

HCS HB 649 -- TAX CREDITS

SPONSOR: Zerr (McGhee)

COMMITTEE ACTION: Voted "do pass" by the Committee on Economic Development by a vote of 22 to 0.

This substitute establishes the Developmental Disability Care Provider Tax Credit Program and extends the expiration date of various tax credits.

DEVELOPMENTAL DISABILITY CARE PROVIDER TAX CREDIT PROGRAM

The Developmental Disability Care Provider Tax Credit Program is established which, for all taxable years beginning on or after January 1, 2011, authorizes a tax credit of 50% of the amount of a taxpayer's contribution to a developmental disability care provider if the provider submits an application for the credit to the Department of Social Services on behalf of the taxpayer, provides the taxpayer's name and identification number and the date and amount of the donation, and pays the department an amount equal to the value of the credit. The credit is not refundable but can be carried forward for up to four years and is transferable.

TAX CREDIT EXTENSIONS

The substitute extends the expiration date for the following:

(1) The children in crisis tax credit for a donation to certain qualified agencies that is distributed to child advocacy centers, crisis care centers, and entities that receive funding through the court-appointed special advocate fund from August 28, 2012, to August 28, 2018;

(2) The tax credit for a contribution to a pregnancy resource center from August 28, 2012, to August 28, 2023;

(3) The tax credit for a donation to a food pantry from August 28, 2011, to August 28, 2015. The annual cap on the tax credit is reduced from \$2 million to \$1 million;

(4) The residential treatment agency tax credit from August 28, 2012, to August 28, 2017. The annual amount of tax credits for which an agency is authorized is increased from up to 40% to up to 100% of the payments received from the Department of Social Services in the preceding 12 months; and

(5) The tax credit allowed against a freight line company's property taxes for eligible expenses incurred on qualified

rolling stock in Missouri from August 28, 2014, to August 28, 2020.

The provisions regarding the Developmental Disability Care Provider Tax Credit Program will expire six years from the effective date.

FISCAL NOTE: Estimated Net Cost on General Revenue Fund of \$1,000,000 in FY 2012, \$5,780,552 in FY 2013, and \$5,780,552 in FY 2014. No impact on Other State Funds in FY 2012, FY 2013, and FY 2014.

PROPONENTS: Supporters say that the cost for children who are served by these developmental disability care providers have increased tremendously and the bill will provide an additional incentive for persons to donate to these providers.

Testifying for the bill were Representative McGhee; Dr. Raymond Kenison and Dr. Robert Springate, Missouri Baptist Children's Home; and Missouri Coalition of Children Agencies.

OPPONENTS: There was no opposition voiced to the committee.