

HB 201 -- TAX CREDIT FOR FREIGHT LINE COMPANIES (Torpey)

COMMITTEE OF ORIGIN: Committee on Economic Development

MISSOURI EXPORT INCENTIVE ACT

This substitute establishes the Missouri Export Incentive Act to encourage foreign trade through International Airports in Missouri. For all taxable years beginning on or after July 1, 2013, an air export tax credit is authorized for a freight forwarder against income taxes with the exception of withholding taxes, corporate franchise taxes, and financial institution taxes for the shipment of cargo on a qualifying outbound flight in an amount equal to 40 cents per chargeable kilo. The Department of Economic Development must index, and the Secretary of State must publish in the Missouri Register, the amount of the air export tax credits to adjust each year depending upon fluctuations in the cost of fuel for over-the-road transportation. The substitute specifies the requirements in order for a freight forwarder to receive the credit and how it will be calculated. No credits can be authorized after June 30, 2021.

The maximum amount of tax credits that can be issued each year is specified in the substitute. Any tax credit that is authorized but not issued due to the annual caps can be carried forward to the next year. An authorized tax credit that exceeds an applicant's tax liability for a year may be carried forward for six years, or until the full credit is used, whichever occurs first. The tax credits may transferred, sold, or assigned.

TAX CREDIT FOR FREIGHT LINE COMPANIES

Currently, a freight line company is allowed a tax credit against its property taxes for eligible expenses incurred in this state to manufacture, maintain, or improve its qualified rolling stock. This substitute extends the tax credit from August 28, 2014, to August 28, 2020.