter;

27 (2) "Development facility", a facility producing either a
28 good derived from an agricultural commodity or using a process to
29 produce a good derived from an agricultural product;

30 (3) "Eligible new generation cooperative", a nonprofit
31 cooperative association formed pursuant to chapter 274 or
32 incorporated pursuant to chapter 357 for the purpose of operating
33 within this state a development facility or a renewable fuel
34 production facility and approved by the authority;

35 (4) "Eligible new generation processing entity", a
36 partnership, corporation, cooperative, or limited liability
37 company organized or incorporated pursuant to the laws of this
38 state consisting of not less than twelve members, approved by the

1 authority, for the purpose of owning or operating within this
2 state a development facility or a renewable fuel production
3 facility in which producer members:

4 (a) Hold a majority of the governance or voting rights of
5 the entity and any governing committee;

6 (b) Control the hiring and firing of management; and

7 (c) Deliver agricultural commodities or products to the
8 entity for processing, unless processing is required by multiple
9 entities;

10 (5) "Employee-qualified capital project", an eligible new
11 generation cooperative with capital costs greater than fifteen
12 million dollars which will employ at least sixty employees;

13 (6) "Large capital project", an eligible new generation
14 cooperative with capital costs greater than one million dollars;

15 (7) "Producer member", a person, partnership, corporation,
16 trust or limited liability company whose main purpose is
17 agricultural production that invests cash funds to an eligible
18 new generation cooperative or eligible new generation processing
19 entity;

20 (8) "Renewable fuel production facility", a facility
21 producing an energy source which is derived from a renewable,
22 domestically grown, organic compound capable of powering
23 machinery, including an engine or power plant, and any by-product
24 derived from such energy source;

25 (9) "Small capital project", an eligible new generation
26 cooperative with capital costs of no more than one million
27 dollars.

28 3. Beginning tax year 1999, and ending December 31, 2002,
29 any producer member who invests cash funds in an eligible new
30 generation cooperative or eligible new generation processing
31 entity may receive a credit against the tax or estimated
32 quarterly tax otherwise due pursuant to chapter 143, other than
33 taxes withheld pursuant to sections 143.191 to 143.265 [or
34 chapter 148], chapter 147, or chapter 148, in an amount equal to
35 the lesser of fifty percent of such producer member's investment
36 or fifteen thousand dollars.

37 4. For all tax years beginning on or after January 1, 2003,
38 any producer member who invests cash funds in an eligible new

1 generation cooperative or eligible new generation processing
2 entity may receive a credit against the tax or estimated
3 quarterly tax otherwise due pursuant to chapter 143, other than
4 taxes withheld pursuant to sections 143.191 to 143.265, chapter
5 147 or chapter 148, in an amount equal to the lesser of fifty
6 percent of such producer member's investment or fifteen thousand
7 dollars. Tax credits claimed in a taxable year may be done so on
8 a quarterly basis and applied to the estimated quarterly tax
9 pursuant to subsection 3 of this section. If a quarterly tax
10 credit claim or series of claims contributes to causing an
11 overpayment of taxes for a taxable year, such overpayment shall
12 not be refunded but shall be applied to the next taxable year.

13 5. A producer member shall submit to the authority an
14 application for the tax credit authorized by this section on a
15 form provided by the authority. If the producer member meets all
16 criteria prescribed by this section and is approved by the
17 authority, the authority shall issue a tax credit certificate in
18 the appropriate amount. Tax credits issued pursuant to this
19 section may be carried back to any of the producer member's three
20 prior taxable years and carried forward to any of the producer
21 member's five subsequent taxable years regardless of the type of
22 tax liability to which such credits are applied as authorized
23 pursuant to subsection 3 of this section. Tax credits issued
24 pursuant to this section may be assigned, transferred, sold or
25 otherwise conveyed and the new owner of the tax credit shall have
26 the same rights in the credit as the producer member. Whenever a
27 certificate of tax credit is assigned, transferred, sold or
28 otherwise conveyed, a notarized endorsement shall be filed with
29 the authority specifying the name and address of the new owner of
30 the tax credit or the value of the credit.

31 6. Ten percent of the tax credits authorized pursuant to
32 this section initially shall be offered in any fiscal year to
33 small capital projects. If any portion of the ten percent of tax
34 credits offered to small capital costs projects is unused in any
35 calendar year, then the unused portion of tax credits may be
36 offered to employee-qualified capital projects and large capital
37 projects. If the authority receives more applications for tax
38 credits for small capital projects than tax credits are

1 authorized therefor, then the authority, by rule, shall determine
2 the method of distribution of tax credits authorized for small
3 capital projects.

4 7. Ninety percent of the tax credits authorized pursuant to
5 this section initially shall be offered in any fiscal year to
6 employee-qualified capital projects and large capital projects.
7 If any portion of the ninety percent of tax credits offered to
8 employee-qualified capital projects and large capital costs
9 projects is unused in any fiscal year, then the unused portion of
10 tax credits may be offered to small capital projects. For all
11 fiscal years ending on or before June 30, 2013, the maximum tax
12 credit allowed per employee-qualified capital project is three
13 million dollars and the maximum tax credit allowed per large
14 capital project is one million five hundred thousand dollars, and
15 for all fiscal years beginning on or after July 1, 2013, the
16 maximum tax credit allowed per employee-qualified capital project
17 is one million five hundred thousand dollars and the maximum tax
18 credit allowed per large capital project is seven hundred fifty
19 thousand dollars. If the authority approves the maximum tax
20 credit allowed for any employee-qualified capital project or any
21 large capital project, then the authority, by rule, shall
22 determine the method of distribution of such maximum tax credit.
23 In addition, if the authority receives more tax credit
24 applications for employee-qualified capital projects and large
25 capital projects than the amount of tax credits authorized
26 therefor, then the authority, by rule, shall determine the method
27 of distribution of tax credits authorized for employee-qualified
28 capital projects and large capital projects.

29 348.434. 1. For all fiscal years ending on or before June
30 30, 2013, the aggregate of tax credits issued per fiscal year
31 pursuant to sections 348.430 and 348.432 shall not exceed six
32 million dollars, and for all fiscal years beginning on or after
33 July 1, 2013, such aggregate shall be three million dollars.

34 2. Upon July 2, 1999, and ending June 30, 2000, tax credits
35 shall be issued pursuant to section 348.430, except that, the
36 authority shall allocate no more than three million dollars to
37 fund section 348.432 in fiscal year 2000. Beginning in fiscal
38 year 2001 and each subsequent year, tax credits shall be issued

1 pursuant to section 348.432.

2 3. Beginning the first day of May of each fiscal year
3 following implementation of section 348.432, the authority may
4 determine the extent of tax credits, pursuant to section 348.432,
5 that will be utilized in each fiscal year. If the authority
6 determines that:

7 (1) In any fiscal year ending on or before June 30, 2013,
8 less than six million dollars for a fiscal year, and in any
9 fiscal year beginning on or after July 1, 2013, less than three
10 million dollars for a fiscal year, is to be utilized in tax
11 credits pursuant to section 348.432; and

12 (2) The assets available to the authority, pursuant to
13 section 348.430, do not exceed twelve million dollars; then, the
14 authority may offer the remaining authorized tax credits be
15 issued pursuant to section 348.430.

16 348.505. 1. As used in this section, "state tax
17 liability" [,] means any state tax liability incurred by a
18 taxpayer under the provisions of chapters 143, 147, and 148,
19 exclusive of the provisions relating to the withholding of tax as
20 provided for in sections 143.191 to 143.265 and related
21 provisions.

22 2. Any eligible lender under the family farm livestock loan
23 program under section 348.500 shall be entitled to receive a tax
24 credit equal to one hundred percent of the amount of interest
25 waived by the lender under section 348.500 on a qualifying loan
26 for the first year of the loan only. The tax credit shall be
27 evidenced by a tax credit certificate issued by the agricultural
28 and small business development authority and may be used to
29 satisfy the state tax liability of the owner of such certificate
30 that becomes due in the tax year in which the interest on a
31 qualified loan is waived by the lender under section 348.500. No
32 lender may receive a tax credit under this section unless such
33 person presents a tax credit certificate to the department of
34 revenue for payment of such state tax liability. The amount of
35 the tax credits that may be issued to all eligible lenders
36 claiming tax credits authorized in this section in [a] any fiscal
37 year ending on or before June 30, 2012, shall not exceed three
38 hundred thousand dollars, and in any fiscal year beginning on or

1 after July 1, 2013, shall not exceed one hundred fifty thousand
2 dollars.

3 3. The agricultural and small business development
4 authority shall be responsible for the administration and
5 issuance of the certificate of tax credits authorized by this
6 section. The authority shall issue a certificate of tax credit
7 at the request of any lender. Each request shall include a true
8 copy of the loan documents, the name of the lender who is to
9 receive a certificate of tax credit, the type of state tax
10 liability against which the tax credit is to be used, and the
11 amount of the certificate of tax credit to be issued to the
12 lender based on the interest waived by the lender under section
13 348.500 on the loan for the first year.

14 4. The Missouri department of revenue shall accept a
15 certificate of tax credit in lieu of other payment in such amount
16 as is equal to the lesser of the amount of the tax or the
17 remaining unused amount of the credit as indicated on the
18 certificate of tax credit, and shall indicate on the certificate
19 of tax credit the amount of tax thereby paid and the date of such
20 payment.

21 5. The following provisions shall apply to tax credits
22 authorized under this section:

23 (1) Tax credits claimed in a taxable year may be claimed on
24 a quarterly basis and applied to the estimated quarterly tax of
25 the lender;

26 (2) Any amount of tax credit which exceeds the tax due,
27 including any estimated quarterly taxes paid by the lender under
28 subdivision (1) of this subsection which results in an
29 overpayment of taxes for a taxable year, shall not be refunded
30 but may be carried over to any subsequent taxable year, not to
31 exceed a total of three years for which a tax credit may be taken
32 for a qualified family farm livestock loan;

33 (3) Notwithstanding any provision of law to the contrary, a
34 lender may assign, transfer or sell tax credits authorized under
35 this section, with the new owner of the tax credit receiving the
36 same rights in the tax credit as the lender. For any tax credits
37 assigned, transferred, sold, or otherwise conveyed, a notarized
38 endorsement shall be filed by the lender with the authority

1 specifying the name and address of the new owner of the tax
2 credit and the value of such tax credit; and

3 (4) Notwithstanding any other provision of this section to
4 the contrary, any commercial bank may use tax credits created
5 under this section as provided in section 148.064 and receive a
6 net tax credit against taxes actually paid in the amount of the
7 first year's interest on loans made under this section. If such
8 first year tax credits reduce taxes due as provided in section
9 148.064 to zero, the remaining tax credits may be carried over as
10 otherwise provided in this section and utilized as provided in
11 section 148.064 in subsequent years.

12 620.495. 1. This section shall be known as the "Small
13 Business Incubators Act".

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

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

17 (2) "Incubator", a program in which small units of space
18 may be leased by a tenant and in which management maintains or
19 provides access to business development services for use by
20 tenants or a program without infrastructure in which participants
21 avail themselves of business development services to assist in
22 the growth of their start-up small businesses;

23 (3) "Local sponsor" or "sponsor", an organization which
24 enters into a written agreement with the department to establish,
25 operate and administer a small business incubator program or to
26 provide funding to an organization which operates such a program;

27 (4) "Participant", a sole proprietorship, business
28 partnership or corporation operating a business for profit
29 through which the owner avails himself or herself of business
30 development services in an incubator program;

31 (5) "Tenant", a sole proprietorship, business partnership
32 or corporation operating a business for profit and leasing or
33 otherwise occupying space in an incubator.

34 3. There is hereby established under the direction of the
35 department a loan, loan guarantee and grant program for the
36 establishment, operation and administration of small business
37 incubators, to be known as the "Small Business Incubator
38 Program". A local sponsor may submit an application to the

1 department to obtain a loan, loan guarantee or grant to establish
2 an incubator. Each application shall:

3 (1) Demonstrate that a program exists that can be
4 transformed into an incubator at a specified cost;

5 (2) Demonstrate the ability to directly provide or arrange
6 for the provision of business development services for tenants
7 and participants of the incubator. These services shall include,
8 but need not be limited to, financial consulting assistance,
9 management and marketing assistance, business education, and
10 physical services;

11 (3) Demonstrate a potential for sustained use of the
12 incubator program by eligible tenants and participants, through a
13 market study or other means;

14 (4) Demonstrate the ability to manage and operate the
15 incubator program;

16 (5) Include such other information as the department may
17 require through its guidelines.

18 4. The department shall review and accept applications
19 based on the following criteria:

20 (1) Ability of the local sponsor to carry out the
21 provisions of this section;

22 (2) Economic impact of the incubator on the community;

23 (3) Conformance with areawide and local economic
24 development plans, if such exist;

25 (4) Location of the incubator, in order to encourage
26 geographic distribution of incubators across the state.

27 5. Loans, loan guarantees and grants shall be administered
28 in the following manner:

29 (1) Loans awarded or guaranteed and grants awarded shall be
30 used only for the acquisition and leasing of land and existing
31 buildings, the rehabilitation of buildings or other facilities,
32 construction of new facilities, the purchase of equipment and
33 furnishings which are necessary for the creation and operation of
34 the incubator, and business development services including, but
35 not limited to, business management advising and business
36 education;

37 (2) Loans, loan guarantees and grants may not exceed fifty
38 percent of total eligible project costs;

1 (3) Payment of interest and principal on loans may be
2 deferred at the discretion of the department.

3 6. A local sponsor, or the organization receiving
4 assistance through the local sponsor, shall have the following
5 responsibilities and duties in establishing and operating an
6 incubator with assistance from the small business incubator
7 program:

8 (1) Secure title on a facility for the program or a lease
9 of a facility for the program;

10 (2) Manage the physical development of the incubator
11 program, including the provision of common conference or meeting
12 space;

13 (3) Furnish and equip the program to provide business
14 services to the tenants and participants;

15 (4) Market the program and secure eligible tenants and
16 participants;

17 (5) Provide financial consulting, marketing and management
18 assistance services or arrange for the provision of these
19 services for tenants and participants of the incubator, including
20 assistance in accessing private financial markets;

21 (6) Set rental and service fees;

22 (7) Encourage the sharing of ideas between tenants and
23 participants and otherwise aid the tenants and participants in an
24 innovative manner while they are within the incubator;

25 (8) Establish policies and criteria for the acceptance of
26 tenants and participants into the incubator and for the
27 termination of occupancy of tenants so as to maximize the
28 opportunity to succeed for the greatest number of tenants,
29 consistent with those specified in this section.

30 7. The department:

31 (1) May adopt such rules, statements of policy, procedures,
32 forms and guidelines as may be necessary for the implementation
33 of this section;

34 (2) May make loans, loan guarantees and grants to local
35 sponsors for incubators;

36 (3) Shall ensure that local sponsors receiving loans, loan
37 guarantees or grants meet the conditions of this section;

38 (4) Shall receive and evaluate annual reports from local

1 sponsors. Such annual reports shall include, but need not be
2 limited to, a financial statement for the incubator, evidence
3 that all tenants and participants in the program are eligible
4 under the terms of this section, and a list of companies in the
5 incubator.

6 8. The department of economic development is also hereby
7 authorized to review any previous loans made under this program
8 and, where appropriate in the department's judgment, convert such
9 loans to grant status.

10 9. On or before January first of each year, the department
11 shall provide a report to the governor, the chief clerk of the
12 house of representatives and the secretary of the senate which
13 shall include, but need not be limited to:

14 (1) The number of applications for incubators submitted to
15 the department;

16 (2) The number of applications for incubators approved by
17 the department;

18 (3) The number of incubators created through the small
19 business incubator program;

20 (4) The number of tenants and participants engaged in each
21 incubator;

22 (5) The number of jobs provided by each incubator and
23 tenants and participant of each incubator;

24 (6) The occupancy rate of each incubator;

25 (7) The number of firms still operating in the state after
26 leaving incubators and the number of jobs they have provided.

27 10. There is hereby established in the state treasury a
28 special fund to be known as the "Missouri Small Business
29 Incubators Fund", which shall consist of all moneys which may be
30 appropriated to it by the general assembly, and also any gifts,
31 contributions, grants or bequests received from federal, private
32 or other sources. Moneys for loans, loan guarantees and grants
33 under the small business incubator program may be obtained from
34 appropriations made by the general assembly from the Missouri
35 small business incubators fund. Any moneys remaining in the
36 Missouri small business incubators fund at the end of any fiscal
37 year shall not lapse to the general revenue fund, as provided in
38 section 33.080, but shall remain in the Missouri small business

1 incubators fund.

2 11. For any taxable year beginning after December 31, 1989,
3 a taxpayer, including any charitable organization which is exempt
4 from federal income tax and whose Missouri unrelated business
5 taxable income, if any, would be subject to the state income tax
6 imposed under chapter 143, shall be entitled to a tax credit
7 against any tax otherwise due under the provisions of chapter
8 143, or chapter 147, or chapter 148, excluding withholding tax
9 imposed by sections 143.191 to 143.265, in the amount of fifty
10 percent of any amount contributed by the taxpayer to the Missouri
11 small business incubators fund during the taxpayer's tax year or
12 any contribution by the taxpayer to a local sponsor after the
13 local sponsor's application has been accepted and approved by the
14 department. The tax credit allowed by this subsection shall be
15 claimed by the taxpayer at the time he files his return and shall
16 be applied against the income tax liability imposed by chapter
17 143, or chapter 147, or chapter 148, after all other credits
18 provided by law have been applied. That portion of earned tax
19 credits which exceeds the taxpayer's tax liability may be carried
20 forward for up to five years. For all taxable years ending on or
21 before December 31, 2012, the aggregate of all tax credits
22 authorized under this section shall not exceed five hundred
23 thousand dollars in any taxable year, and for all taxable years
24 beginning on or after January 1, 2013, the aggregate shall not
25 exceed two hundred fifty thousand dollars in any taxable year.

26 12. Notwithstanding any provision of Missouri law to the
27 contrary, any taxpayer may sell, assign, exchange, convey or
28 otherwise transfer tax credits allowed in subsection 11 of this
29 section under the terms and conditions prescribed in subdivisions
30 (1) and (2) of this subsection. Such taxpayer, hereinafter the
31 assignor for the purpose of this subsection, may sell, assign,
32 exchange or otherwise transfer earned tax credits:

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

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

37
38 The taxpayer acquiring earned credits, hereinafter the assignee

1 for the purpose of this subsection, may use the acquired credits
2 to offset up to one hundred percent of the tax liabilities
3 otherwise imposed by chapter 143, or chapter 147, or chapter 148
4 excluding withholding tax imposed by sections 143.191 to 143.265.
5 Unused credits in the hands of the assignee may be carried
6 forward for up to five years. The assignor shall enter into a
7 written agreement with the assignee establishing the terms and
8 conditions of the agreement and shall perfect such transfer by
9 notifying the department of economic development in writing
10 within thirty calendar days following the effective day of the
11 transfer and shall provide any information as may be required by
12 the department of economic development to administer and carry
13 out the provisions of this section. The director of the
14 department of economic development shall prescribe the method for
15 submitting applications for claiming the tax credit allowed under
16 subsection 11 of this section and shall, if the application is
17 approved, certify to the director of revenue that the taxpayer
18 claiming the credit has satisfied all the requirements specified
19 in this section and is eligible to claim the credit.

20 620.1881. 1. The department of economic development shall
21 respond within thirty days to a company who provides a notice of
22 intent with either an approval or a rejection of the notice of
23 intent. The department shall give preference to qualified
24 companies and projects targeted at an area of the state which has
25 recently been classified as a disaster area by the federal
26 government. Failure to respond on behalf of the department of
27 economic development shall result in the notice of intent being
28 deemed an approval for the purposes of this section. A qualified
29 company who is provided an approval for a project shall be
30 allowed a benefit as provided in this program in the amount and
31 duration provided in this section. A qualified company may
32 receive additional periods for subsequent new jobs at the same
33 facility after the full initial period if the minimum thresholds
34 are met as set forth in sections 620.1875 to 620.1890. There is
35 no limit on the number of periods a qualified company may
36 participate in the program, as long as the minimum thresholds are
37 achieved and the qualified company provides the department with
38 the required reporting and is in proper compliance for this

1 program or other state programs. A qualified company may elect
2 to file a notice of intent to start a new project period
3 concurrent with an existing project period if the minimum
4 thresholds are achieved and the qualified company provides the
5 department with the required reporting and is in proper
6 compliance for this program and other state programs; however,
7 the qualified company may not receive any further benefit under
8 the original approval for jobs created after the date of the new
9 notice of intent, and any jobs created before the new notice of
10 intent may not be included as new jobs for the purpose of benefit
11 calculation in relation to the new approval. When a qualified
12 company has filed and received approval of a notice of intent and
13 subsequently files another notice of intent, the department shall
14 apply the definition of project facility under subdivision (19)
15 of section 620.1878 to the new notice of intent as well as all
16 previously approved notices of intent and shall determine the
17 application of the definitions of new job, new payroll, project
18 facility base employment, and project facility base payroll
19 accordingly.

20 2. Notwithstanding any provision of law to the contrary,
21 any qualified company that is awarded benefits under this program
22 may not simultaneously receive tax credits or exemptions under
23 sections 135.100 to 135.150, sections 135.200 to 135.286, section
24 135.535, or sections 135.900 to 135.906 at the same project
25 facility. The benefits available to the company under any other
26 state programs for which the company is eligible and which
27 utilize withholding tax from the new jobs of the company must
28 first be credited to the other state program before the
29 withholding retention level applicable under the Missouri quality
30 jobs act will begin to accrue. These other state programs
31 include, but are not limited to, the new jobs training program
32 under sections 178.892 to 178.896, the job retention program
33 under sections 178.760 to 178.764, the real property tax
34 increment allocation redevelopment act, sections 99.800 to
35 99.865, or the Missouri downtown and rural economic stimulus act
36 under sections 99.915 to 99.980. If any qualified company also
37 participates in the new jobs training program in sections 178.892
38 to 178.896, the company shall retain no withholding tax, but the

1 department shall issue a refundable tax credit for the full
2 amount of benefit allowed under this [subdivision] subsection.
3 The calendar year annual maximum amount of tax credits which may
4 be issued to a qualifying company that also participates in the
5 new job training program shall be increased by an amount
6 equivalent to the withholding tax retained by that company under
7 the new jobs training program. However, if the combined benefits
8 of the quality jobs program and the new jobs training program
9 exceed the projected state benefit of the project, as determined
10 by the department of economic development through a cost-benefit
11 analysis, the increase in the maximum tax credits shall be
12 limited to the amount that would not cause the combined benefits
13 to exceed the projected state benefit. Any taxpayer who is
14 awarded benefits under this program who knowingly hires
15 individuals who are not allowed to work legally in the United
16 States shall immediately forfeit such benefits and shall repay
17 the state an amount equal to any state tax credits already
18 redeemed and any withholding taxes already retained.

19 3. The types of projects and the amount of benefits to be
20 provided are:

21 (1) Small and expanding business projects: in exchange for
22 the consideration provided by the new tax revenues and other
23 economic stimuli that will be generated by the new jobs created
24 by the program, a qualified company may retain an amount equal to
25 the withholding tax as calculated under subdivision (33) of
26 section 620.1878 from the new jobs that would otherwise be
27 withheld and remitted by the qualified company under the
28 provisions of sections 143.191 to 143.265 for a period of three
29 years from the date the required number of new jobs were created
30 if the average wage of the new payroll equals or exceeds the
31 county average wage or for a period of five years from the date
32 the required number of new jobs were created if the average wage
33 of the new payroll equals or exceeds one hundred twenty percent
34 of the county average wage;

35 (2) Technology business projects: in exchange for the
36 consideration provided by the new tax revenues and other economic
37 stimuli that will be generated by the new jobs created by the
38 program, a qualified company may retain an amount equal to a

1 maximum of five percent of new payroll for a period of five years
2 from the date the required number of jobs were created from the
3 withholding tax of the new jobs that would otherwise be withheld
4 and remitted by the qualified company under the provisions of
5 sections 143.191 to 143.265 if the average wage of the new
6 payroll equals or exceeds the county average wage. An additional
7 one-half percent of new payroll may be added to the five percent
8 maximum if the average wage of the new payroll in any year
9 exceeds one hundred twenty percent of the county average wage in
10 the county in which the project facility is located, plus an
11 additional one-half percent of new payroll may be added if the
12 average wage of the new payroll in any year exceeds one hundred
13 forty percent of the average wage in the county in which the
14 project facility is located. The department shall issue a
15 refundable tax credit for any difference between the amount of
16 benefit allowed under this subdivision and the amount of
17 withholding tax retained by the company, in the event the
18 withholding tax is not sufficient to provide the entire amount of
19 benefit due to the qualified company under this subdivision;

20 (3) High impact projects: in exchange for the
21 consideration provided by the new tax revenues and other economic
22 stimuli that will be generated by the new jobs created by the
23 program, a qualified company may retain an amount from the
24 withholding tax of the new jobs that would otherwise be withheld
25 and remitted by the qualified company under the provisions of
26 sections 143.191 to 143.265, equal to three percent of new
27 payroll for a period of five years from the date the required
28 number of jobs were created if the average wage of the new
29 payroll equals or exceeds the county average wage of the county
30 in which the project facility is located. For high-impact
31 projects in a facility located within two adjacent counties, the
32 new payroll shall equal or exceed the higher county average wage
33 of the adjacent counties. The percentage of payroll allowed
34 under this subdivision shall be three and one-half percent of new
35 payroll if the average wage of the new payroll in any year
36 exceeds one hundred twenty percent of the county average wage in
37 the county in which the project facility is located. The
38 percentage of payroll allowed under this subdivision shall be

1 four percent of new payroll if the average wage of the new
2 payroll in any year exceeds one hundred forty percent of the
3 county average wage in the county in which the project facility
4 is located. An additional one percent of new payroll may be
5 added to these percentages if local incentives equal between ten
6 percent and twenty-four percent of the new direct local revenue;
7 an additional two percent of new payroll is added to these
8 percentages if the local incentives equal between twenty-five
9 percent and forty-nine percent of the new direct local revenue;
10 or an additional three percent of payroll is added to these
11 percentages if the local incentives equal fifty percent or more
12 of the new direct local revenue. The department shall issue a
13 refundable tax credit for any difference between the amount of
14 benefit allowed under this subdivision and the amount of
15 withholding tax retained by the company, in the event the
16 withholding tax is not sufficient to provide the entire amount of
17 benefit due to the qualified company under this subdivision;

18 (4) Job retention projects: a qualified company may
19 receive a tax credit for the retention of jobs in this state,
20 provided the qualified company and the project meets all of the
21 following conditions:

22 (a) For each of the twenty-four months preceding the year
23 in which application for the program is made the qualified
24 company must have maintained at least one thousand full-time
25 employees at the employer's site in the state at which the jobs
26 are based, and the average wage of such employees must meet or
27 exceed the county average wage;

28 (b) The qualified company retained at the project facility
29 the level of full-time employees that existed in the taxable year
30 immediately preceding the year in which application for the
31 program is made;

32 (c) The qualified company is considered to have a
33 significant statewide effect on the economy, and has been
34 determined to represent a substantial risk of relocation from the
35 state by the quality jobs advisory task force established in
36 section 620.1887; provided, however, until such time as the
37 initial at-large members of the quality jobs advisory task force
38 are appointed, this determination shall be made by the director

1 of the department of economic development;

2 (d) The qualified company in the project facility will
3 cause to be invested a minimum of seventy million dollars in new
4 investment prior to the end of two years or will cause to be
5 invested a minimum of thirty million dollars in new investment
6 prior to the end of two years and maintain an annual payroll of
7 at least seventy million dollars during each of the years for
8 which a credit is claimed; and

9 (e) The local taxing entities shall provide local
10 incentives of at least fifty percent of the new direct local
11 revenues created by the project over a ten-year period. The
12 quality jobs advisory task force may recommend to the department
13 of economic development that appropriate penalties be applied to
14 the company for violating the agreement. The amount of the job
15 retention credit granted may be equal to up to fifty percent of
16 the amount of withholding tax generated by the full-time jobs at
17 the project facility for a period of five years. The calendar
18 year annual maximum amount of tax credit that may be issued to
19 any qualified company for a job retention project or combination
20 of job retention projects shall be seven hundred fifty thousand
21 dollars per year, but the maximum amount may be increased up to
22 one million dollars if such action is proposed by the department
23 and approved by the quality jobs advisory task force established
24 in section 620.1887; provided, however, until such time as the
25 initial at-large members of the quality jobs advisory task force
26 are appointed, this determination shall be made by the director
27 of the department of economic development. In considering such a
28 request, the task force shall rely on economic modeling and other
29 information supplied by the department when requesting the
30 increased limit on behalf of the job retention project. In no
31 event shall the total amount of all tax credits issued for the
32 entire job retention program under this subdivision exceed three
33 million dollars annually. Notwithstanding the above, no tax
34 credits shall be issued for job retention projects approved by
35 the department after August 30, 2013;

36 (5) Small business job retention and flood survivor relief:
37 a qualified company may receive a tax credit under sections
38 620.1875 to 620.1890 for the retention of jobs and flood survivor

1 relief in this state for each job retained over a three-year
2 period, provided that:

3 (a) The qualified company did not receive any state or
4 federal benefits, incentives, or tax relief or abatement in
5 locating its facility in a flood plain;

6 (b) The qualified company and related companies have fewer
7 than one hundred employees at the time application for the
8 program is made;

9 (c) The average wage of the qualified company's and related
10 companies' employees must meet or exceed the county average wage;

11 (d) All of the qualified company's and related companies'
12 facilities are located in this state;

13 (e) The facilities at the primary business site in this
14 state have been directly damaged by floodwater rising above the
15 level of a five hundred year flood at least two years, but fewer
16 than eight years, prior to the time application is made;

17 (f) The qualified company made significant efforts to
18 protect the facilities prior to any impending danger from rising
19 floodwaters;

20 (g) For each year it receives tax credits under sections
21 620.1875 to 620.1890, the qualified company and related companies
22 retained, at the company's facilities in this state, at least the
23 level of full-time, year-round employees that existed in the
24 taxable year immediately preceding the year in which application
25 for the program is made; and

26 (h) In the years it receives tax credits under sections
27 620.1875 to 620.1890, the company cumulatively invests at least
28 two million dollars in capital improvements in facilities and
29 equipment located at such facilities that are not located within
30 a five hundred year flood plain as designated by the Federal
31 Emergency Management Agency, and amended from time to time. The
32 amount of the small business job retention and flood survivor
33 relief credit granted may be equal to up to one hundred percent
34 of the amount of withholding tax generated by the full-time jobs
35 at the project facility for a period of three years. The
36 calendar year annual maximum amount of tax credit that may be
37 issued to any qualified company for a small business job
38 retention and survivor relief project shall be two hundred fifty

1 thousand dollars per year, but the maximum amount may be
2 increased up to five hundred thousand dollars if such action is
3 proposed by the department and approved by the quality jobs
4 advisory task force established in section 620.1887. In
5 considering such a request, the task force shall rely on economic
6 modeling and other information supplied by the department when
7 requesting an increase in the limit on behalf of the small
8 business job retention and flood survivor relief project. In no
9 event shall the total amount of all tax credits issued for the
10 entire small business job retention and flood survivor relief
11 program under this subdivision exceed five hundred thousand
12 dollars annually. Notwithstanding the provisions of this
13 subdivision to the contrary, no tax credits shall be issued for
14 small business job retention and flood survivor relief projects
15 approved by the department after August 30, 2010.

16 4. The qualified company shall provide an annual report of
17 the number of jobs and such other information as may be required
18 by the department to document the basis for the benefits of this
19 program. The department may withhold the approval of any
20 benefits until it is satisfied that proper documentation has been
21 provided, and shall reduce the benefits to reflect any reduction
22 in full-time employees or new payroll. Upon approval by the
23 department, the qualified company may begin the retention of the
24 withholding taxes when it reaches the minimum number of new jobs
25 and the average wage exceeds the county average wage. Tax
26 credits, if any, may be issued upon satisfaction by the
27 department that the qualified company has exceeded the county
28 average wage and the minimum number of new jobs. In such annual
29 report, if the average wage is below the county average wage, the
30 qualified company has not maintained the employee insurance as
31 required, or if the number of new jobs is below the minimum, the
32 qualified company shall not receive tax credits or retain the
33 withholding tax for the balance of the benefit period. In the
34 case of a qualified company that initially filed a notice of
35 intent and received an approval from the department for
36 high-impact benefits and the minimum number of new jobs in an
37 annual report is below the minimum for high-impact projects, the
38 company shall not receive tax credits for the balance of the

1 benefit period but may continue to retain the withholding taxes
2 if it otherwise meets the requirements of a small and expanding
3 business under this program.

4 5. For all years ending on or before December 31, 2012, the
5 maximum calendar year annual tax credits issued for the entire
6 program shall not exceed eighty million dollars, and for all
7 years beginning or after January 1, 2013, the maximum calendar
8 year annual tax credits issued for the entire program shall not
9 exceed forty million dollars. [Notwithstanding any provision of
10 law to the contrary, the maximum annual tax credits authorized
11 under section 135.535 are hereby reduced from ten million dollars
12 to eight million dollars, with the balance of two million dollars
13 transferred to this program.] There shall be no limit on the
14 amount of withholding taxes that may be retained by approved
15 companies under this program.

16 6. The department shall allocate the annual tax credits
17 based on the date of the approval, reserving such tax credits
18 based on the department's best estimate of new jobs and new
19 payroll of the project, and the other factors in the
20 determination of benefits of this program. However, the annual
21 issuance of tax credits is subject to the annual verification of
22 the actual new payroll. The allocation of tax credits for the
23 period assigned to a project shall expire if, within two years
24 from the date of commencement of operations, or approval if
25 applicable, the minimum thresholds have not been achieved. The
26 qualified company may retain authorized amounts from the
27 withholding tax under this section once the minimum new jobs
28 thresholds are met for the duration of the project period. No
29 benefits shall be provided under this program until the qualified
30 company meets the minimum new jobs thresholds. In the event the
31 qualified company does not meet the minimum new job threshold,
32 the qualified company may submit a new notice of intent or the
33 department may provide a new approval for a new project of the
34 qualified company at the project facility or other facilities.

35 7. For a qualified company with flow-through tax treatment
36 to its members, partners, or shareholders, the tax credit shall
37 be allowed to members, partners, or shareholders in proportion to
38 their share of ownership on the last day of the qualified

1 company's tax period.

2 8. Tax credits may be claimed against taxes otherwise
3 imposed by chapters 143 and 148, and may not be carried forward
4 but shall be claimed within one year of the close of the taxable
5 year for which they were issued, except as provided under
6 subdivision (4) of subsection 3 of this section.

7 9. Tax credits authorized by this section may be
8 transferred, sold, or assigned by filing a notarized endorsement
9 thereof with the department that names the transferee, the amount
10 of tax credit transferred, and the value received for the credit,
11 as well as any other information reasonably requested by the
12 department.

13 10. Prior to the issuance of tax credits, the department
14 shall verify through the department of revenue, or any other
15 state department, that the tax credit applicant does not owe any
16 delinquent income, sales, or use tax or interest or penalties on
17 such taxes, or any delinquent fees or assessments levied by any
18 state department and through the department of insurance,
19 financial institutions and professional registration that the
20 applicant does not owe any delinquent insurance taxes. Such
21 delinquency shall not affect the authorization of the application
22 for such tax credits, except that at issuance credits shall be
23 first applied to the delinquency and any amount issued shall be
24 reduced by the applicant's tax delinquency. If the department of
25 revenue or the department of insurance, financial institutions
26 and professional registration, or any other state department,
27 concludes that a taxpayer is delinquent after June fifteenth but
28 before July first of any year and the application of tax credits
29 to such delinquency causes a tax deficiency on behalf of the
30 taxpayer to arise, then the taxpayer shall be granted thirty days
31 to satisfy the deficiency in which interest, penalties, and
32 additions to tax shall be tolled. After applying all available
33 credits toward a tax delinquency, the administering agency shall
34 notify the appropriate department and that department shall
35 update the amount of outstanding delinquent tax owed by the
36 applicant. If any credits remain after satisfying all insurance,
37 income, sales, and use tax delinquencies, the remaining credits
38 shall be issued to the applicant, subject to the restrictions of

1 other provisions of law.

2 11. Except as provided under subdivision (4) of subsection
3 3 of this section, the director of revenue shall issue a refund
4 to the qualified company to the extent that the amount of credits
5 allowed in this section exceeds the amount of the qualified
6 company's income tax.

7 12. An employee of a qualified company will receive full
8 credit for the amount of tax withheld as provided in section
9 143.211.

10 13. If any provision of sections 620.1875 to 620.1890 or
11 application thereof to any person or circumstance is held
12 invalid, the invalidity shall not affect other provisions or
13 application of these sections which can be given effect without
14 the invalid provisions or application, and to this end, the
15 provisions of sections 620.1875 to 620.1890 are hereby declared
16 severable."; and

17
18 Further amend said title, enacting clause and intersectional
19 references accordingly.