

HB 506 -- WINE AND GRAPE TAX CREDIT

SPONSOR: Zerr

COMMITTEE ACTIONS: Voted "Do Pass" by the Standing Committee on Economic Development and Business Attraction and Retention by a vote of 11 to 0. Voted "Do Pass" by the Select Committee on Commerce by a vote of 10 to 0.

This bill allows the tax credit for wine production to also be used for the purchase of used equipment as well as for new equipment.

For the taxable years beginning on or after August 28, 2015, the bill specifies that the total amount of tax credits allowed for wine production cannot exceed \$1,000,000 annually.

PROPOSERS: Supporters say that the bill ensures the continued success of an already existing tax credit. The bill allows smaller start-up growers and producers to take advantage of the program because buying used equipment is more cost effective. Supporters say that almost 9% of the wine industry is based in Missouri and this program will benefit the industry in Missouri.

Testifying for the bill were Representative Zerr and Missouri Grape and Wine Alliance.

OPPONENTS: Those who oppose the bill say that all tax credits interfere with the private industry and the market would be more successful if the government stopped meddling. The opposition is against all tax credits in general.

Testifying against the bill was Todd I. Skelton.