

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for House Bill No. 1875, Page 5, Section 135.778, Line 65,
2 by inserting after all of said section and line the following:

3
4 "135.1621. 1. As used in this section, the following terms mean:

5 (1) "Distressed community", a census tract that has a poverty rate of at least twenty percent
6 or has a median family income of less than eighty percent of the statewide average;

7 (2) "Eligible expenses", expenses incurred in the construction or development of real
8 property for the purpose of establishing a new business;

9 (3) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
10 withholding tax imposed under sections 143.191 to 143.265;

11 (4) "Taxpayer", any individual, partnership, or corporation as described in section 143.441
12 or 143.471 that is subject to the tax imposed under chapter 143, excluding withholding tax imposed
13 under sections 143.191 to 143.265, or any charitable organization that is exempt from federal
14 income tax and whose Missouri unrelated business taxable income, if any, would be subject to the
15 state income tax imposed under chapter 143.

16 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax liability
17 in an amount equal to fifty percent of the taxpayer's eligible expenses for establishing a new
18 business within a distressed community if the majority of the new business's employees reside in the
19 county of the distressed community.

20 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state
21 tax liability for the tax year that the credit is claimed, and such taxpayer shall not be allowed to
22 claim a tax credit in excess of two million five hundred thousand dollars per tax year. However, any
23 tax credit that cannot be claimed in the tax year the contribution is made may be carried over to the
24 next three succeeding tax years until the full credit is claimed.

25 4. The total amount of tax credits that may be authorized under this section in any calendar
26 year shall not exceed twenty-five million dollars.

27 5. Tax credits issued under the provisions of this section shall not be refundable or
28 transferable.

29 6. If a business leaves a distressed community within five years of being issued a tax credit
30 under this section, the taxpayer shall not claim any further amounts from such tax credit and shall
31 immediately submit payment to the state general revenue fund in an amount equal to all credits
32 previously issued to the taxpayer, less any amounts previously repaid, increased by an amount equal
33 to a reasonable rate of return on the value of the credits issued.

34 7. The department of economic development may promulgate all necessary rules and
35 regulations to implement the provisions of this section. Any rule or portion of a rule, as that term is
36 defined in section 536.010, that is created under the authority delegated in this section shall become

Action Taken _____ Date _____

1 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if
2 applicable, section 536.028. This section and chapter 536 are nonseverable, and if any of the
3 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective
4 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
5 rulemaking authority and any rule proposed or adopted after August 28, 2022, shall be invalid and
6 void."; and
7

8 Further amend said bill by amending the title, enacting clause, and intersectional references
9 accordingly.