

FIRST REGULAR SESSION

# HOUSE BILL NO. 671

## 97TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES PARKINSON (Sponsor), CURTMAN,  
BAHR AND KOENIG (Co-sponsors).

0435H.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal sections 100.286, 100.297, 135.110, 135.284, 135.305, 135.403, 135.484, 135.490, 135.535, 135.562, 135.679, 135.680, 135.700, 135.750, 135.766, 143.071, 143.121, 178.763, 178.895, 178.896, 253.550, 447.708, 620.495, 620.1881, and 620.1910, RSMo, and to enact in lieu thereof thirty-three new sections relating to taxation.

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

Section A. Sections 100.286, 100.297, 135.110, 135.284, 135.305, 135.403, 135.484, 135.490, 135.535, 135.562, 135.679, 135.680, 135.700, 135.750, 135.766, 143.071, 143.121, 178.763, 178.895, 178.896, 253.550, 447.708, 620.495, 620.1881, and 620.1910, RSMo, are repealed and thirty-three new sections enacted in lieu thereof, to be known as sections 32.122, 100.286, 100.294, 100.297, 100.845, 135.110, 135.265, 135.284, 135.305, 135.358, 135.403, 135.484, 135.490, 135.527, 135.535, 135.562, 135.679, 135.680, 135.700, 135.750, 135.766, 135.969, 143.071, 143.121, 178.763, 178.895, 178.896, 253.550, 447.708, 620.495, 620.1881, 620.1910, and 620.3050, to read as follows:

**32.122. All tax credits provided under sections 32.100 to 32.125 shall sunset effective August 28, 2013. No additional tax credits shall be issued after August 28, 2013. Tax credits issued on or before August 28, 2013 shall be redeemed on or before December 31, 2016.**

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

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

- 5 (1) Is requested to finance any project or export trade activity;
- 6 (2) Is requested by a borrower who is demonstrated to be financially responsible;
- 7 (3) Can reasonably be expected to provide a benefit to the economy of this state;
- 8 (4) Is otherwise secured by a mortgage or deed of trust on real or personal property or
- 9 other security satisfactory to the board; provided that loans to finance export trade activities may
- 10 be secured by export accounts receivable or inventories of exportable goods satisfactory to the
- 11 board;
- 12 (5) Does not exceed five million dollars;
- 13 (6) Does not have a term longer than five years if such loan is made to finance export
- 14 trade activities; and
- 15 (7) Is, when used to finance export trade activities, made to small or medium size
- 16 businesses or agricultural businesses, as may be defined by the board.
- 17 2. The board shall prescribe standards for the evaluation of the financial condition,
- 18 business history, and qualifications of each borrower and the terms and conditions of loans which
- 19 may be secured, and may require each application to include a financial report and evaluation
- 20 by an independent certified public accounting firm, in addition to such examination and
- 21 evaluation as may be conducted by any participating lender.
- 22 3. Each application for a loan secured by the development and reserve fund, the
- 23 infrastructure development fund or the export finance fund shall be reviewed in the first instance
- 24 by any participating lender to whom the application was submitted. If satisfied that the standards
- 25 prescribed by the board are met and that the loan is otherwise eligible to be secured by the
- 26 development and reserve fund, the infrastructure development fund or the export finance fund,
- 27 the participating lender shall certify the same and forward the application for final approval to
- 28 the board.
- 29 4. The securing of any loans by the development and reserve fund, the infrastructure
- 30 development fund or the export finance fund shall be conditioned upon approval of the
- 31 application by the board, and receipt of an annual reserve participation fee, as prescribed by the
- 32 board, submitted by or on behalf of the borrower.
- 33 5. The securing of any loan by the export finance fund for export trade activities shall
- 34 be conditioned upon the board's compliance with any applicable treaties and international
- 35 agreements, such as the general agreement on tariffs and trade and the subsidies code, to which
- 36 the United States is then a party.
- 37 6. Any taxpayer, including any charitable organization that is exempt from federal
- 38 income tax and whose Missouri unrelated business taxable income, if any, would be subject to
- 39 the state income tax imposed under chapter 143, may, subject to the limitations provided under
- 40 subsection 8 of this section, receive a tax credit against any tax otherwise due under the

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

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

- 63 (1) For no less than seventy-five percent of the par value of such credits; and  
64 (2) In an amount not to exceed one hundred percent of annual earned credits.

65

66 The taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection,  
67 may use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise  
68 imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261,  
69 chapter 147, or chapter 148. Unused credits in the hands of the assignee may be carried forward  
70 for up to five years, provided all such credits shall be claimed within ten years following the tax  
71 years in which the contribution was made. The assignor shall enter into a written agreement with  
72 the assignee establishing the terms and conditions of the agreement and shall perfect such  
73 transfer by notifying the board in writing within thirty calendar days following the effective day  
74 of the transfer and shall provide any information as may be required by the board to administer  
75 and carry out the provisions of this section. Notwithstanding any other provision of law to the  
76 contrary, the amount received by the assignor of such tax credit shall be taxable as income of the

77 assignor, and the excess of the par value of such credit over the amount paid by the assignee for  
78 such credit shall be taxable as income of the assignee.

79 8. Provisions of subsections 1 to 7 of this section to the contrary notwithstanding, no  
80 more than ten million dollars in tax credits provided under this section, may be authorized or  
81 approved annually. The limitation on tax credit authorization and approval provided under this  
82 subsection may be exceeded only upon mutual agreement, evidenced by a signed and properly  
83 notarized letter, by the commissioner of the office of administration, the director of the  
84 department of economic development, and the director of the department of revenue that such  
85 action is essential to ensure retention or attraction of investment in Missouri provided, however,  
86 that in no case shall more than twenty-five million dollars in tax credits be authorized or  
87 approved during such year. Taxpayers shall file, with the board, an application for tax credits  
88 authorized under this section on a form provided by the board. The provisions of this subsection  
89 shall not be construed to limit or in any way impair the ability of the board to authorize tax  
90 credits for issuance for projects authorized or approved, by a vote of the board, on or before the  
91 thirtieth day following the effective date of this act, or a taxpayer's ability to redeem such tax  
92 credits.

93 **9. All tax credits provided under this section shall sunset effective August 28, 2013.**  
94 **No additional tax credits shall be issued after August 28, 2013. Tax credits issued on or**  
95 **before August 28, 2013 shall be redeemed on or before December 31, 2016.**

2 **100.294. The provisions of all tax credit programs administered by or tax credits**  
3 **issued by the Missouri development finance board pursuant to sections 100.250 to 100.297**  
4 **and sections 100.700 to 100.850 shall sunset effective August 28, 2013. No additional tax**  
5 **credits shall be issued after August 28, 2013. Tax credits issued but not redeemed shall be**  
6 **redeemed on or before December 31, 2016.**

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

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

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

9 2. Upon making the determinations specified in subsection 1 of this section, the board  
10 may declare that each owner of an issue of revenue bonds or notes shall be entitled, in lieu of any  
11 other deduction with respect to such bonds or notes, to a tax credit against any tax otherwise due  
12 by such owner pursuant to the provisions of chapter 143, excluding withholding tax imposed by

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

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

39 4. **All tax credits provided under this section shall sunset effective August 28, 2013.**  
40 **No additional tax credits shall be issued after August 28, 2013. Tax credits issued on or**  
41 **before August 28, 2013 shall be redeemed on or before December 31, 2016.**

2 **100.845. All tax credits provided under sections 100.700 to 100.850 shall sunset**  
3 **effective August 28, 2013. No additional tax credits shall be issued after August 28, 2013.**  
4 **Tax credits issued on or before August 28, 2013 shall be redeemed on or before December**  
5 **31, 2016.**

2 135.110. 1. Any taxpayer who shall establish a new business facility shall be allowed  
3 a credit, each year for ten years, in an amount determined pursuant to subsection 2 or 3 of this  
4 section, whichever is applicable, against the tax imposed by chapter 143, excluding withholding

4 tax imposed by sections 143.191 to 143.265, or an insurance company which shall establish a  
5 new business facility by satisfying the requirements in subdivision (7) of section 135.100 shall  
6 be allowed a credit against the tax otherwise imposed by chapter 148, and in the case of an  
7 insurance company exempt from the thirty percent employee requirement of section 135.230,  
8 against any obligation imposed pursuant to section 375.916, except that no taxpayer shall be  
9 entitled to multiple ten-year periods for subsequent expansions at the same facility, except as  
10 otherwise provided in this section. For the purpose of this section, the term "facility" shall mean,  
11 and be limited to, the facility or facilities which are located on the same site in which the new  
12 business facility is located, and in which the business conducted at such facility or facilities is  
13 directly related to the business conducted at the new business facility. Notwithstanding the  
14 provisions of this subsection, a taxpayer may be entitled to an additional ten-year period if a new  
15 business facility is expanded in the eighth, ninth or tenth year of the current ten-year period or  
16 in subsequent years following the expiration of the ten-year period, if the number of new  
17 business facility employees attributed to such expansion is at least twenty-five and the amount  
18 of new business facility investment attributed to such expansion is at least one million dollars.  
19 Credits may not be carried forward but shall be claimed for the taxable year during which  
20 commencement of commercial operations occurs at such new business facility, and for each of  
21 the nine succeeding taxable years. A letter of intent, as provided for in section 135.258, must  
22 be filed with the department of economic development no later than fifteen days prior to the  
23 commencement of commercial operations at the new business facility. The initial application  
24 for claiming tax credits must be made in the taxpayer's tax period immediately following the tax  
25 period in which commencement of commercial operations began at the new business facility.  
26 This provision shall have effect on all initial applications filed on or after August 28, 1992. No  
27 credit shall be allowed pursuant to this section unless the number of new business facility  
28 employees engaged or maintained in employment at the new business facility for the taxable year  
29 for which the credit is claimed equals or exceeds two; except that the number of new business  
30 facility employees engaged or maintained in employment by a revenue-producing enterprise  
31 other than a revenue-producing enterprise defined in paragraphs (a) to (g) and (i) to (l) of  
32 subdivision (11) of section 135.100 which establishes an office as defined in subdivision (8) of  
33 section 135.100 shall equal or exceed twenty-five.

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

37 (1) Some portion of the income tax otherwise imposed by chapter 143, excluding  
38 withholding tax imposed by sections 143.191 to 143.265, or in the case of an insurance company,  
39 the tax on the direct premiums, as defined in chapter 148, and in the case of an insurance

40 company exempt from the thirty percent employee requirement of section 135.230, against any  
41 obligation imposed pursuant to section 375.916 with respect to such taxpayer's new business  
42 facility income for the taxable year for which such credit is allowed; or

43 (2) Up to fifty percent or, in the case of an economic development project located within  
44 a distressed community as defined in section 135.530, seventy-five percent of the business  
45 income tax otherwise imposed by chapter 143, excluding withholding tax imposed by sections  
46 143.191 to 143.265, or in the case of an insurance company, the tax on the direct premiums, as  
47 defined in chapter 148, and in the case of an insurance company exempt from the thirty percent  
48 employee requirement of section 135.230, against any obligation imposed pursuant to section  
49 375.916 if the business operates no other facilities in Missouri. In the case of an existing  
50 business facility operating more than one facility in Missouri, the credit allowed in subsection  
51 1 of this section shall offset up to the greater of the portion prescribed in subdivision (1) of this  
52 subsection or twenty-five percent or, in the case of an economic development project located  
53 within a distressed community as defined in section 135.530, thirty-five percent of the business'  
54 tax, except that no taxpayer operating more than one facility in Missouri shall be allowed to  
55 offset more than twenty-five percent or, in the case of an economic development project located  
56 within a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's  
57 business income tax in any tax period under the method prescribed in this subdivision. Such  
58 credit shall be an amount equal to the sum of one hundred dollars or, in the case of an economic  
59 development project located within a distressed community as defined in section 135.530, one  
60 hundred fifty dollars for each new business facility employee plus one hundred dollars or, in the  
61 case of an economic development project located within a distressed community as defined in  
62 section 135.530, one hundred fifty dollars for each one hundred thousand dollars, or major  
63 fraction thereof (which shall be deemed to be fifty-one percent or more) in new business facility  
64 investment. For the purpose of this section, tax credits earned by a taxpayer, who establishes a  
65 new business facility because it satisfies the requirements of paragraph (c) of subdivision (4) of  
66 section 135.100, shall offset the greater of the portion prescribed in subdivision (1) of this  
67 subsection or up to fifty percent or, in the case of an economic development project located  
68 within a distressed community as defined in section 135.530, seventy-five percent of the  
69 business' tax provided the business operates no other facilities in Missouri. In the case of a  
70 business operating more than one facility in Missouri, the credit allowed in subsection 1 of this  
71 section shall offset up to the greater of the portion prescribed in subdivision (1) of this subsection  
72 or twenty-five percent or, in the case of an economic development project located within a  
73 distressed community as defined in section 135.530, thirty-five percent of the business' tax,  
74 except that no taxpayer operating more than one facility in Missouri shall be allowed to offset  
75 more than twenty-five percent or, in the case of an economic development project located within

76 a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's  
77 business income tax in any tax period under the method prescribed in this subdivision.

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

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

87 (2) Up to one hundred percent of the business income tax otherwise imposed by chapter  
88 143, excluding withholding tax imposed by sections 143.191 to 143.265, or in the case of an  
89 insurance company, the tax on the direct premiums, as defined in chapter 148, and in the case  
90 of an insurance company exempt from the thirty percent employee requirement of section  
91 135.230, against any obligation imposed pursuant to section 375.916 if the business has no other  
92 facilities operating in Missouri. In the case of a taxpayer not operating an existing business and  
93 operating more than one facility in Missouri, the credit allowed by subsection 1 of this section  
94 shall offset up to the greater of the portion prescribed in subdivision (1) of this subsection or  
95 twenty-five percent or, in the case of an economic development project located within a  
96 distressed community as defined in section 135.530, thirty-five percent of the business' tax,  
97 except that no taxpayer operating more than one facility in Missouri shall be allowed to offset  
98 more than twenty-five percent or, in the case of an economic development project located within  
99 a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's  
100 business income tax in any tax period under the method prescribed in this subdivision. Such  
101 credit shall be an amount equal to the sum of seventy-five dollars or, in the case of an economic  
102 development project located within a distressed community as defined in section 135.530, one  
103 hundred twenty-five dollars for each new business facility employee plus seventy-five dollars  
104 or, in the case of an economic development project located within a distressed community as  
105 defined in section 135.530, one hundred twenty-five dollars for each one hundred thousand  
106 dollars, or major fraction thereof (which shall be deemed to be fifty-one percent or more) in new  
107 business facility investment.

108 4. The number of new business facility employees during any taxable year shall be  
109 determined by dividing by twelve the sum of the number of individuals employed on the last  
110 business day of each month of such taxable year. If the new business facility is in operation for  
111 less than the entire taxable year, the number of new business facility employees shall be

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

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

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

143         (1) The taxpayer's new business facility investment in the expansion during the tax  
144 period in which the credits allowed in this section are claimed exceeds one hundred thousand  
145 dollars, or, if less, one hundred percent of the investment in the original facility prior to  
146 expansion and if the number of new business facility employees engaged or maintained in  
147 employment at the expansion facility for the taxable year for which credit is claimed equals or

148 exceeds two, except that the number of new business facility employees engaged or maintained  
149 in employment at the expansion facility for the taxable year for which the credit is claimed  
150 equals or exceeds twenty-five if an office as defined in subdivision (8) of section 135.100 is  
151 established by a revenue-producing enterprise other than a revenue-producing enterprise defined  
152 in paragraphs (a) to (g) and (i) to (l) of subdivision (11) of section 135.100 and the total number  
153 of employees at the facility after the expansion is at least two greater than the total number of  
154 employees before the expansion, except that the total number of employees at the facility after  
155 the expansion is at least greater than the number of employees before the expansion by  
156 twenty-five, if an office as defined in subdivision (8) of section 135.100 is established by a  
157 revenue-producing enterprise other than a revenue-producing enterprise defined in paragraphs  
158 (a) to (g) and (i) to (l) of subdivision (11) of section 135.100; and

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

162 7. No credit shall be allowed pursuant to this section to a public utility, as such term is  
163 defined in section 386.020. Notwithstanding any provision of this subsection to the contrary,  
164 motor carriers, barge lines or railroads engaged in transporting property for hire, or any  
165 interexchange telecommunications company or local exchange telecommunications company  
166 that establishes a new business facility shall be eligible to qualify for credits allowed in this  
167 section.

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

171 (1) The shareholders of the corporation described in section 143.471;

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

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

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

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

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

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

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

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

194 (2) "Headquarters" means:

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

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

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

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

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

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

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

219 14. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,  
220 exchange, convey or otherwise transfer tax credits allowed in subsection 9 of this section under

221 the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer,  
222 referred to as the assignor for the purpose of this subsection, may sell, assign, exchange or  
223 otherwise transfer earned tax credits:

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

225 (2) In an amount not to exceed one hundred percent of such earned credits. The taxpayer  
226 acquiring the earned credits referred to as the assignee for the purpose of this subsection may use  
227 the acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed  
228 by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261, or chapter  
229 148, or in the case of an insurance company exempt from the thirty percent employee  
230 requirement of section 135.230, against any obligation imposed pursuant to section 375.916.  
231 Unused credits in the hands of the assignee may be carried forward for up to five tax periods,  
232 provided all such credits shall be claimed within ten tax periods following the tax period in  
233 which commencement of commercial operations occurred at the new business facility. The  
234 assignor shall enter into a written agreement with the assignee establishing the terms and  
235 conditions of the agreement and shall perfect such transfer by notifying the director in writing  
236 within thirty calendar days following the effective date of the transfer and shall provide any  
237 information as may be required by the director to administer and carry out the provisions of this  
238 subsection. Notwithstanding any other provision of law to the contrary, the amount received by  
239 the assignor of such tax credit shall be taxable as income of the assignor, and the difference  
240 between the amount paid by the assignee and the par value of the credits shall be taxable as  
241 income of the assignee.

242 **15. All tax credits provided under this section shall sunset effective August 28, 2013.**  
243 **No additional tax credits shall be issued after August 28, 2013. Tax credits issued on or**  
244 **before August 28, 2013 shall be redeemed on or before December 31, 2016.**

2 **135.265. All tax credits provided under sections 135.200 to 135.270 shall sunset**  
3 **effective August 28, 2013. No additional tax credits shall be issued after August 28, 2013.**  
4 **Tax credits issued on or before August 28, 2013 shall be redeemed on or before December**  
5 **31, 2016.**

6 135.284. 1. The repeal and reenactment of sections 100.710, 100.840, and 178.892, and  
7 the enactment of sections 135.276, 135.277, 135.279, 135.281, and 135.283 shall expire on  
8 January 1, 2006, if no essential industry retention projects have been approved by the department  
9 of economic development by December 31, 2005. If an essential industry retention project has  
been approved by the department of economic development by December 31, 2005, the repeal  
and reenactment of sections 100.710, 100.840, and 178.892, and the enactment of sections  
135.276, 135.277, 135.279, 135.281, and 135.283 shall expire on January 1, 2020.

2. Notwithstanding any other provision of law to the contrary, the time for approval of  
essential industry retention projects as identified in subsection 1 of this section is extended until

10 December 31, 2007, and if an essential industry retention project has been approved by the  
11 department of economic development by December 31, 2007, the provisions of subsection 1 of  
12 this section shall expire on January 1, 2020.

13 **3. All tax credits provided under sections 135.276 to 135.286 shall sunset effective**  
14 **August 28, 2013. No additional tax credits shall be issued after August 28, 2013. Tax**  
15 **credits issued on or before August 28, 2013 shall be redeemed on or before December 31,**  
16 **2016.**

135.305. A Missouri wood energy producer shall be eligible for a tax credit on taxes  
2 otherwise due under chapter 143, except sections 143.191 to 143.261, as a production incentive  
3 to produce processed wood products in a qualified wood-producing facility using Missouri forest  
4 product residue. The tax credit to the wood energy producer shall be five dollars per ton of  
5 processed material. The credit may be claimed for a period of five years and is to be a tax credit  
6 against the tax otherwise due. No new tax credits, provided for under sections 135.300 to  
7 135.311, shall be authorized after [June 30] **August 28, 2013. Tax credits issued on or before**  
8 **August 28, 2013 shall be redeemed on or before December 31, 2016.**

**135.358. All tax credits provided under sections 135.350 to 135.363 shall sunset**  
2 **effective August 28, 2013. No additional tax credits shall be issued after August 28, 2013.**  
3 **Tax credits issued on or before August 28, 2013 shall be redeemed on or before December**  
4 **31, 2016.**

135.403. 1. Any investor who makes a qualified investment in a Missouri small business  
2 shall be entitled to receive a tax credit equal to forty percent of the amount of the investment or,  
3 in the case of a qualified investment in a Missouri small business in a distressed community as  
4 defined by section 135.530, a credit equal to sixty percent of the amount of the investment, and  
5 any investor who makes a qualified investment in a community bank or a community  
6 development corporation shall be entitled to receive a tax credit equal to fifty percent of the  
7 amount of the investment if the investment is made in a community bank or community  
8 development corporation for direct investment. The total amount of tax credits available for  
9 qualified investments in Missouri small businesses shall not exceed thirteen million dollars and  
10 at least four million dollars of the amount authorized by this section and certified by the  
11 department of economic development shall be for investment in Missouri small businesses in  
12 distressed communities. Authorization for all or any part of this four-million-dollar amount shall  
13 in no way restrict the eligibility of Missouri small businesses in distressed communities, as  
14 defined in section 135.530, for the remaining amounts authorized within this section. No more  
15 than twenty percent of the tax credits available each year for investments in community banks  
16 or community development corporations for direct investment shall be certified for any one  
17 project, as defined in section 135.400. The tax credit shall be evidenced by a tax credit

18 certificate in accordance with the provisions of sections 135.400 to 135.430 and may be used to  
19 satisfy the state tax liability of the owner of the certificate that becomes due in the tax year in  
20 which the qualified investment is made, or in any of the ten tax years thereafter. When the  
21 qualified small business is in a distressed community, as defined in section 135.530, the tax  
22 credit may also be used to satisfy the state tax liability of the owner of the certificate that was due  
23 during each of the previous three years in addition to the year in which the investment is made  
24 and any of the ten years thereafter. No investor may receive a tax credit pursuant to sections  
25 135.400 to 135.430 unless that person presents a tax credit certificate to the department of  
26 revenue for payment of such state tax liability. The department of revenue shall grant tax credits  
27 in the same order as established by subsection 1 of section 32.115. Subject to the provisions of  
28 sections 135.400 to 135.430, certificates of tax credit issued in accordance with these sections  
29 may be transferred, sold or assigned by notarized endorsement thereof which names the  
30 transferee.

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

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

39         **4. All tax credits provided under sections 135.400 to 135.430 shall sunset effective**  
40 **August 28, 2013. No additional tax credits shall be issued after August 28, 2013. Tax**  
41 **credits issued on or before August 28, 2013 shall be redeemed on or before December 31,**  
42 **2016.**

135.484. 1. Beginning January 1, 2000, tax credits shall be allowed pursuant to section  
2 135.481 in an amount not to exceed sixteen million dollars per year. Of this total amount of tax  
3 credits in any given year, eight million dollars shall be set aside for projects in areas described  
4 in subdivision (6) of section 135.478 and eight million dollars for projects in areas described in  
5 subdivision (10) of section 135.478. The maximum tax credit for a project consisting of  
6 multiple-unit qualifying residences in a distressed community shall not exceed three million  
7 dollars.

8         2. Any amount of credit which exceeds the tax liability of a taxpayer for the tax year in  
9 which the credit is first claimed may be carried back to any of the taxpayer's three prior tax years  
10 and carried forward to any of the taxpayer's five subsequent tax years. A certificate of tax credit  
11 issued to a taxpayer by the department may be assigned, transferred, sold or otherwise conveyed.  
12 Whenever a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a

13 notarized endorsement shall be filed with the department specifying the name and address of the  
14 new owner of the tax credit and the value of the credit.

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

25 **4. All tax credits provided under sections 135.475 to 135.487 shall sunset effective**  
26 **August 28, 2013. No additional tax credits shall be issued after August 28, 2013. Tax**  
27 **credits issued on or before August 28, 2013 shall be redeemed on or before December 31,**  
28 **2016.**

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

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

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

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

21           **5. All tax credits provided under this section shall sunset effective August 28, 2013.**  
22 **No additional tax credits shall be issued after August 28, 2013. Tax credits issued on or**  
23 **before August 28, 2013 shall be redeemed on or before December 31, 2016.**

**135.527. All tax credits provided under sections 135.500 to 135.529 shall sunset**  
2 **effective August 28, 2013. No additional tax credits shall be issued after August 28, 2013.**  
3 **Tax credits issued on or before August 28, 2013 shall be redeemed on or before December**  
4 **31, 2016.**

          135.535. 1. A corporation, limited liability corporation, partnership or sole  
2 proprietorship, which moves its operations from outside Missouri or outside a distressed  
3 community into a distressed community, or which commences operations in a distressed  
4 community on or after January 1, 1999, and in either case has more than seventy-five percent of  
5 its employees at the facility in the distressed community, and which has fewer than one hundred  
6 employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical  
7 devices, scientific research, animal research, computer software design or development,  
8 computer programming, including internet, web hosting, and other information technology,  
9 wireless or wired or other telecommunications or a professional firm shall receive a forty percent  
10 credit against income taxes owed pursuant to chapter 143, 147 or 148, other than taxes withheld  
11 pursuant to sections 143.191 to 143.265, for each of the three years after such move, if approved  
12 by the department of economic development, which shall issue a certificate of eligibility if the  
13 department determines that the taxpayer is eligible for such credit. The maximum amount of  
14 credits per taxpayer set forth in this subsection shall not exceed one hundred twenty-five  
15 thousand dollars for each of the three years for which the credit is claimed. The department of  
16 economic development, by means of rule or regulation promulgated pursuant to the provisions  
17 of chapter 536, shall assign appropriate North American Industry Classification System numbers  
18 to the companies which are eligible for the tax credits provided for in this section. Such  
19 three-year credits shall be awarded only one time to any company which moves its operations  
20 from outside of Missouri or outside of a distressed community into a distressed community or  
21 to a company which commences operations within a distressed community. A taxpayer shall file  
22 an application for certification of the tax credits for the first year in which credits are claimed and  
23 for each of the two succeeding taxable years for which credits are claimed.

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

31 the amount of such credit and shall report the amount to the employee and the department of  
32 revenue.

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

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

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

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

66         7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section shall  
67 be for an amount of no more than ten million dollars for each year beginning in 1999. To the

68 extent there are available tax credits remaining under the ten million dollar cap provided in this  
69 section, up to one hundred thousand dollars in the remaining credits shall first be used for tax  
70 credits authorized under section 135.562. The total maximum credit for all entities already  
71 located in distressed communities and claiming credits pursuant to subsection 4 of this section  
72 shall be seven hundred and fifty thousand dollars. The department of economic development in  
73 approving taxpayers for the credit as provided for in subsection 6 of this section shall use  
74 information provided by the department of revenue regarding taxes paid in the previous year, or  
75 projected taxes for those entities newly established in the state, as the method of determining  
76 when this maximum will be reached and shall maintain a record of the order of approval. Any  
77 tax credit not used in the period for which the credit was approved may be carried over until the  
78 full credit has been allowed.

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

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

89 **10. All tax credits provided under this section shall sunset effective August 28, 2013.**  
90 **No additional tax credits shall be issued after August 28, 2013. Tax credits issued on or**  
91 **before August 28, 2013 shall be redeemed on or before December 31, 2016.**

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

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

13 under this section in any tax year immediately following a tax year in which such taxpayer  
14 received tax credits under the provisions of this section.

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

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

18 (1) Constructing entrance or exit ramps;

19 (2) Widening exterior or interior doorways;

20 (3) Widening hallways;

21 (4) Installing handrails or grab bars;

22 (5) Moving electrical outlets and switches;

23 (6) Installing stairway lifts;

24 (7) Installing or modifying fire alarms, smoke detectors, and other alerting systems;

25 (8) Modifying hardware of doors; or

26 (9) Modifying bathrooms.

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

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

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

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

45 9. The provisions of this section shall expire [December 31] **August 28, 2013. No**  
46 **additional tax credits shall be issued after August 28, 2013. Tax credits issued on or before**  
47 **August 28, 2013 shall be redeemed on or before December 31, 2016.**

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

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

3           2. As used in this section, the following terms mean: (1) "Agricultural property", any  
4 real and personal property, including but not limited to buildings, structures, improvements,  
5 equipment, and livestock, that is used in or is to be used in this state by residents of this state for:

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

7           (b) Grazing, feeding, or the care of livestock; (2) "Authority", the agricultural and small  
8 business development authority established in chapter 348; (3) "Backgrounded", any additional  
9 weight at the time of the first qualifying sale, before being finished, above the established  
10 baseline weight; (4) "Baseline weight", the average weight in the immediate past three years of  
11 all beef animals sold that are thirty months of age or younger, categorized by sex. Baseline  
12 weight for qualified beef animals that are physically out-of-state but whose ownership is retained  
13 by a resident of this state shall be established by the average transfer weight in the immediate  
14 past three years of all beef animals that are thirty months of age or younger and that are  
15 transferred out-of-state but whose ownership is retained by a resident of this state, categorized  
16 by sex. The established baseline weight shall be effective for a period of three years. If the  
17 taxpayer is a qualifying beef animal producer with fewer than three years of production, the  
18 baseline weight shall be established by the available average weight in the immediate past year  
19 of all beef animals sold that are thirty months of age or younger, categorized by sex. If the  
20 qualifying beef animal producer has no previous production, the baseline weight shall be  
21 established by the authority; (5) "Finished", the period from backgrounded to harvest; (6)  
22 "Qualifying beef animal", any beef animal that is certified by the authority, that was born in this  
23 state after August 28, 2008, that was raised and backgrounded or finished in this state by the  
24 taxpayer, excluding any beef animal more than thirty months of age as verified by certified  
25 written birth records; (7) "Qualifying sale", the first time a qualifying beef animal is sold in this  
26 state after the qualifying beef animal is backgrounded, and a subsequent sale if the weight of the  
27 qualifying beef animal at the time of the subsequent sale is greater than the weight of the  
28 qualifying beef animal at the time of the first qualifying sale of such beef animal; (8) "Tax  
29 credit", a credit against the tax otherwise due under chapter 143, excluding withholding tax  
30 imposed by sections 143.191 to 143.265, or otherwise due under chapter 147; (9) "Taxpayer",  
31 any individual or entity who:

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

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

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

38 3. For all taxable years beginning on or after January 1, 2009, but ending on or before  
39 [December 31] **August 28, [2016] 2013**, a taxpayer shall be allowed a tax credit for the first  
40 qualifying sale and for a subsequent qualifying sale of all qualifying beef animals. The tax credit  
41 amount for the first qualifying sale shall be ten cents per pound, shall be based on the  
42 backgrounded weight of all qualifying beef animals at the time of the first qualifying sale, and  
43 shall be calculated as follows: the qualifying sale weight minus the baseline weight multiplied  
44 by ten cents, as long as the qualifying sale weight is equal to or greater than two hundred pounds  
45 above the baseline weight. The tax credit amount for each subsequent qualifying sale shall be  
46 ten cents per pound, shall be based on the backgrounded weight of all qualifying beef animals  
47 at the time of the subsequent qualifying sale, and shall be calculated as follows: the qualifying  
48 sale weight minus the baseline weight multiplied by ten cents, as long as the qualifying sale  
49 weight is equal to or greater than two hundred pounds above the baseline weight. The authority  
50 may waive no more than twenty-five percent of the two hundred pound weight gain requirement,  
51 but any such waiver shall be based on a disaster declaration issued by the U. S. Department of  
52 Agriculture.

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

64 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the  
65 authority an application for the tax credit on a form provided by the authority and any application  
66 fee imposed by the authority. The application shall be filed with the authority at the end of each  
67 calendar year in which a qualified sale was made and for which a tax credit is claimed under this  
68 section. The application shall include any certified documentation and information required by  
69 the authority. All required information obtained by the authority shall be confidential and not  
70 disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer and

71 the qualified sale meet all criteria required by this section and approval is granted by the  
72 authority, the authority shall issue a tax credit certificate in the appropriate amount. Tax credit  
73 certificates issued under this section may be assigned, transferred, sold, or otherwise conveyed,  
74 and the new owner of the tax credit certificate shall have the same rights in the tax credit as the  
75 original taxpayer. Whenever a tax credit certificate is assigned, transferred, sold or otherwise  
76 conveyed, a notarized endorsement shall be filed with the authority specifying the name and  
77 address of the new owner of the tax credit certificate or the value of the tax credit.

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

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

89 8. [This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298.]  
90 **All tax credits provided under this section shall sunset effective August 28, 2013. No**  
91 **additional tax credits shall be issued after August 28, 2013. Tax credits issued on or before**  
92 **August 28, 2013 shall be redeemed on or before December 31, 2016.**

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

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

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

5 (b) The following fraction:

6 a. The numerator shall be the dollar amount of qualified low-income community  
7 investments held by the issuer in this state as of the credit allowance date during the applicable  
8 tax year; and

9 b. The denominator shall be the total dollar amount of qualified low-income community  
10 investments held by the issuer in all states as of the credit allowance date during the applicable  
11 tax year;

12 c. For purposes of calculating the amount of qualified low-income community  
13 investments held by an issuer, an investment shall be considered held by an issuer even if the  
14 investment has been sold or repaid; provided that the issuer reinvests an amount equal to the  
15 capital returned to or recovered by the issuer from the original investment, exclusive of any

16 profits realized, in another qualified low-income community investment within twelve months  
17 of the receipt of such capital. An issuer shall not be required to reinvest capital returned from  
18 qualified low-income community investments after the sixth anniversary of the issuance of the  
19 qualified equity investment, the proceeds of which were used to make the qualified low-income  
20 community investment, and the qualified low-income community investment shall be considered  
21 held by the issuer through the seventh anniversary of the qualified equity investment's issuance;

22 (2) "Applicable percentage", zero percent for each of the first two credit allowance dates,  
23 seven percent for the third credit allowance date, and eight percent for the next four credit  
24 allowance dates;

25 (3) "Credit allowance date", with respect to any qualified equity investment:

26 (a) The date on which such investment is initially made; and

27 (b) Each of the six anniversary dates of such date thereafter;

28 (4) "Long-term debt security", any debt instrument issued by a qualified community  
29 development entity, at par value or a premium, with an original maturity date of at least seven  
30 years from the date of its issuance, with no acceleration of repayment, amortization, or  
31 prepayment features prior to its original maturity date, and with no distribution, payment, or  
32 interest features related to the profitability of the qualified community development entity or the  
33 performance of the qualified community development entity's investment portfolio. The  
34 foregoing shall in no way limit the holder's ability to accelerate payments on the debt instrument  
35 in situations where the issuer has defaulted on covenants designed to ensure compliance with this  
36 section or Section 45D of the Internal Revenue Code of 1986, as amended;

37 (5) "Qualified active low-income community business", the meaning given such term  
38 in Section 45D of the Internal Revenue Code of 1986, as amended; provided that any business  
39 that derives or projects to derive fifteen percent or more of its annual revenue from the rental or  
40 sale of real estate shall not be considered to be a qualified active low-income community  
41 business;

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

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

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

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

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

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

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

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

72 2. A taxpayer that makes a qualified equity investment earns a vested right to tax credits  
73 under this section. On each credit allowance date of such qualified equity investment the  
74 taxpayer, or subsequent holder of the qualified equity investment, shall be entitled to a tax credit  
75 during the taxable year including such credit allowance date. The tax credit amount shall be  
76 equal to the applicable percentage of the adjusted purchase price paid to the issuer of such  
77 qualified equity investment. The amount of the tax credit claimed shall not exceed the amount  
78 of the taxpayer's state tax liability for the tax year for which the tax credit is claimed. No tax  
79 credit claimed under this section shall be refundable or transferable. Tax credits earned by a  
80 partnership, limited liability company, S-corporation, or other pass-through entity may be  
81 allocated to the partners, members, or shareholders of such entity for their direct use in  
82 accordance with the provisions of any agreement among such partners, members, or  
83 shareholders. Any amount of tax credit that the taxpayer is prohibited by this section from  
84 claiming in a taxable year may be carried forward to any of the taxpayer's five subsequent taxable  
85 years. The department of economic development shall limit the monetary amount of qualified  
86 equity investments permitted under this section to a level necessary to limit tax credit utilization  
87 at no more than twenty-five million dollars of tax credits in any fiscal year. Such limitation on

88 qualified equity investments shall be based on the anticipated utilization of credits without regard  
89 to the potential for taxpayers to carry forward tax credits to later tax years.

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

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

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

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

105 5. The department of economic development shall promulgate rules to implement the  
106 provisions of this section, including recapture provisions on a scaled proportional basis, and to  
107 administer the allocation of tax credits issued for qualified equity investments, which shall be  
108 conducted on a first-come, first-serve basis. Any rule or portion of a rule, as that term is defined  
109 in section 536.010, that is created under the authority delegated in this section shall become  
110 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if  
111 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the  
112 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective  
113 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
114 rulemaking authority and any rule proposed or adopted after September 4, 2007, shall be invalid  
115 and void.

116 6. For fiscal years following fiscal year 2010, qualified equity investments shall not be  
117 made under this section unless reauthorization is made pursuant to this subsection. For all fiscal  
118 years following fiscal year 2010, unless the general assembly adopts a concurrent resolution  
119 granting authority to the department of economic development to approve qualified equity  
120 investments for the Missouri new markets development program and clearly describing the  
121 amount of tax credits available for the next fiscal year, or otherwise complies with the provisions  
122 of this subsection, no qualified equity investments may be permitted to be made under this  
123 section. The amount of available tax credits contained in such a resolution shall not exceed the  
124 limitation provided under subsection 2 of this section. In any year in which the provisions of this

125 section shall sunset pursuant to subsection 7 of this section, reauthorization shall be made by  
126 general law and not by concurrent resolution. Nothing in this subsection shall preclude a  
127 taxpayer who makes a qualified equity investment prior to the expiration of authority to make  
128 qualified equity investments from claiming tax credits relating to such qualified equity  
129 investment for each applicable credit allowance date.

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

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

134 (2) If such program is reauthorized, t] The program authorized under this section shall  
135 [automatically] sunset **effective August 28, 2013. No additional tax credits shall be issued**  
136 **after August 28, 2013. Tax credits issued on or before August 28, 2013 shall be redeemed**  
137 **on or before December 31, 2016.** [twelve years after the effective date of the reauthorization  
138 of this section; and

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

135.700. For all tax years beginning on or after January 1, 1999, a grape grower or wine  
2 producer shall be allowed a tax credit against the state tax liability incurred pursuant to chapter  
3 143, exclusive of the provisions relating to the withholding of tax as provided in sections  
4 143.191 to 143.265, in an amount equal to twenty-five percent of the purchase price of all new  
5 equipment and materials used directly in the growing of grapes or the production of wine in the  
6 state. Each grower or producer shall apply to the department of economic development and  
7 specify the total amount of such new equipment and materials purchased during the calendar  
8 year. The department of economic development shall certify to the department of revenue the  
9 amount of such tax credit to which a grape grower or wine producer is entitled pursuant to this  
10 section. The provisions of this section notwithstanding, a grower or producer may only apply  
11 for and receive the credit authorized by this section for five tax periods. **All tax credits**  
12 **provided under this section shall sunset effective August 28, 2013. No additional tax**  
13 **credits shall be issued after August 28, 2013. Tax credits issued on or before August 28,**  
14 **2013 shall be redeemed on or before December 31, 2016.**

135.750. 1. As used in this section, the following terms mean: (1) "Highly compensated  
2 individual", any individual who receives compensation in excess of one million dollars in  
3 connection with a single qualified film production project; (2) "Qualified film production

4 project", any film, video, commercial, or television production, as approved by the department  
5 of economic development and the office of the Missouri film commission, that is under thirty  
6 minutes in length with an expected in-state expenditure budget in excess of fifty thousand  
7 dollars, or that is over thirty minutes in length with an expected in-state expenditure budget in  
8 excess of one hundred thousand dollars. Regardless of the production costs, "qualified film  
9 production project" shall not include any:

10 (a) News or current events programming;

11 (b) Talk show;

12 (c) Production produced primarily for industrial, corporate, or institutional purposes, and  
13 for internal use;

14 (d) Sports event or sports program;

15 (e) Gala presentation or awards show;

16 (f) Infomercial or any production that directly solicits funds;

17 (g) Political ad;

18 (h) Production that is considered obscene, as defined in section 573.010; (3) "Qualifying  
19 expenses", the sum of the total amount spent in this state for the following by a production  
20 company in connection with a qualified film production project:

21 (a) Goods and services leased or purchased by the production company. For goods with  
22 a purchase price of twenty-five thousand dollars or more, the amount included in qualifying  
23 expenses shall be the purchase price less the fair market value of the goods at the time the  
24 production is completed;

25 (b) Compensation and wages paid by the production company on which the production  
26 company remitted withholding payments to the department of revenue under chapter 143. For  
27 purposes of this section, compensation and wages shall not include any amounts paid to a highly  
28 compensated individual; (4) "Tax credit", a credit against the tax otherwise due under chapter  
29 143, excluding withholding tax imposed by sections 143.191 to 143.265, or otherwise due under  
30 chapter 148; (5) "Taxpayer", any individual, partnership, or corporation as described in section  
31 143.441, 143.471, or section 148.370 that is subject to the tax imposed in chapter 143, excluding  
32 withholding tax imposed by sections 143.191 to 143.265, or the tax imposed in chapter 148 or  
33 any charitable organization which is exempt from federal income tax and whose Missouri  
34 unrelated business taxable income, if any, would be subject to the state income tax imposed  
35 under chapter 143.

36 2. For all taxable years beginning on or after January 1, 1999, but ending on or before  
37 December 31, 2007, a taxpayer shall be granted a tax credit for up to fifty percent of the amount  
38 of investment in production or production-related activities in any film production project with  
39 an expected in-state expenditure budget in excess of three hundred thousand dollars. For all  
40 taxable years beginning on or after January 1, 2008, a taxpayer shall be allowed a tax credit for

41 up to thirty-five percent of the amount of qualifying expenses in a qualified film production  
42 project. Each film production company shall be limited to one qualified film production project  
43 per year. Activities qualifying a taxpayer for the tax credit pursuant to this subsection shall be  
44 approved by the office of the Missouri film commission and the department of economic  
45 development.

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

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

62 5. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,  
63 exchange, convey or otherwise transfer tax credits allowed in subsection 2 of this section. The  
64 taxpayer acquiring the tax credits may use the acquired credits to offset the tax liabilities  
65 otherwise imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to  
66 143.265, or chapter 148. Unused acquired credits may be carried forward for up to five tax  
67 periods, provided all such credits shall be claimed within ten tax periods following the tax period  
68 in which the film production or production-related activities for which the credits are certified  
69 by the department occurred.

70 6. [Under section 23.253 of the Missouri sunset act:

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

74 (2) If such program is reauthorized, t] The program authorized under this section shall  
75 [automatically] sunset **effective August 28, 2013. No additional tax credits shall be issued**  
76 **after August 28, 2013. Tax credits issued on or before August 28, 2013 shall be redeemed**

77 **on or before December 31, 2016** [twelve years after the effective date of the reauthorization of  
78 this section; and

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

135.766. An eligible small business, as defined in Section 44 of the Internal Revenue  
2 Code, shall be allowed a credit against the tax otherwise due pursuant to chapter 143, not  
3 including sections 143.191 to 143.265, in an amount equal to any amount paid by the eligible  
4 small business to the United States Small Business Administration as a guaranty fee pursuant to  
5 obtaining Small Business Administration guaranteed financing and to programs administered by  
6 the United States Department of Agriculture for rural development or farm service agencies. No  
7 tax credits provided under this section shall be authorized on or after the thirtieth day following  
8 the effective date of this act. The provisions of this subsection shall not be construed to limit or  
9 in any way impair the department's ability to issue tax credits authorized prior to the thirtieth day  
10 following the effective date of this act, or a taxpayer's ability to redeem such tax credits. **All tax**  
11 **credits provided under this section shall sunset effective August 28, 2013. No additional**  
12 **tax credits shall be issued after August 28, 2013. Tax credits issued on or before August**  
13 **28, 2013 shall be redeemed on or before December 31, 2016.**

**135.969. All tax credits provided under sections 135.950 to 135.973 shall sunset**  
2 **effective August 28, 2013. No additional tax credits shall be issued after August 28, 2013.**  
3 **Tax credits issued on or before August 28, 2013 shall be redeemed on or before December**  
4 **31, 2016.**

143.071. 1. For all tax years beginning before September 1, 1993, a tax is hereby  
2 imposed upon the Missouri taxable income of corporations in an amount equal to five percent  
3 of Missouri taxable income.

4 2. For all tax years beginning on or after September 1, 1993, a tax is hereby imposed  
5 upon the Missouri taxable income of corporations in an amount equal to six and one-fourth  
6 percent of Missouri taxable income.

7 **3. For all tax years beginning on or after September 1, 2013, no tax shall be**  
8 **imposed upon the Missouri taxable income of corporations.**

143.121. 1. The Missouri adjusted gross income of a resident individual shall be the  
2 taxpayer's federal adjusted gross income subject to the modifications in this section.

3 2. There shall be added to the taxpayer's federal adjusted gross income:

4 (1) The amount of any federal income tax refund received for a prior year which resulted  
5 in a Missouri income tax benefit;

6 (2) Interest on certain governmental obligations excluded from federal gross income by  
7 Section 103 of the Internal Revenue Code. The previous sentence shall not apply to interest on

8 obligations of the state of Missouri or any of its political subdivisions or authorities and shall not  
9 apply to the interest described in subdivision (1) of subsection 3 of this section. The amount  
10 added pursuant to this subdivision shall be reduced by the amounts applicable to such interest  
11 that would have been deductible in computing the taxable income of the taxpayer except only  
12 for the application of Section 265 of the Internal Revenue Code. The reduction shall only be  
13 made if it is at least five hundred dollars;

14 (3) The amount of any deduction that is included in the computation of federal taxable  
15 income pursuant to Section 168 of the Internal Revenue Code as amended by the Job Creation  
16 and Worker Assistance Act of 2002 to the extent the amount deducted relates to property  
17 purchased on or after July 1, 2002, but before July 1, 2003, and to the extent the amount  
18 deducted exceeds the amount that would have been deductible pursuant to Section 168 of the  
19 Internal Revenue Code of 1986 as in effect on January 1, 2002;

20 (4) The amount of any deduction that is included in the computation of federal taxable  
21 income for net operating loss allowed by Section 172 of the Internal Revenue Code of 1986, as  
22 amended, other than the deduction allowed by Section 172(b)(1)(G) and Section 172(i) of the  
23 Internal Revenue Code of 1986, as amended, for a net operating loss the taxpayer claims in the  
24 tax year in which the net operating loss occurred or carries forward for a period of more than  
25 twenty years and carries backward for more than two years. Any amount of net operating loss  
26 taken against federal taxable income but disallowed for Missouri income tax purposes pursuant  
27 to this subdivision after June 18, 2002, may be carried forward and taken against any income on  
28 the Missouri income tax return for a period of not more than twenty years from the year of the  
29 initial loss; and

30 (5) For nonresident individuals in all taxable years ending on or after December 31,  
31 2006, the amount of any property taxes paid to another state or a political subdivision of another  
32 state for which a deduction was allowed on such nonresident's federal return in the taxable year  
33 unless such state, political subdivision of a state, or the District of Columbia allows a subtraction  
34 from income for property taxes paid to this state for purposes of calculating income for the  
35 income tax for such state, political subdivision of a state, or the District of Columbia.

36 3. There shall be subtracted from the taxpayer's federal adjusted gross income the  
37 following amounts to the extent included in federal adjusted gross income:

38 (1) Interest or dividends on obligations of the United States and its territories and  
39 possessions or of any authority, commission or instrumentality of the United States to the extent  
40 exempt from Missouri income taxes pursuant to the laws of the United States. The amount  
41 subtracted pursuant to this subdivision shall be reduced by any interest on indebtedness incurred  
42 to carry the described obligations or securities and by any expenses incurred in the production  
43 of interest or dividend income described in this subdivision. The reduction in the previous  
44 sentence shall only apply to the extent that such expenses including amortizable bond premiums

45 are deducted in determining the taxpayer's federal adjusted gross income or included in the  
46 taxpayer's Missouri itemized deduction. The reduction shall only be made if the expenses total  
47 at least five hundred dollars;

48 (2) The portion of any gain, from the sale or other disposition of property having a higher  
49 adjusted basis to the taxpayer for Missouri income tax purposes than for federal income tax  
50 purposes on December 31, 1972, that does not exceed such difference in basis. If a gain is  
51 considered a long-term capital gain for federal income tax purposes, the modification shall be  
52 limited to one-half of such portion of the gain;

53 (3) The amount necessary to prevent the taxation pursuant to this chapter of any annuity  
54 or other amount of income or gain which was properly included in income or gain and was taxed  
55 pursuant to the laws of Missouri for a taxable year prior to January 1, 1973, to the taxpayer, or  
56 to a decedent by reason of whose death the taxpayer acquired the right to receive the income or  
57 gain, or to a trust or estate from which the taxpayer received the income or gain;

58 (4) Accumulation distributions received by a taxpayer as a beneficiary of a trust to the  
59 extent that the same are included in federal adjusted gross income;

60 (5) The amount of any state income tax refund for a prior year which was included in the  
61 federal adjusted gross income;

62 (6) The portion of capital gain specified in section 135.357 that would otherwise be  
63 included in federal adjusted gross income;

64 (7) The amount that would have been deducted in the computation of federal taxable  
65 income pursuant to Section 168 of the Internal Revenue Code as in effect on January 1, 2002,  
66 to the extent that amount relates to property purchased on or after July 1, 2002, but before July  
67 1, 2003, and to the extent that amount exceeds the amount actually deducted pursuant to Section  
68 168 of the Internal Revenue Code as amended by the Job Creation and Worker Assistance Act  
69 of 2002;

70 (8) For all tax years beginning on or after January 1, 2005, the amount of any income  
71 received for military service while the taxpayer serves in a combat zone which is included in  
72 federal adjusted gross income and not otherwise excluded therefrom. As used in this section,  
73 "combat zone" means any area which the President of the United States by Executive Order  
74 designates as an area in which Armed Forces of the United States are or have engaged in combat.  
75 Service is performed in a combat zone only if performed on or after the date designated by the  
76 President by Executive Order as the date of the commencing of combat activities in such zone,  
77 and on or before the date designated by the President by Executive Order as the date of the  
78 termination of combatant activities in such zone; and

79 (9) For all tax years ending on or after July 1, 2002, with respect to qualified property  
80 that is sold or otherwise disposed of during a taxable year by a taxpayer and for which an  
81 addition modification was made under subdivision (3) of subsection 2 of this section, the amount

82 by which addition modification made under subdivision (3) of subsection 2 of this section on  
83 qualified property has not been recovered through the additional subtractions provided in  
84 subdivision (7) of this subsection.

85 4. There shall be added to or subtracted from the taxpayer's federal adjusted gross  
86 income the taxpayer's share of the Missouri fiduciary adjustment provided in section 143.351.

87 5. There shall be added to or subtracted from the taxpayer's federal adjusted gross  
88 income the modifications provided in section 143.411.

89 6. In addition to the modifications to a taxpayer's federal adjusted gross income in this  
90 section, to calculate Missouri adjusted gross income there shall be subtracted from the taxpayer's  
91 federal adjusted gross income any gain recognized pursuant to Section 1033 of the Internal  
92 Revenue Code of 1986, as amended, arising from compulsory or involuntary conversion of  
93 property as a result of condemnation or the imminence thereof.

94 7. (1) As used in this subsection, "qualified health insurance premium" means the  
95 amount paid during the tax year by such taxpayer for any insurance policy primarily providing  
96 health care coverage for the taxpayer, the taxpayer's spouse, or the taxpayer's dependents.

97 (2) In addition to the subtractions in subsection 3 of this section, one hundred percent  
98 of the amount of qualified health insurance premiums shall be subtracted from the taxpayer's  
99 federal adjusted gross income to the extent the amount paid for such premiums is included in  
100 federal taxable income. The taxpayer shall provide the department of revenue with proof of the  
101 amount of qualified health insurance premiums paid.

102 8. (1) Beginning January 1, 2009, in addition to the subtractions provided in this section,  
103 one hundred percent of the cost incurred by a taxpayer for a home energy audit conducted by an  
104 entity certified by the department of natural resources under section 640.153 or the  
105 implementation of any energy efficiency recommendations made in such an audit shall be  
106 subtracted from the taxpayer's federal adjusted gross income to the extent the amount paid for  
107 any such activity is included in federal taxable income. The taxpayer shall provide the  
108 department of revenue with a summary of any recommendations made in a qualified home  
109 energy audit, the name and certification number of the qualified home energy auditor who  
110 conducted the audit, and proof of the amount paid for any activities under this subsection for  
111 which a deduction is claimed. The taxpayer shall also provide a copy of the summary of any  
112 recommendations made in a qualified home energy audit to the department of natural resources.

113 (2) At no time shall a deduction claimed under this subsection by an individual taxpayer  
114 or taxpayers filing combined returns exceed one thousand dollars per year or cumulatively  
115 exceed two thousand dollars per taxpayer or taxpayers filing combined returns.

116 (3) Any deduction claimed under this subsection shall be claimed for the tax year in  
117 which the qualified home energy audit was conducted or in which the implementation of the  
118 energy efficiency recommendations occurred. If implementation of the energy efficiency

119 recommendations occurred during more than one year, the deduction may be claimed in more  
120 than one year, subject to the limitations provided under subdivision (2) of this subsection.

121 (4) A deduction shall not be claimed for any otherwise eligible activity under this  
122 subsection if such activity qualified for and received any rebate or other incentive through a  
123 state-sponsored energy program or through an electric corporation, gas corporation, electric  
124 cooperative, or municipally owned utility.

125 9. The provisions of subsection 8 of this section shall expire on December 31, 2013.

126 **10. There shall be subtracted from the taxpayer's state adjusted gross income an**  
127 **amount equal to the amount of income received from a small business, as defined in**  
128 **subdivision (6) of subsection 1 of section 143.173, as reported on the taxpayer's federal**  
129 **income tax returns.**

178.763. 1. To provide funds for the present payment of the costs of retained jobs  
2 training programs, a community college district may borrow money and issue and sell certificates  
3 payable from a sufficient portion of the future receipts of payments authorized by the agreement  
4 including disbursements from the Missouri community college job retention training program  
5 to the special fund established by the district for each project. The total amount of outstanding  
6 certificates sold by all community college districts shall not exceed fifteen million dollars, unless  
7 an increased amount is authorized in writing by a majority of members of the Missouri job  
8 training joint legislative oversight committee. The certificates shall be marketed through  
9 financial institutions authorized to do business in Missouri. The receipts shall be pledged to the  
10 payment of principal of and interest on the certificates. Certificates may be sold at public sale  
11 or at private sale at par, premium, or discount of not less than ninety-five percent of the par value  
12 thereof, at the discretion of the board of trustees, and may bear interest at such rate or rates as  
13 the board of trustees shall determine, notwithstanding the provisions of section 108.170 to the  
14 contrary. However, chapter 176 does not apply to the issuance of these certificates. Certificates  
15 may be issued with respect to a single project or multiple projects and may contain terms or  
16 conditions as the board of trustees may provide by resolution authorizing the issuance of the  
17 certificates.

18 2. Certificates issued to refund other certificates may be sold at public sale or at private  
19 sale as provided in this section with the proceeds from the sale to be used for the payment of the  
20 certificates being refunded. The refunding certificates may be exchanged in payment and  
21 discharge of the certificates being refunded, in installments at different times or an entire issue  
22 or series at one time. Refunding certificates may be sold or exchanged at any time on, before,  
23 or after the maturity of the outstanding certificates to be refunded. They may be issued for the  
24 purpose of refunding a like, greater, or lesser principal amount of certificates and may bear a  
25 higher, lower, or equivalent rate of interest than the certificates being renewed or refunded.

26           3. Before certificates are issued, the board of trustees shall publish once a notice of its  
27 intention to issue the certificates, stating the amount, the purpose, and the project or projects for  
28 which the certificates are to be issued. A person may, within fifteen days after the publication  
29 of the notice, by action in the circuit court of a county in the district, appeal the decision of the  
30 board of trustees to issue the certificates. The action of the board of trustees in determining to  
31 issue the certificates is final and conclusive unless the circuit court finds that the board of  
32 trustees has exceeded its legal authority. An action shall not be brought which questions the  
33 legality of the certificates, the power of the board of trustees to issue the certificates, the  
34 effectiveness of any proceedings relating to the authorization of the project, or the authorization  
35 and issuance of the certificates from and after fifteen days from the publication of the notice of  
36 intention to issue.

37           4. The board of trustees shall make a finding based on information supplied by the  
38 employer that revenues provided in the agreement are sufficient to secure the faithful  
39 performance of obligations in the agreement.

40           5. Certificates issued under this section shall not be deemed to be an indebtedness of the  
41 state or the community college district or of any other political subdivision of the state, and the  
42 principal and interest on such certificates shall be payable only from the sources provided in  
43 subdivision (1) of section 178.761 which are pledged in the agreement.

44           6. The department of economic development shall coordinate the retained jobs training  
45 program, and may promulgate rules that districts will use in developing projects with industrial  
46 retained jobs training proposals which shall include rules providing for the coordination of such  
47 proposals with the service delivery areas established in the state to administer federal funds  
48 pursuant to the federal Workforce Investment Act. No rule or portion of a rule promulgated  
49 pursuant to the authority of this section shall become effective unless it has been promulgated  
50 pursuant to chapter 536.

51           7. No community college district may sell certificates as described in this section after  
52 [July 1] **August 28, 2014** 3.

53           **8. Sections 178.760 to 178.764 shall expire effective August 28, 2013.**

178.895. 1. To provide funds for the present payment of the costs of new jobs training  
2 programs, a community college district may borrow money and issue and sell certificates payable  
3 from a sufficient portion of the future receipts of payments authorized by the agreement  
4 including disbursements from the Missouri community college job training program to the  
5 special fund established by the district for each project. The total amount of outstanding  
6 certificates sold by all community college districts shall not exceed twenty million dollars, unless  
7 an increased amount is authorized in writing by a majority of members of the Missouri job  
8 training joint legislative oversight committee. The certificates shall be marketed through  
9 financial institutions authorized to do business in Missouri. The receipts shall be pledged to the

10 payment of principal of and interest on the certificates. Certificates may be sold at public sale  
11 or at private sale at par, premium, or discount of not less than ninety-five percent of the par value  
12 thereof, at the discretion of the board of trustees, and may bear interest at such rate or rates as  
13 the board of trustees shall determine, notwithstanding the provisions of section 108.170 to the  
14 contrary. However, chapter 176 does not apply to the issuance of these certificates. Certificates  
15 may be issued with respect to a single project or multiple projects and may contain terms or  
16 conditions as the board of trustees may provide by resolution authorizing the issuance of the  
17 certificates.

18         2. Certificates issued to refund other certificates may be sold at public sale or at private  
19 sale as provided in this section with the proceeds from the sale to be used for the payment of the  
20 certificates being refunded. The refunding certificates may be exchanged in payment and  
21 discharge of the certificates being refunded, in installments at different times or an entire issue  
22 or series at one time. Refunding certificates may be sold or exchanged at any time on, before,  
23 or after the maturity of the outstanding certificates to be refunded. They may be issued for the  
24 purpose of refunding a like, greater, or lesser principal amount of certificates and may bear a  
25 higher, lower, or equivalent rate of interest than the certificates being renewed or refunded.

26         3. Before certificates are issued, the board of trustees shall publish once a notice of its  
27 intention to issue the certificates, stating the amount, the purpose, and the project or projects for  
28 which the certificates are to be issued. A person may, within fifteen days after the publication  
29 of the notice, by action in the circuit court of a county in the district, appeal the decision of the  
30 board of trustees to issue the certificates. The action of the board of trustees in determining to  
31 issue the certificates is final and conclusive unless the circuit court finds that the board of  
32 trustees has exceeded its legal authority. An action shall not be brought which questions the  
33 legality of the certificates, the power of the board of trustees to issue the certificates, the  
34 effectiveness of any proceedings relating to the authorization of the project, or the authorization  
35 and issuance of the certificates from and after fifteen days from the publication of the notice of  
36 intention to issue.

37         4. The board of trustees shall determine if revenues provided in the agreement are  
38 sufficient to secure the faithful performance of obligations in the agreement.

39         5. Certificates issued under this section shall not be deemed to be an indebtedness of the  
40 state or the community college district or of any other political subdivision of the state and the  
41 principal and interest on such certificates shall be payable only from the sources provided in  
42 subdivision (1) of section 178.893 which are pledged in the agreement.

43         6. The department of economic development shall coordinate the new jobs training  
44 program, and may promulgate rules that districts will use in developing projects with new and  
45 expanding industrial new jobs training proposals which shall include rules providing for the  
46 coordination of such proposals with the service delivery areas established in the state to

47 administer federal funds pursuant to the federal Job Training Partnership Act. No rule or portion  
48 of a rule promulgated under the authority of sections 178.892 to 178.896 shall become effective  
49 unless it has been promulgated pursuant to the provisions of chapter 536. All rulemaking  
50 authority delegated prior to June 27, 1997, is of no force and effect and repealed; however,  
51 nothing in this section shall be interpreted to repeal or affect the validity of any rule filed or  
52 adopted prior to June 27, 1997, if such rule complied with the provisions of chapter 536. The  
53 provisions of this section and chapter 536 are nonseverable and if any of the powers vested with  
54 the general assembly pursuant to chapter 536, including the ability to review, to delay the  
55 effective date, or to disapprove and annul a rule or portion of a rule, are subsequently held  
56 unconstitutional, then the purported grant of rulemaking authority and any rule so proposed and  
57 contained in the order of rulemaking shall be invalid and void.

58 7. No community college district may sell certificates as described in this section after  
59 [July 1] **August 28, 2013**.

60 **8. Sections 178.892 to 178.896 shall expire effective August 28, 2013.**

178.896. 1. There is hereby established within the state treasury a special fund, to be  
2 known as the "Missouri Community College Job Training Program Fund", to be administered  
3 by the division of job development and training. The department of revenue shall credit to the  
4 community college job training program fund, as received, all new jobs credit from withholding  
5 remitted by employers pursuant to section 178.894. The fund shall also consist of any gifts,  
6 contributions, grants or bequests received from federal, private or other sources. The general  
7 assembly, however, shall not provide for any transfer of general revenue funds into the  
8 community college job training program fund. Moneys in the Missouri community college job  
9 training program fund shall be disbursed to the division of job development and training pursuant  
10 to regular appropriations by the general assembly. The division shall disburse such appropriated  
11 funds in a timely manner into the special funds established by community college districts for  
12 projects, which funds shall be used to pay program costs, including the principal of, premium,  
13 if any, and interest on certificates issued by the district to finance or refinance, in whole or in  
14 part, a project. Such disbursements by the division of job development and training shall be  
15 made to the special fund for each project in the same proportion as the new jobs credit from  
16 withholding remitted by the employer participating in such project bears to the total new jobs  
17 credit from withholding remitted by all employers participating in projects during the period for  
18 which the disbursement is made. Moneys for new jobs training programs established under the  
19 provisions of sections 178.892 to 178.896 shall be obtained from appropriations made by the  
20 general assembly from the Missouri community college job training program fund. All moneys  
21 remaining in the Missouri community college job training program fund at the end of any fiscal  
22 year shall not lapse to the general revenue fund, as provided in section 33.080, but shall remain  
23 in the Missouri community college job training program fund.

24           2. The department of revenue shall develop such forms as are necessary to demonstrate  
25 accurately each employer's new jobs credit from withholding paid into the Missouri community  
26 college job training program fund. The new jobs credit from withholding shall be accounted as  
27 separate from the normal withholding tax paid to the department of revenue by the employer.  
28 Reimbursements made by all employers to the Missouri community college job training program  
29 fund shall be no less than all allocations made by the division of job development and training  
30 to all community college districts for all projects. The employer shall remit the amount of the  
31 new job credit to the department of revenue in the same manner as provided in sections 143.191  
32 to 143.265.

33           3. Sections 178.892 to 178.896 shall expire [July 1] **August 28, 20[28] 13.**

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

13           2. During the period beginning on January 1, 2010, but ending on or after June 30, 2010,  
14 the department of economic development shall not approve applications for tax credits under the  
15 provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed seventy  
16 million dollars, increased by any amount of tax credits for which approval shall be rescinded  
17 under the provisions of section 253.559. For each fiscal year beginning on or after July 1, 2010,  
18 the department of economic development shall not approve applications for tax credits under the  
19 provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed one  
20 hundred forty million dollars, increased by any amount of tax credits for which approval shall  
21 be rescinded under the provisions of section 253.559. The limitations provided under this  
22 subsection shall not apply to applications approved under the provisions of subsection 3 of  
23 section 253.559 for projects to receive less than two hundred seventy-five thousand dollars in  
24 tax credits.

25           3. For all applications for tax credits approved on or after January 1, 2010, no more than  
26 two hundred fifty thousand dollars in tax credits may be issued for eligible costs and expenses  
27 incurred in the rehabilitation of an eligible property which is a nonincome producing

28 single-family, owner-occupied residential property and is either a certified historic structure or  
29 a structure in a certified historic district.

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

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

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

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

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

44 **5. All tax credits provided under sections 253.545 to 253.559 shall sunset effective**  
45 **August 28, 2013. No additional tax credits shall be issued after August 28, 2013. Tax**  
46 **credits issued on or before August 28, 2013 shall be redeemed on or before December 31,**  
47 **2016.**

447.708. 1. For eligible projects, the director of the department of economic  
2 development, with notice to the directors of the departments of natural resources and revenue,  
3 and subject to the other provisions of sections 447.700 to 447.718, may not create a new  
4 enterprise zone but may decide that a prospective operator of a facility being remedied and  
5 renovated pursuant to sections 447.700 to 447.718 may receive the tax credits and exemptions  
6 pursuant to sections 135.100 to 135.150 and sections 135.200 to 135.257. The tax credits  
7 allowed pursuant to this subsection shall be used to offset the tax imposed by chapter 143,  
8 excluding withholding tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed  
9 by chapter 147, or the tax otherwise imposed by chapter 148. For purposes of this subsection:

10 (1) For receipt of the ad valorem tax abatement pursuant to section 135.215, the eligible  
11 project must create at least ten new jobs or retain businesses which supply at least twenty-five  
12 existing jobs. The city, or county if the eligible project is not located in a city, must provide ad  
13 valorem tax abatement of at least fifty percent for a period not less than ten years and not more  
14 than twenty-five years;

15 (2) For receipt of the income tax exemption pursuant to section 135.220 and tax credit  
16 for new or expanded business facilities pursuant to sections 135.100 to 135.150, and 135.225,  
17 the eligible project must create at least ten new jobs or retain businesses which supply at least

18 twenty-five existing jobs, or combination thereof. For purposes of sections 447.700 to 447.718,  
19 the tax credits described in section 135.225 are modified as follows: the tax credit shall be four  
20 hundred dollars per employee per year, an additional four hundred dollars per year for each  
21 employee exceeding the minimum employment thresholds of ten and twenty-five jobs for new  
22 and existing businesses, respectively, an additional four hundred dollars per year for each person  
23 who is a person difficult to employ as defined by section 135.240, and investment tax credits at  
24 the same amounts and levels as provided in subdivision (4) of subsection 1 of section 135.225;

25 (3) For eligibility to receive the income tax refund pursuant to section 135.245, the  
26 eligible project must create at least ten new jobs or retain businesses which supply at least  
27 twenty-five existing jobs, or combination thereof, and otherwise comply with the provisions of  
28 section 135.245 for application and use of the refund and the eligibility requirements of this  
29 section;

30 (4) The eligible project operates in compliance with applicable environmental laws and  
31 regulations, including permitting and registration requirements, of this state as well as the federal  
32 and local requirements;

33 (5) The eligible project operator shall file such reports as may be required by the director  
34 of economic development or the director's designee;

35 (6) The taxpayer may claim the state tax credits authorized by this subsection and the  
36 state income exemption for a period not in excess of ten consecutive tax years. For the purpose  
37 of this section, "taxpayer" means an individual proprietorship, partnership or corporation  
38 described in section 143.441 or 143.471 who operates an eligible project. The director shall  
39 determine the number of years the taxpayer may claim the state tax credits and the state income  
40 exemption based on the projected net state economic benefits attributed to the eligible project;

41 (7) For the purpose of meeting the new job requirement prescribed in subdivisions (1),  
42 (2) and (3) of this subsection, it shall be required that at least ten new jobs be created and  
43 maintained during the taxpayer's tax period for which the credits are earned, in the case of an  
44 eligible project that does not replace a similar facility in Missouri. "New job" means a person  
45 who was not previously employed by the taxpayer or related taxpayer within the twelve-month  
46 period immediately preceding the time the person was employed by that taxpayer to work at, or  
47 in connection with, the eligible project on a full-time basis. "Full-time basis" means the  
48 employee works an average of at least thirty-five hours per week during the taxpayer's tax period  
49 for which the tax credits are earned. For the purposes of this section, related taxpayer has the  
50 same meaning as defined in subdivision (9) of section 135.100;

51 (8) For the purpose of meeting the existing job retention requirement, if the eligible  
52 project replaces a similar facility that closed elsewhere in Missouri prior to the end of the  
53 taxpayer's tax period in which the tax credits are earned, it shall be required that at least  
54 twenty-five existing jobs be retained at, and in connection with the eligible project, on a full-time

55 basis during the taxpayer's tax period for which the credits are earned. "Retained job" means a  
56 person who was previously employed by the taxpayer or related taxpayer, at a facility similar to  
57 the eligible project that closed elsewhere in Missouri prior to the end of the taxpayer's tax period  
58 in which the tax credits are earned, within the tax period immediately preceding the time the  
59 person was employed by the taxpayer to work at, or in connection with, the eligible project on  
60 a full-time basis. "Full-time basis" means the employee works an average of at least thirty-five  
61 hours per week during the taxpayer's tax period for which the tax credits are earned;

62 (9) In the case where an eligible project replaces a similar facility that closed elsewhere  
63 in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, the  
64 owner and operator of the eligible project shall provide the director with a written statement  
65 explaining the reason for discontinuing operations at the closed facility. The statement shall  
66 include a comparison of the activities performed at the closed facility prior to the date the facility  
67 ceased operating, to the activities performed at the eligible project, and a detailed account  
68 describing the need and rationale for relocating to the eligible project. If the director finds the  
69 relocation to the eligible project significantly impaired the economic stability of the area in  
70 which the closed facility was located, and that such move was detrimental to the overall  
71 economic development efforts of the state, the director may deny the taxpayer's request to claim  
72 tax benefits;

73 (10) Notwithstanding any provision of law to the contrary, for the purpose of this  
74 section, the number of new jobs created and maintained, the number of existing jobs retained,  
75 and the value of new qualified investment used at the eligible project during any tax year shall  
76 be determined by dividing by twelve, in the case of jobs, the sum of the number of individuals  
77 employed at the eligible project, or in the case of new qualified investment, the value of new  
78 qualified investment used at the eligible project, on the last business day of each full calendar  
79 month of the tax year. If the eligible project is in operation for less than the entire tax year, the  
80 number of new jobs created and maintained, the number of existing jobs retained, and the value  
81 of new qualified investment created at the eligible project during any tax year shall be  
82 determined by dividing the sum of the number of individuals employed at the eligible project,  
83 or in the case of new qualified investment, the value of new qualified investment used at the  
84 eligible project, on the last business day of each full calendar month during the portion of the tax  
85 year during which the eligible project was in operation, by the number of full calendar months  
86 during such period;

87 (11) For the purpose of this section, "new qualified investment" means new business  
88 facility investment as defined and as determined in subdivision (7) of section 135.100 which is  
89 used at and in connection with the eligible project. "New qualified investment" shall not include  
90 small tools, supplies and inventory. "Small tools" means tools that are portable and can be hand  
91 held.

92           2. The determination of the director of economic development pursuant to subsection  
93 1 of this section shall not affect requirements for the prospective purchaser to obtain the approval  
94 of the granting of real property tax abatement by the municipal or county government where the  
95 eligible project is located.

96           3. (1) The director of the department of economic development, with the approval of  
97 the director of the department of natural resources, may, in addition to the tax credits allowed  
98 in subsection 1 of this section, grant a remediation tax credit to the applicant for up to one  
99 hundred percent of the costs of materials, supplies, equipment, labor, professional engineering,  
100 consulting and architectural fees, permitting fees and expenses, demolition, asbestos abatement,  
101 and direct utility charges for performing the voluntary remediation activities for the preexisting  
102 hazardous substance contamination and releases, including, but not limited to, the costs of  
103 performing operation and maintenance of the remediation equipment at the property beyond the  
104 year in which the systems and equipment are built and installed at the eligible project and the  
105 costs of performing the voluntary remediation activities over a period not in excess of four tax  
106 years following the taxpayer's tax year in which the system and equipment were first put into use  
107 at the eligible project, provided the remediation activities are the subject of a plan submitted to,  
108 and approved by, the director of natural resources pursuant to sections 260.565 to 260.575. The  
109 tax credit may also include up to one hundred percent of the costs of demolition that are not  
110 directly part of the remediation activities, provided that the demolition is on the property where  
111 the voluntary remediation activities are occurring, the demolition is necessary to accomplish the  
112 planned use of the facility where the remediation activities are occurring, and the demolition is  
113 part of a redevelopment plan approved by the municipal or county government and the  
114 department of economic development. The demolition may occur on an adjacent property if the  
115 project is located in a municipality which has a population less than twenty thousand and the  
116 above conditions are otherwise met. The adjacent property shall independently qualify as  
117 abandoned or underutilized. The amount of the credit available for demolition not associated  
118 with remediation cannot exceed the total amount of credits approved for remediation including  
119 demolition required for remediation.

120           (2) The amount of remediation tax credits issued shall be limited to the least amount  
121 necessary to cause the project to occur, as determined by the director of the department of  
122 economic development.

123           (3) The director may, with the approval of the director of natural resources, extend the  
124 tax credits allowed for performing voluntary remediation maintenance activities, in increments  
125 of three-year periods, not to exceed five consecutive three-year periods. The tax credits allowed  
126 in this subsection shall be used to offset the tax imposed by chapter 143, excluding withholding  
127 tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed by chapter 147, or the  
128 tax otherwise imposed by chapter 148. The remediation tax credit may be taken in the same tax

129 year in which the tax credits are received or may be taken over a period not to exceed twenty  
130 years.

131 (4) The project facility shall be projected to create at least ten new jobs or at least  
132 twenty-five retained jobs, or a combination thereof, as determined by the department of  
133 economic development, to be eligible for tax credits pursuant to this section.

134 (5) No more than seventy-five percent of earned remediation tax credits may be issued  
135 when the remediation costs were paid, and the remaining percentage may be issued when the  
136 department of natural resources issues a letter of completion letter or covenant not to sue  
137 following completion of the voluntary remediation activities. It shall not include any costs  
138 associated with ongoing operational environmental compliance of the facility or remediation  
139 costs arising out of spills, leaks, or other releases arising out of the ongoing business operations  
140 of the facility. In the event the department of natural resources issues a letter of completion for  
141 a portion of a property, an impacted media such as soil or groundwater, or for a site or a portion  
142 of a site improvement, a prorated amount of the remaining percentage may be released based on  
143 the percentage of the total site receiving a letter of completion.

144 4. In the exercise of the sound discretion of the director of the department of economic  
145 development or the director's designee, the tax credits and exemptions described in this section  
146 may be terminated, suspended or revoked, if the eligible project fails to continue to meet the  
147 conditions set forth in this section. In making such a determination, the director shall consider  
148 the severity of the condition violation, actions taken to correct the violation, the frequency of any  
149 condition violations and whether the actions exhibit a pattern of conduct by the eligible facility  
150 owner and operator. The director shall also consider changes in general economic conditions and  
151 the recommendation of the director of the department of natural resources, or his or her designee,  
152 concerning the severity, scope, nature, frequency and extent of any violations of the  
153 environmental compliance conditions. The taxpayer or person claiming the tax credits or  
154 exemptions may appeal the decision regarding termination, suspension or revocation of any tax  
155 credit or exemption in accordance with the procedures outlined in subsections 4 to 6 of section  
156 135.250. The director of the department of economic development shall notify the directors of  
157 the departments of natural resources and revenue of the termination, suspension or revocation  
158 of any tax credits as determined in this section or pursuant to the provisions of section 447.716.

159 5. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax  
160 credits, exemptions or refund otherwise allowed in subdivisions (2), (3) and (4) of subsection  
161 1 of this section and the tax credits otherwise allowed in section 135.110, or the tax credits,  
162 exemptions and refund otherwise allowed in sections 135.215, 135.220, 135.225 and 135.245,  
163 respectively, for the same facility for the same tax period.

164 6. The total amount of the tax credits allowed in subsection 1 of this section may not  
165 exceed the greater of:

166 (1) That portion of the taxpayer's income attributed to the eligible project; or  
167 (2) One hundred percent of the total business' income tax if the eligible facility does not  
168 replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax  
169 period in which the tax credits are earned, and further provided the taxpayer does not operate any  
170 other facilities besides the eligible project in Missouri; fifty percent of the total business' income  
171 tax if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the  
172 end of the taxpayer's tax period in which the credits are earned, and further provided the taxpayer  
173 does not operate any other facilities besides the eligible project in Missouri; or twenty-five  
174 percent of the total business income if the taxpayer operates, in addition to the eligible facility,  
175 any other facilities in Missouri. In no case shall a taxpayer operating more than one eligible  
176 project in Missouri be allowed to offset more than twenty-five percent of the taxpayer's business  
177 income in any tax period. That portion of the taxpayer's income attributed to the eligible project  
178 as referenced in subdivision (1) of this subsection, for which the credits allowed in sections  
179 135.110 and 135.225 and subsection 3 of this section, may apply, shall be determined in the same  
180 manner as prescribed in subdivision (6) of section 135.100. That portion of the taxpayer's  
181 franchise tax attributed to the eligible project for which the remediation tax credit may offset,  
182 shall be determined in the same manner as prescribed in paragraph (a) of subdivision (6) of  
183 section 135.100.

184 7. Taxpayers claiming the state tax benefits allowed in subdivisions (2) and (3) of  
185 subsection 1 of this section shall be required to file all applicable tax credit applications, forms  
186 and schedules prescribed by the director during the taxpayer's tax period immediately after the  
187 tax period in which the eligible project was first put into use. Otherwise, the taxpayer's right to  
188 claim such state tax benefits shall be forfeited. Unused business facility and enterprise zone tax  
189 credits shall not be carried forward but shall be initially claimed for the tax period during which  
190 the eligible project was first capable of being used, and during any applicable subsequent tax  
191 periods.

192 8. Taxpayers claiming the remediation tax credit allowed in subsection 3 of this section  
193 shall be required to file all applicable tax credit applications, forms and schedules prescribed by  
194 the director during the taxpayer's tax period immediately after the tax period in which the eligible  
195 project was first put into use, or during the taxpayer's tax period immediately after the tax period  
196 in which the voluntary remediation activities were performed.

197 9. The recipient of remediation tax credits, for the purpose of this subsection referred to  
198 as assignor, may assign, sell or transfer, in whole or in part, the remediation tax credit allowed  
199 in subsection 3 of this section to any other person, for the purpose of this subsection referred to  
200 as assignee. To perfect the transfer, the assignor shall provide written notice to the director of  
201 the assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective,  
202 the assignee's name, address and the assignee's tax period and the amount of tax credits to be

203 transferred. The number of tax periods during which the assignee may subsequently claim the  
204 tax credits shall not exceed twenty tax periods, less the number of tax periods the assignor  
205 previously claimed the credits before the transfer occurred.

206 10. In the case where an operator and assignor of an eligible project has been certified  
207 to claim state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section, and  
208 sells or otherwise transfers title of the eligible project to another taxpayer or assignee who  
209 continues the same or substantially similar operations at the eligible project, the director shall  
210 allow the assignee to claim the credits for a period of time to be determined by the director;  
211 except that, the total number of tax periods the tax credits may be earned by the assignor and the  
212 assignee shall not exceed ten. To perfect the transfer, the assignor shall provide written notice  
213 to the director of the assignor's intent to transfer the tax credits to the assignee, the date the  
214 transfer is effective, the assignee's name, address, and the assignee's tax period, and the amount  
215 of tax credits to be transferred.

216 11. For the purpose of the state tax benefits described in this section, in the case of a  
217 corporation described in section 143.471 or partnership, in computing Missouri's tax liability,  
218 such state benefits shall be allowed to the following:

219 (1) The shareholders of the corporation described in section 143.471;

220 (2) The partners of the partnership.

221 The credit provided in this subsection shall be apportioned to the entities described in  
222 subdivisions (1) and (2) of this subsection in proportion to their share of ownership on the last  
223 day of the taxpayer's tax period.

224 **12. All tax credits provided under sections 447.700 to 447.718 shall sunset effective**  
225 **August 28, 2013. No additional tax credits shall be issued after August 28, 2013. Tax**  
226 **credits issued on or before August 28, 2013 shall be redeemed on or before December 31,**  
227 **2016.**

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

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

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

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

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

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

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

17 3. There is hereby established under the direction of the department a loan, loan  
18 guarantee and grant program for the establishment, operation and administration of small  
19 business incubators, to be known as the "Small Business Incubator Program". A local sponsor  
20 may submit an application to the department to obtain a loan, loan guarantee or grant to establish  
21 an incubator. Each application shall:

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

24 (2) Demonstrate the ability to directly provide or arrange for the provision of business  
25 development services for tenants and participants of the incubator. These services shall include,  
26 but need not be limited to, financial consulting assistance, management and marketing assistance,  
27 business education, and physical services;

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

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

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

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

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

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

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

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

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

39 (1) Loans awarded or guaranteed and grants awarded shall be used only for the  
40 acquisition and leasing of land and existing buildings, the rehabilitation of buildings or other  
41 facilities, construction of new facilities, the purchase of equipment and furnishings which are  
42 necessary for the creation and operation of the incubator, and business development services  
43 including, but not limited to, business management advising and business education;

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

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

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

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

52           (2) Manage the physical development of the incubator program, including the provision  
53 of common conference or meeting space;

54           (3) Furnish and equip the program to provide business services to the tenants and  
55 participants;

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

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

60           (6) Set rental and service fees;

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

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

66           7. The department:

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

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

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

72           (4) Shall receive and evaluate annual reports from local sponsors. Such annual reports  
73 shall include, but need not be limited to, a financial statement for the incubator, evidence that  
74 all tenants and participants in the program are eligible under the terms of this section, and a list  
75 of companies in the incubator.

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

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

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

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

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

- 85 (4) The number of tenants and participants engaged in each incubator;  
86 (5) The number of jobs provided by each incubator and tenants and participant of each  
87 incubator;  
88 (6) The occupancy rate of each incubator;  
89 (7) The number of firms still operating in the state after leaving incubators and the  
90 number of jobs they have provided.

91 10. There is hereby established in the state treasury a special fund to be known as the  
92 "Missouri Small Business Incubators Fund", which shall consist of all moneys which may be  
93 appropriated to it by the general assembly, and also any gifts, contributions, grants or bequests  
94 received from federal, private or other sources. Moneys for loans, loan guarantees and grants  
95 under the small business incubator program may be obtained from appropriations made by the  
96 general assembly from the Missouri small business incubators fund. Any moneys remaining in  
97 the Missouri small business incubators fund at the end of any fiscal year shall not lapse to the  
98 general revenue fund, as provided in section 33.080, but shall remain in the Missouri small  
99 business incubators fund.

100 11. For any taxable year beginning after December 31, 1989, a taxpayer, including any  
101 charitable organization which is exempt from federal income tax and whose Missouri unrelated  
102 business taxable income, if any, would be subject to the state income tax imposed under chapter  
103 143, shall be entitled to a tax credit against any tax otherwise due under the provisions of chapter  
104 143, or chapter 147, or chapter 148, excluding withholding tax imposed by sections 143.191 to  
105 143.265, in the amount of fifty percent of any amount contributed by the taxpayer to the Missouri  
106 small business incubators fund during the taxpayer's tax year or any contribution by the taxpayer  
107 to a local sponsor after the local sponsor's application has been accepted and approved by the  
108 department. The tax credit allowed by this subsection shall be claimed by the taxpayer at the  
109 time he files his return and shall be applied against the income tax liability imposed by chapter  
110 143, or chapter 147, or chapter 148, after all other credits provided by law have been applied.  
111 That portion of earned tax credits which exceeds the taxpayer's tax liability may be carried  
112 forward for up to five years. The aggregate of all tax credits authorized under this section shall  
113 not exceed five hundred thousand dollars in any taxable year.

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

- 119 (1) For no less than seventy-five percent of the par value of such credits; and  
120 (2) In an amount not to exceed one hundred percent of annual earned credits.

122 The taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection,  
123 may use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise  
124 imposed by chapter 143, or chapter 147, or chapter 148 excluding withholding tax imposed by  
125 sections 143.191 to 143.265. Unused credits in the hands of the assignee may be carried forward  
126 for up to five years. The assignor shall enter into a written agreement with the assignee  
127 establishing the terms and conditions of the agreement and shall perfect such transfer by  
128 notifying the department of economic development in writing within thirty calendar days  
129 following the effective day of the transfer and shall provide any information as may be required  
130 by the department of economic development to administer and carry out the provisions of this  
131 section. The director of the department of economic development shall prescribe the method for  
132 submitting applications for claiming the tax credit allowed under subsection 11 of this section  
133 and shall, if the application is approved, certify to the director of revenue that the taxpayer  
134 claiming the credit has satisfied all the requirements specified in this section and is eligible to  
135 claim the credit.

136 **13. All tax credits provided under this section shall sunset effective August 28, 2013.**  
137 **No additional tax credits shall be issued after August 28, 2013. Tax credits issued on or**  
138 **before August 28, 2013 shall be redeemed on or before December 31, 2016.**

620.1881. 1. The department of economic development shall respond within thirty days  
2 to a company who provides a notice of intent with either an approval or a rejection of the notice  
3 of intent. The department shall give preference to qualified companies and projects targeted at  
4 an area of the state which has recently been classified as a disaster area by the federal  
5 government. Failure to respond on behalf of the department of economic development shall  
6 result in the notice of intent being deemed an approval for the purposes of this section. A  
7 qualified company who is provided an approval for a project shall be allowed a benefit as  
8 provided in this program in the amount and duration provided in this section. A qualified  
9 company may receive additional periods for subsequent new jobs at the same facility after the  
10 full initial period if the minimum thresholds are met as set forth in sections 620.1875 to  
11 620.1890. There is no limit on the number of periods a qualified company may participate in the  
12 program, as long as the minimum thresholds are achieved and the qualified company provides  
13 the department with the required reporting and is in proper compliance for this program or other  
14 state programs. A qualified company may elect to file a notice of intent to start a new project  
15 period concurrent with an existing project period if the minimum thresholds are achieved and  
16 the qualified company provides the department with the required reporting and is in proper  
17 compliance for this program and other state programs; however, the qualified company may not  
18 receive any further benefit under the original approval for jobs created after the date of the new  
19 notice of intent, and any jobs created before the new notice of intent may not be included as new  
20 jobs for the purpose of benefit calculation in relation to the new approval. When a qualified

21 company has filed and received approval of a notice of intent and subsequently files another  
22 notice of intent, the department shall apply the definition of project facility under subdivision  
23 (19) of section 620.1878 to the new notice of intent as well as all previously approved notices  
24 of intent and shall determine the application of the definitions of new job, new payroll, project  
25 facility base employment, and project facility base payroll accordingly.

26 2. Notwithstanding any provision of law to the contrary, any qualified company that is  
27 awarded benefits under this program may not simultaneously receive tax credits or exemptions  
28 under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections  
29 135.900 to 135.906 at the same project facility. The benefits available to the company under any  
30 other state programs for which the company is eligible and which utilize withholding tax from  
31 the new jobs of the company must first be credited to the other state program before the  
32 withholding retention level applicable under the Missouri quality jobs act will begin to accrue.  
33 These other state programs include, but are not limited to, the new jobs training program under  
34 sections 178.892 to 178.896, the job retention program under sections 178.760 to 178.764, the  
35 real property tax increment allocation redevelopment act, sections 99.800 to 99.865, or the  
36 Missouri downtown and rural economic stimulus act under sections 99.915 to 99.980. If any  
37 qualified company also participates in the new jobs training program in sections 178.892 to  
38 178.896, the company shall retain no withholding tax, but the department shall issue a refundable  
39 tax credit for the full amount of benefit allowed under this subdivision. The calendar year annual  
40 maximum amount of tax credits which may be issued to a qualifying company that also  
41 participates in the new job training program shall be increased by an amount equivalent to the  
42 withholding tax retained by that company under the new jobs training program. However, if the  
43 combined benefits of the quality jobs program and the new jobs training program exceed the  
44 projected state benefit of the project, as determined by the department of economic development  
45 through a cost-benefit analysis, the increase in the maximum tax credits shall be limited to the  
46 amount that would not cause the combined benefits to exceed the projected state benefit. Any  
47 taxpayer who is awarded benefits under this program who knowingly hires individuals who are  
48 not allowed to work legally in the United States shall immediately forfeit such benefits and shall  
49 repay the state an amount equal to any state tax credits already redeemed and any withholding  
50 taxes already retained.

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

52 (1) Small and expanding business projects: in exchange for the consideration provided  
53 by the new tax revenues and other economic stimuli that will be generated by the new jobs  
54 created by the program, a qualified company may retain an amount equal to the withholding tax  
55 as calculated under subdivision (33) of section 620.1878 from the new jobs that would otherwise  
56 be withheld and remitted by the qualified company under the provisions of sections 143.191 to  
57 143.265 for a period of three years from the date the required number of new jobs were created

58 if the average wage of the new payroll equals or exceeds the county average wage or for a period  
59 of five years from the date the required number of new jobs were created if the average wage of  
60 the new payroll equals or exceeds one hundred twenty percent of the county average wage;

61 (2) Technology business projects: in exchange for the consideration provided by the new  
62 tax revenues and other economic stimuli that will be generated by the new jobs created by the  
63 program, a qualified company may retain an amount equal to a maximum of five percent of new  
64 payroll for a period of five years from the date the required number of jobs were created from  
65 the withholding tax of the new jobs that would otherwise be withheld and remitted by the  
66 qualified company under the provisions of sections 143.191 to 143.265 if the average wage of  
67 the new payroll equals or exceeds the county average wage. An additional one-half percent of  
68 new payroll may be added to the five percent maximum if the average wage of the new payroll  
69 in any year exceeds one hundred twenty percent of the county average wage in the county in  
70 which the project facility is located, plus an additional one-half percent of new payroll may be  
71 added if the average wage of the new payroll in any year exceeds one hundred forty percent of  
72 the average wage in the county in which the project facility is located. The department shall  
73 issue a refundable tax credit for any difference between the amount of benefit allowed under this  
74 subdivision and the amount of withholding tax retained by the company, in the event the  
75 withholding tax is not sufficient to provide the entire amount of benefit due to the qualified  
76 company under this subdivision;

77 (3) High impact projects: in exchange for the consideration provided by the new tax  
78 revenues and other economic stimuli that will be generated by the new jobs created by the  
79 program, a qualified company may retain an amount from the withholding tax of the new jobs  
80 that would otherwise be withheld and remitted by the qualified company under the provisions  
81 of sections 143.191 to 143.265, equal to three percent of new payroll for a period of five years  
82 from the date the required number of jobs were created if the average wage of the new payroll  
83 equals or exceeds the county average wage of the county in which the project facility is located.  
84 For high-impact projects in a facility located within two adjacent counties, the new payroll shall  
85 equal or exceed the higher county average wage of the adjacent counties. The percentage of  
86 payroll allowed under this subdivision shall be three and one-half percent of new payroll if the  
87 average wage of the new payroll in any year exceeds one hundred twenty percent of the county  
88 average wage in the county in which the project facility is located. The percentage of payroll  
89 allowed under this subdivision shall be four percent of new payroll if the average wage of the  
90 new payroll in any year exceeds one hundred forty percent of the county average wage in the  
91 county in which the project facility is located. An additional one percent of new payroll may be  
92 added to these percentages if local incentives equal between ten percent and twenty-four percent  
93 of the new direct local revenue; an additional two percent of new payroll is added to these  
94 percentages if the local incentives equal between twenty-five percent and forty-nine percent of

95 the new direct local revenue; or an additional three percent of payroll is added to these  
96 percentages if the local incentives equal fifty percent or more of the new direct local revenue.  
97 The department shall issue a refundable tax credit for any difference between the amount of  
98 benefit allowed under this subdivision and the amount of withholding tax retained by the  
99 company, in the event the withholding tax is not sufficient to provide the entire amount of benefit  
100 due to the qualified company under this subdivision;

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

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

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

111 (c) The qualified company is considered to have a significant statewide effect on the  
112 economy, and has been determined to represent a substantial risk of relocation from the state by  
113 the quality jobs advisory task force established in section 620.1887; provided, however, until  
114 such time as the initial at-large members of the quality jobs advisory task force are appointed,  
115 this determination shall be made by the director of the department of economic development;

116 (d) The qualified company in the project facility will cause to be invested a minimum  
117 of seventy million dollars in new investment prior to the end of two years or will cause to be  
118 invested a minimum of thirty million dollars in new investment prior to the end of two years and  
119 maintain an annual payroll of at least seventy million dollars during each of the years for which  
120 a credit is claimed; and

121 (e) The local taxing entities shall provide local incentives of at least fifty percent of the  
122 new direct local revenues created by the project over a ten-year period. The quality jobs advisory  
123 task force may recommend to the department of economic development that appropriate  
124 penalties be applied to the company for violating the agreement. The amount of the job retention  
125 credit granted may be equal to up to fifty percent of the amount of withholding tax generated by  
126 the full-time jobs at the project facility for a period of five years. The calendar year annual  
127 maximum amount of tax credit that may be issued to any qualified company for a job retention  
128 project or combination of job retention projects shall be seven hundred fifty thousand dollars per  
129 year, but the maximum amount may be increased up to one million dollars if such action is  
130 proposed by the department and approved by the quality jobs advisory task force established in  
131 section 620.1887; provided, however, until such time as the initial at-large members of the

132 quality jobs advisory task force are appointed, this determination shall be made by the director  
133 of the department of economic development. In considering such a request, the task force shall  
134 rely on economic modeling and other information supplied by the department when requesting  
135 the increased limit on behalf of the job retention project. In no event shall the total amount of  
136 all tax credits issued for the entire job retention program under this subdivision exceed three  
137 million dollars annually. Notwithstanding the above, no tax credits shall be issued for job  
138 retention projects approved by the department after August [30] **28**, 2013;

139 (5) Small business job retention and flood survivor relief: a qualified company may  
140 receive a tax credit under sections 620.1875 to 620.1890 for the retention of jobs and flood  
141 survivor relief in this state for each job retained over a three-year period, provided that:

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

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

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

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

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

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

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

159 (h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company  
160 cumulatively invests at least two million dollars in capital improvements in facilities and  
161 equipment located at such facilities that are not located within a five hundred year flood plain  
162 as designated by the Federal Emergency Management Agency, and amended from time to time.  
163 The amount of the small business job retention and flood survivor relief credit granted may be  
164 equal to up to one hundred percent of the amount of withholding tax generated by the full-time  
165 jobs at the project facility for a period of three years. The calendar year annual maximum  
166 amount of tax credit that may be issued to any qualified company for a small business job  
167 retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the  
168 maximum amount may be increased up to five hundred thousand dollars if such action is

169 proposed by the department and approved by the quality jobs advisory task force established in  
170 section 620.1887. In considering such a request, the task force shall rely on economic modeling  
171 and other information supplied by the department when requesting an increase in the limit on  
172 behalf of the small business job retention and flood survivor relief project. In no event shall the  
173 total amount of all tax credits issued for the entire small business job retention and flood survivor  
174 relief program under this subdivision exceed five hundred thousand dollars annually.  
175 Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued  
176 for small business job retention and flood survivor relief projects approved by the department  
177 after August 30, 2010.

178         4. The qualified company shall provide an annual report of the number of jobs and such  
179 other information as may be required by the department to document the basis for the benefits  
180 of this program. The department may withhold the approval of any benefits until it is satisfied  
181 that proper documentation has been provided, and shall reduce the benefits to reflect any  
182 reduction in full-time employees or new payroll. Upon approval by the department, the qualified  
183 company may begin the retention of the withholding taxes when it reaches the minimum number  
184 of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be  
185 issued upon satisfaction by the department that the qualified company has exceeded the county  
186 average wage and the minimum number of new jobs. In such annual report, if the average wage  
187 is below the county average wage, the qualified company has not maintained the employee  
188 insurance as required, or if the number of new jobs is below the minimum, the qualified  
189 company shall not receive tax credits or retain the withholding tax for the balance of the benefit  
190 period. In the case of a qualified company that initially filed a notice of intent and received an  
191 approval from the department for high-impact benefits and the minimum number of new jobs  
192 in an annual report is below the minimum for high-impact projects, the company shall not  
193 receive tax credits for the balance of the benefit period but may continue to retain the  
194 withholding taxes if it otherwise meets the requirements of a small and expanding business under  
195 this program.

196         5. The maximum calendar year annual tax credits issued for the entire program shall not  
197 exceed eighty million dollars. Notwithstanding any provision of law to the contrary, the  
198 maximum annual tax credits authorized under section 135.535 are hereby reduced from ten  
199 million dollars to eight million dollars, with the balance of two million dollars transferred to this  
200 program. There shall be no limit on the amount of withholding taxes that may be retained by  
201 approved companies under this program.

202         6. The department shall allocate the annual tax credits based on the date of the approval,  
203 reserving such tax credits based on the department's best estimate of new jobs and new payroll  
204 of the project, and the other factors in the determination of benefits of this program. However,  
205 the annual issuance of tax credits is subject to the annual verification of the actual new payroll.

206 The allocation of tax credits for the period assigned to a project shall expire if, within two years  
207 from the date of commencement of operations, or approval if applicable, the minimum  
208 thresholds have not been achieved. The qualified company may retain authorized amounts from  
209 the withholding tax under this section once the minimum new jobs thresholds are met for the  
210 duration of the project period. No benefits shall be provided under this program until the  
211 qualified company meets the minimum new jobs thresholds. In the event the qualified company  
212 does not meet the minimum new job threshold, the qualified company may submit a new notice  
213 of intent or the department may provide a new approval for a new project of the qualified  
214 company at the project facility or other facilities.

215 7. For a qualified company with flow-through tax treatment to its members, partners, or  
216 shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion  
217 to their share of ownership on the last day of the qualified company's tax period.

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

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

226 10. Prior to the issuance of tax credits, the department shall verify through the  
227 department of revenue, or any other state department, that the tax credit applicant does not owe  
228 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent  
229 fees or assessments levied by any state department and through the department of insurance,  
230 financial institutions and professional registration that the applicant does not owe any delinquent  
231 insurance taxes. Such delinquency shall not affect the authorization of the application for such  
232 tax credits, except that at issuance credits shall be first applied to the delinquency and any  
233 amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue  
234 or the department of insurance, financial institutions and professional registration, or any other  
235 state department, concludes that a taxpayer is delinquent after June fifteenth but before July first  
236 of any year and the application of tax credits to such delinquency causes a tax deficiency on  
237 behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the  
238 deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all  
239 available credits toward a tax delinquency, the administering agency shall notify the appropriate  
240 department and that department shall update the amount of outstanding delinquent tax owed by  
241 the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax

242 delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions  
243 of other provisions of law.

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

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

249 13. If any provision of sections 620.1875 to 620.1890 or application thereof to any  
250 person or circumstance is held invalid, the invalidity shall not affect other provisions or  
251 application of these sections which can be given effect without the invalid provisions or  
252 application, and to this end, the provisions of sections 620.1875 to 620.1890 are hereby declared  
253 severable.

254 **14. All tax credits provided under sections 620.1875 to 620.1900 shall sunset**  
255 **effective August 28, 2013. No additional tax credits shall be issued after August 28, 2013.**  
256 **Tax credits issued on or before August 28, 2013 shall be redeemed on or before December**  
257 **31, 2016.**

620.1910. 1. This section shall be known and may be cited as the "Manufacturing Jobs  
2 Act".

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

4 (1) "Approval", a document submitted by the department to the qualified manufacturing  
5 company or qualified supplier that states the benefits that may be provided under this section;

6 (2) "Capital investment", expenditures made by a qualified manufacturing company to  
7 retool or reconfigure a manufacturing facility directly related to the manufacturing of a new  
8 product or the expansion or modification of the manufacture of an existing product;

9 (3) "County average wage", the same meaning as such term is defined in section  
10 620.1878;

11 (4) "Department", the department of economic development;

12 (5) "Facility", a building or buildings located in Missouri at which the qualified  
13 manufacturing company manufactures a product;

14 (6) "Full-time job", a job for which a person is compensated for an average of at least  
15 thirty-five hours per week for a twelve-month period, and one for which the qualified  
16 manufacturing company or qualified supplier offers health insurance and pays at least fifty  
17 percent of such insurance premiums;

18 (7) "NAICS industry classification", the most recent edition of the North American  
19 Industry Classification System as prepared by the Executive Office of the President, Office of  
20 Management and Budget;

21 (8) "New job", the same meaning as such term is defined in section 620.1878;

22 (9) "New product", a new model or line of a manufactured good that has not been  
23 manufactured in Missouri by the qualified manufacturing company at any time prior to the date  
24 of the notice of intent, or an existing brand, model, or line of a manufactured good that is  
25 redesigned with more than seventy-five percent new exterior body parts and incorporates new  
26 powertrain options;

27 (10) "Notice of intent", a form developed by the department, completed by the qualified  
28 manufacturing company or qualified supplier and submitted to the department which states the  
29 qualified manufacturing company's or qualified supplier's intent to create new jobs or retain  
30 current jobs and make additional capital investment, as applicable, and request benefits under  
31 this section. The notice of intent shall specify the minimum number of such new or retained jobs  
32 and the minimum amount of such capital investment;

33 (11) "Qualified manufacturing company", a business with a NAICS code of 33611 that:

34 (a) Manufactures goods at a facility in Missouri;

35 (b) In the case of the manufacture of a new product, commits to make a capital  
36 investment of at least seventy-five thousand dollars per retained job within no more than two  
37 years of the date the qualified manufacturing company begins to retain withholding tax under this  
38 section, or in the case of the modification or expansion of the manufacture of an existing product,  
39 commits to make a capital investment of at least fifty thousand dollars per retained job within  
40 no more than two years of the date the qualified manufacturing company begins to retain  
41 withholding tax under this section;

42 (c) Manufactures a new product or has commenced making capital improvements to the  
43 facility necessary for the manufacturing of such new product, or modifies or expands the  
44 manufacture of an existing product or has commenced making capital improvements to the  
45 facility necessary for the modification or expansion of the manufacture of such existing product;  
46 and

47 (d) Continues to meet the requirements of paragraphs (a) to (c) of this subdivision for  
48 the withholding period;

49 (12) "Qualified supplier", a manufacturing company that:

50 (a) Attests to the department that it derives more than ten percent of the total annual sales  
51 of the company from sales to a qualified manufacturing company;

52 (b) Adds five or more new jobs;

53 (c) Has an average wage, as defined in section 135.950, for such new jobs that are equal  
54 to or exceed the lower of the county average wage for Missouri as determined by the department  
55 using NAICS industry classifications, but not lower than sixty percent of the statewide average  
56 wage; and

57 (d) Provides health insurance for all full-time jobs and pays at least fifty percent of the  
58 premiums of such insurance;

59 (13) "Retained job", the number of full-time jobs of persons employed by the qualified  
60 manufacturing company located at the facility that existed as of the last working day of the  
61 month immediately preceding the month in which notice of intent is submitted;

62 (14) "Statewide average wage", an amount equal to the quotient of the sum of the total  
63 gross wages paid for the corresponding four calendar quarters divided by the average annual  
64 employment for such four calendar quarters, which shall be computed using the Quarterly  
65 Census of Employment and Wages Data for All Private Ownership Businesses in Missouri, as  
66 published by the Bureau of Labor Statistics of the United States Department of Labor;

67 (15) "Withholding period", the seven- or ten-year period in which a qualified  
68 manufacturing company may receive benefits under this section;

69 (16) "Withholding tax", the same meaning as such term is defined in section 620.1878.

70 3. The department shall respond within thirty days to a qualified manufacturing company  
71 or a qualified supplier who provides a notice of intent with either an approval or a rejection of  
72 the notice of intent. Failure to respond on behalf of the department shall result in the notice of  
73 intent being deemed an approval for the purposes of this section.

74 4. A qualified manufacturing company that manufactures a new product may, upon the  
75 department's approval of a notice of intent and the execution of an agreement that meets the  
76 requirements of subsection 9 of this section, but no earlier than January 1, 2012, retain one  
77 hundred percent of the withholding tax from full-time jobs at the facility for a period of ten years.  
78 A qualified manufacturing company that modifies or expands the manufacture of an existing  
79 product may, upon the department's approval of a notice of intent and the execution of an  
80 agreement that meets the requirements of subsection 9 of this section, but no earlier than January  
81 1, 2012, retain fifty percent of the withholding tax from full-time jobs at the facility for a period  
82 of seven years. Except as otherwise allowed under subsection 7 of this section, the  
83 commencement of the withholding period may be delayed by no more than twenty-four months  
84 after execution of the agreement at the option of the qualified manufacturing company. Such  
85 qualified manufacturing company shall be eligible for participation in the Missouri quality jobs  
86 program in sections 620.1875 to 620.1890 for any new jobs for which it does not retain  
87 withholding tax under this section, provided all qualifications for such program are met.

88 5. A qualified supplier may, upon approval of a notice of intent by the department, retain  
89 all withholding tax from new jobs for a period of three years from the date of approval of the  
90 notice of intent or for a period of five years if the supplier pays wages for the new jobs equal to  
91 or greater than one hundred twenty percent of county average wage. Notwithstanding any other  
92 provision of law to the contrary, a qualified supplier that is awarded benefits under this section  
93 shall not receive any tax credit or exemption or be entitled to retain withholding under sections  
94 100.700 to 100.850, sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535,  
95 sections 135.900 to 135.906, sections 135.950 to 135.970, or section 620.1881 for the same jobs.

96           6. Notwithstanding any other provision of law to the contrary, the maximum amount of  
97 withholding tax that may be retained by any one qualified manufacturing company under this  
98 section shall not exceed ten million dollars per calendar year. The aggregate amount of  
99 withholding tax that may be retained by all qualified manufacturing companies under this section  
100 shall not exceed fifteen million dollars per calendar year.

101           7. Notwithstanding any other provision of law to the contrary, any qualified  
102 manufacturing company that is awarded benefits under this section shall not simultaneously  
103 receive tax credits or exemptions under sections 100.700 to 100.850, sections 135.100 to  
104 135.150, sections 135.200 to 135.286, section 135.535, or sections 135.900 to 135.906 for the  
105 jobs created or retained or capital improvement which qualified for benefits under this section.  
106 The benefits available to the qualified manufacturing company under any other state programs  
107 for which the qualified manufacturing company is eligible and which utilize withholding tax  
108 from the jobs at the facility shall first be credited to the other state program before the applicable  
109 withholding period for benefits provided under this section shall begin. These other state  
110 programs include, but are not limited to, the new jobs training program under sections 178.892  
111 to 178.896, the job retention program under sections 178.760 to 178.764, the real property tax  
112 increment allocation redevelopment act under sections 99.800 to 99.865, or the Missouri  
113 downtown and rural economic stimulus act under sections 99.915 to 99.980. If any qualified  
114 manufacturing company also participates in the new jobs training program in sections 178.892  
115 to 178.896, such qualified manufacturing company shall not retain any withholding tax that has  
116 already been allocated for use in the new jobs training program. Any qualified manufacturing  
117 company or qualified supplier that is awarded benefits under this program and knowingly hires  
118 individuals who are not allowed to work legally in the United States shall immediately forfeit  
119 such benefits and shall repay the state an amount equal to any withholding taxes already retained.  
120 Subsection 5 of section 285.530 shall not apply to qualified manufacturing companies or  
121 qualified suppliers which are awarded benefits under this program.

122           8. The department may promulgate rules to implement the provisions of this section.  
123 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
124 authority delegated in this section shall become effective only if it complies with and is subject  
125 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
126 chapter 536 are nonseverable and if any of the powers vested with the general assembly under  
127 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
128 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
129 or adopted after the effective date of this section shall be invalid and void.

130           9. Within six months of completion of a notice of intent required under this section, the  
131 qualified manufacturing company shall enter into an agreement with the department that  
132 memorializes the content of the notice of intent, the requirements of this section, and the  
133 consequences for failing to meet such requirements, which shall include the following:

134 (1) If the amount of capital investment made by the qualified manufacturing company  
135 is not made within the two-year period provided for such investment, the qualified manufacturing  
136 company shall immediately cease retaining any withholding tax with respect to jobs at the facility  
137 and it shall forfeit all rights to retain withholding tax for the remainder of the withholding period.  
138 In addition, the qualified manufacturing company shall repay any amounts of withholding tax  
139 retained plus interest of five percent per annum. However, in the event that such capital  
140 investment shortfall is due to economic conditions beyond the control of the qualified  
141 manufacturing company, the director may, at the qualified manufacturing company's request,  
142 suspend rather than terminate its privilege to retain withholding tax under this section for up to  
143 three years. Any such suspension shall extend the withholding period by the same amount of  
144 time. No more than one such suspension shall be granted to a qualified manufacturing company;

145 (2) If the qualified manufacturing company discontinues the manufacturing of the new  
146 product and does not replace it with a subsequent or additional new product manufactured at the  
147 facility at any time during the withholding period, the qualified manufacturing company shall  
148 immediately cease retaining any withholding tax with respect to jobs at that facility and it shall  
149 forfeit all rights to retain withholding tax for the remainder of the withholding period.

150 10. Prior to March first each year, the department shall provide a report to the general  
151 assembly including the names of participating qualified manufacturing companies or qualified  
152 suppliers, location of such companies or suppliers, the annual amount of benefits provided, the  
153 estimated net state fiscal impact including direct and indirect new state taxes derived, and the  
154 number of new jobs created or jobs retained.

155 11. [Under section 23.253 of the Missouri sunset act:

156 (1) The provisions of the new program authorized under this section shall automatically  
157 sunset October 12, 2016, unless reauthorized by an act of the general assembly; and

158 (2) If such program is reauthorized, t] The program authorized under this section shall  
159 [automatically] sunset **effective August 28, 2013. No additional tax credits shall be issued**  
160 **after August 28, 2013. Tax credits issued on or before August 28, 2013 shall be redeemed**  
161 **on or before December 31, 2016.** [twelve years after the effective date of the reauthorization  
162 of this section; and

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

**620.3050. The provisions of all tax credit programs administered by or tax credits**  
2 **issued by the department of economic development pursuant to this chapter shall sunset**  
3 **effective August 28, 2013. No additional tax credits shall be issued after August 28, 2013.**  
4 **Tax credits issued but not redeemed shall be redeemed on or before December 31, 2016.**

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