

HCS HB 221 -- MISSOURI EXPORT INCENTIVE ACT

SPONSOR: Leara

COMMITTEE ACTION: Voted "Do Pass" by the Committee on Economic Development by a vote of 27 to 0.

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 be transferred, sold, or assigned.

These provisions of the substitute expire August 28, 2021.

PROPOSERS: Supporters say that the bill is essential for developing the St. Louis air cargo business.

Testifying for the bill were Representative Zerr; Missouri Chamber of Commerce; Tim Nowak, World Trade Center of St. Louis; Keith Calhoun, Emerson Electric; St. Louis Regional Chamber and Growth Association; Missouri Pork Association; City of St. Louis; Greater Kansas City Chamber of Commerce; Associated Industries of Missouri; and St. Louis Community College.

OPPOSERS: There was no opposition voiced to the committee.