

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By

1 AMEND House Committee Substitute for House Bill No. 444, Page 1, In the Title, Lines 2-3, by  
2 deleting the words, "an income tax deduction for volunteer firefighters" and inserting in lieu thereof  
3 the word, "taxation"; and  
4

5 Further amend said bill, page, Section A, Line 2, by inserting after all of said line and section the  
6 following:

7 "32.110. 1. Any business firm which engages in the activities of providing physical  
8 revitalization, economic development, job training or education for individuals, community services,  
9 or crime prevention in the state of Missouri shall receive a tax credit as provided in section 32.115 if  
10 the director of the department of economic development annually approves the proposal of the  
11 business firm; except that, no proposal shall be approved which does not have the endorsement of the  
12 agency of local government within the area in which the business firm is engaging in such activities  
13 which has adopted an overall community or neighborhood development plan that the proposal is  
14 consistent with such plan. The proposal shall set forth the program to be conducted, the  
15 neighborhood area to be served, why the program is needed, the estimated amount to be contributed  
16 to the program and the plans for implementing the program. If, in the opinion of the director of the  
17 department of economic development, a business firm's contribution can more consistently with the  
18 purposes of sections 32.100 to 32.125 be made through contributions to a neighborhood organization  
19 as defined in subdivision (13) of section 32.105, tax credits may be allowed as provided in section  
20 32.115. The director of the department of economic development is hereby authorized to  
21 promulgate rules and regulations for establishing criteria for evaluating such proposals by business  
22 firms for approval or disapproval and for establishing priorities for approval or disapproval of such  
23 proposals by business firms with the assistance and approval of the director of the department of  
24 revenue. The total amount of tax credit granted for programs approved pursuant to sections 32.100  
25 to 32.125 shall not exceed fourteen million dollars in fiscal year 1999 and twenty-six million dollars  
26 in fiscal year 2000, and any subsequent fiscal year, except as otherwise provided for proposals  
27 approved pursuant to section 32.111, 32.112 or 32.117. All tax credits authorized pursuant to the  
28 provisions of sections 32.100 to 32.125 may be used as a state match to secure additional federal  
29 funding.

30 2. No new tax credits shall be authorized under the provisions of this section after December  
31 31, 2015.

Action Taken \_\_\_\_\_ Date \_\_\_\_\_

Action Taken \_\_\_\_\_ Date \_\_\_\_\_

1  
2           32.115. 1. The department of revenue shall grant a tax credit, to be applied in the following  
3 order until used, against:

4           (1) The annual tax on gross premium receipts of insurance companies in chapter 148;

5           (2) The tax on banks determined pursuant to subdivision (2) of subsection 2 of section  
6 148.030;

7           (3) The tax on banks determined in subdivision (1) of subsection 2 of section 148.030;

8           (4) The tax on other financial institutions in chapter 148;

9           (5) The corporation franchise tax in chapter 147;

10          (6) The state income tax in chapter 143; and

11          (7) The annual tax on gross receipts of express companies in chapter 153.

12          2. For proposals approved pursuant to section 32.110:

13          (1) The amount of the tax credit shall not exceed fifty percent of the total amount contributed  
14 during the taxable year by the business firm or, in the case of a financial institution, where  
15 applicable, during the relevant income period in programs approved pursuant to section 32.110;

16          (2) Except as provided in subsection 2 or 5 of this section, a tax credit of up to seventy  
17 percent may be allowed for contributions to programs where activities fall within the scope of  
18 special program priorities as defined with the approval of the governor in regulations promulgated  
19 by the director of the department of economic development;

20          (3) Except as provided in subsection 2 or 5 of this section, the tax credit allowed for  
21 contributions to programs located in any community shall be equal to seventy percent of the total  
22 amount contributed where such community is a city, town or village which has fifteen thousand or  
23 less inhabitants as of the last decennial census and is located in a county which is either located in:

24           (a) An area that is not part of a standard metropolitan statistical area;

25           (b) A standard metropolitan statistical area but such county has only one city, town or village  
26 which has more than fifteen thousand inhabitants; or

27           (c) A standard metropolitan statistical area and a substantial number of persons in such  
28 county derive their income from agriculture. Such community may also be in an unincorporated  
29 area in such county as provided in subdivision (1), (2) or (3) of this subsection. Except in no case  
30 shall the total economic benefit of the combined federal and state tax savings to the taxpayer exceed  
31 the amount contributed by the taxpayer during the tax year;

32          (4) Such tax credit allocation, equal to seventy percent of the total amount contributed, shall  
33 not exceed four million dollars in fiscal year 1999 and six million dollars in fiscal year 2000 and any  
34 subsequent fiscal year. When the maximum dollar limit on the seventy percent tax credit allocation  
35 is committed, the tax credit allocation for such programs shall then be equal to fifty percent credit of  
36 the total amount contributed. Regulations establishing special program priorities are to be  
37 promulgated during the first month of each fiscal year and at such times during the year as the public  
38 interest dictates. Such credit shall not exceed two hundred and fifty thousand dollars annually except  
39 as provided in subdivision (5) of this subsection. No tax credit shall be approved for any bank, bank  
40 and trust company, insurance company, trust company, national bank, savings association, or  
41 building and loan association for activities that are a part of its normal course of business. Any tax

1 credit not used in the period the contribution was made may be carried over the next five succeeding  
2 calendar or fiscal years until the full credit has been claimed. Except as otherwise provided for  
3 proposals approved pursuant to section 32.111, 32.112 or 32.117, in no event shall the total amount  
4 of all other tax credits allowed pursuant to sections 32.100 to 32.125 exceed thirty-two million  
5 dollars in any one fiscal year, of which six million shall be credits allowed pursuant to section  
6 135.460. If six million dollars in credits are not approved, then the remaining credits may be used  
7 for programs approved pursuant to sections 32.100 to 32.125. No new tax credits shall be authorized  
8 under the provisions of sections 32.110 and 135.460 after December 31, 2015;

9 (5) The credit may exceed two hundred fifty thousand dollars annually and shall not be  
10 limited if community services, crime prevention, education, job training, physical revitalization or  
11 economic development, as defined by section 32.105, is rendered in an area defined by federal or  
12 state law as an impoverished, economically distressed, or blighted area or as a neighborhood  
13 experiencing problems endangering its existence as a viable and stable neighborhood, or if the  
14 community services, crime prevention, education, job training, physical revitalization or economic  
15 development is limited to impoverished persons.

16 3. For proposals approved pursuant to section 32.111:

17 (1) The amount of the tax credit shall not exceed fifty-five percent of the total amount  
18 invested in affordable housing assistance activities or market rate housing in distressed communities  
19 as defined in section 135.530 by a business firm. Whenever such investment is made in the form of  
20 an equity investment or a loan, as opposed to a donation alone, tax credits may be claimed only  
21 where the loan or equity investment is accompanied by a donation which is eligible for federal  
22 income tax charitable deduction, and where the total value of the tax credits herein plus the value of  
23 the federal income tax charitable deduction is less than or equal to the value of the donation. Any tax  
24 credit not used in the period for which the credit was approved may be carried over the next ten  
25 succeeding calendar or fiscal years until the full credit has been allowed. If the affordable housing  
26 units or market rate housing units in distressed communities for which a tax is claimed are within a  
27 larger structure, parts of which are not the subject of a tax credit claim, then expenditures applicable  
28 to the entire structure shall be reduced on a prorated basis in proportion to the ratio of the number of  
29 square feet devoted to the affordable housing units or market rate housing units in distressed  
30 communities, for purposes of determining the amount of the tax credit. The total amount of tax  
31 credit granted for programs approved pursuant to section 32.111 for the fiscal year beginning July 1,  
32 1991, shall not exceed two million dollars, to be increased by no more than two million dollars each  
33 succeeding fiscal year, until the total tax credits that may be approved reaches ten million dollars in  
34 any fiscal year;

35 (2) For any year during the compliance period indicated in the land use restriction  
36 agreement, the owner of the affordable housing rental units for which a credit is being claimed shall  
37 certify to the commission that all tenants renting claimed units are income eligible for affordable  
38 housing units and that the rentals for each claimed unit are in compliance with the provisions of  
39 sections 32.100 to 32.125. The commission is authorized, in its discretion, to audit the records and  
40 accounts of the owner to verify such certification;

41 (3) In the case of owner-occupied affordable housing units, the qualifying owner occupant

1 shall, before the end of the first year in which credits are claimed, certify to the commission that the  
2 occupant is income eligible during the preceding two years, and at the time of the initial purchase  
3 contract, but not thereafter. The qualifying owner occupant shall further certify to the commission,  
4 before the end of the first year in which credits are claimed, that during the compliance period  
5 indicated in the land use restriction agreement, the cost of the affordable housing unit to the occupant  
6 for the claimed unit can reasonably be projected to be in compliance with the provisions of sections  
7 32.100 to 32.125. Any succeeding owner occupant acquiring the affordable housing unit during the  
8 compliance period indicated in the land use restriction agreement shall make the same certification;

9 (4) If at any time during the compliance period the commission determines a project for  
10 which a proposal has been approved is not in compliance with the applicable provisions of sections  
11 32.100 to 32.125 or rules promulgated therefor, the commission may within one hundred fifty days  
12 of notice to the owner either seek injunctive enforcement action against the owner, or seek legal  
13 damages against the owner representing the value of the tax credits, or foreclose on the lien in the  
14 land use restriction agreement, selling the project at a public sale, and paying to the owner the  
15 proceeds of the sale, less the costs of the sale and less the value of all tax credits allowed herein. The  
16 commission shall remit to the director of revenue the portion of the legal damages collected or the  
17 sale proceeds representing the value of the tax credits. However, except in the event of intentional  
18 fraud by the taxpayer, the proposal's certificate of eligibility for tax credits shall not be revoked.

19 4. For proposals approved pursuant to section 32.112, the amount of the tax credit shall not  
20 exceed fifty-five percent of the total amount contributed to a neighborhood organization by business  
21 firms. Any tax credit not used in the period for which the credit was approved may be carried over  
22 the next ten succeeding calendar or fiscal years until the full credit has been allowed. The total  
23 amount of tax credit granted for programs approved pursuant to section 32.112 shall not exceed one  
24 million dollars for each fiscal year.

25 5. The total amount of tax credits used for market rate housing in distressed communities  
26 pursuant to sections 32.100 to 32.125 shall not exceed thirty percent of the total amount of all tax  
27 credits authorized pursuant to sections 32.111 and 32.112.

28 99.845. 1. A municipality, either at the time a redevelopment project is approved or, in the  
29 event a municipality has undertaken acts establishing a redevelopment plan and redevelopment  
30 project and has designated a redevelopment area after the passage and approval of sections 99.800 to  
31 99.865 but prior to August 13, 1982, which acts are in conformance with the procedures of sections  
32 99.800 to 99.865, may adopt tax increment allocation financing by passing an ordinance providing  
33 that after the total equalized assessed valuation of the taxable real property in a redevelopment  
34 project exceeds the certified total initial equalized assessed valuation of the taxable real property in  
35 the redevelopment project, the ad valorem taxes, and payments in lieu of taxes, if any, arising from  
36 the levies upon taxable real property in such redevelopment project by taxing districts and tax rates  
37 determined in the manner provided in subsection 2 of section 99.855 each year after the effective  
38 date of the ordinance until redevelopment costs have been paid shall be divided as follows:

39 (1) That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or  
40 parcel of real property which is attributable to the initial equalized assessed value of each such  
41 taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project

1 shall be allocated to and, when collected, shall be paid by the county collector to the respective  
2 affected taxing districts in the manner required by law in the absence of the adoption of tax  
3 increment allocation financing;

4 (2) (a) Payments in lieu of taxes attributable to the increase in the current equalized assessed  
5 valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the  
6 redevelopment project and any applicable penalty and interest over and above the initial equalized  
7 assessed value of each such unit of property in the area selected for the redevelopment project shall  
8 be allocated to and, when collected, shall be paid to the municipal treasurer who shall deposit such  
9 payment in lieu of taxes into a special fund called the "Special Allocation Fund" of the municipality  
10 for the purpose of paying redevelopment costs and obligations incurred in the payment thereof.  
11 Beginning August 28, 2014, if the voters in a taxing district vote to approve an increase in such  
12 taxing district's levy rate for ad valorem tax on real property, any additional revenues generated  
13 within an existing redevelopment project area that are directly attributable to the newly  
14 voter-approved incremental increase in such taxing district's levy rate shall not be considered  
15 payments in lieu of taxes subject to deposit into a special allocation fund without the consent of such  
16 taxing district. Revenues will be considered directly attributable to the newly voter-approved  
17 incremental increase to the extent that they are generated from the difference between the taxing  
18 district's actual levy rate currently imposed and the maximum voter-approved levy rate at the time  
19 that the redevelopment project was adopted. Payments in lieu of taxes which are due and owing  
20 shall constitute a lien against the real estate of the redevelopment project from which they are  
21 derived and shall be collected in the same manner as the real property tax, including the assessment  
22 of penalties and interest where applicable. The municipality may, in the ordinance, pledge the funds  
23 in the special allocation fund for the payment of such costs and obligations and provide for the  
24 collection of payments in lieu of taxes, the lien of which may be foreclosed in the same manner as a  
25 special assessment lien as provided in section 88.861. No part of the current equalized assessed  
26 valuation of each lot, block, tract, or parcel of property in the area selected for the redevelopment  
27 project attributable to any increase above the total initial equalized assessed value of such properties  
28 shall be used in calculating the general state school aid formula provided for in section 163.031 until  
29 such time as all redevelopment costs have been paid as provided for in this section and section  
30 99.850.

31 (b) Notwithstanding any provisions of this section to the contrary, for purposes of  
32 determining the limitation on indebtedness of local government pursuant to Article VI, Section 26(b)  
33 of the Missouri Constitution, the current equalized assessed value of the property in an area selected  
34 for redevelopment attributable to the increase above the total initial equalized assessed valuation  
35 shall be included in the value of taxable tangible property as shown on the last completed assessment  
36 for state or county purposes.

37 (c) The county assessor shall include the current assessed value of all property within the  
38 taxing district in the aggregate valuation of assessed property entered upon the assessor's book and  
39 verified pursuant to section 137.245, and such value shall be utilized for the purpose of the debt  
40 limitation on local government pursuant to Article VI, Section 26(b) of the Missouri Constitution;

41 (3) For purposes of this section, "levies upon taxable real property in such redevelopment

1 project by taxing districts" shall not include the blind pension fund tax levied under the authority of  
2 Article III, Section 38(b) of the Missouri Constitution, or the merchants' and manufacturers'  
3 inventory replacement tax levied under the authority of subsection 2 of Section 6 of Article X of the  
4 Missouri Constitution, except in redevelopment project areas in which tax increment financing has  
5 been adopted by ordinance pursuant to a plan approved by vote of the governing body of the  
6 municipality taken after August 13, 1982, and before January 1, 1998.

7         2. In addition to the payments in lieu of taxes described in subdivision (2) of subsection 1 of  
8 this section, for redevelopment plans and projects adopted or redevelopment projects approved by  
9 ordinance after July 12, 1990, and prior to August 31, 1991, fifty percent of the total additional  
10 revenue from taxes, penalties and interest imposed by the municipality, or other taxing districts,  
11 which are generated by economic activities within the area of the redevelopment project over the  
12 amount of such taxes generated by economic activities within the area of the redevelopment project  
13 in the calendar year prior to the adoption of the redevelopment project by ordinance, while tax  
14 increment financing remains in effect, but excluding taxes imposed on sales or charges for sleeping  
15 rooms paid by transient guests of hotels and motels, taxes levied pursuant to section 70.500, licenses,  
16 fees or special assessments other than payments in lieu of taxes and any penalty and interest thereon,  
17 or, effective January 1, 1998, taxes levied pursuant to section 94.660, for the purpose of public  
18 transportation, shall be allocated to, and paid by the local political subdivision collecting officer to  
19 the treasurer or other designated financial officer of the municipality, who shall deposit such funds in  
20 a separate segregated account within the special allocation fund. Any provision of an agreement,  
21 contract or covenant entered into prior to July 12, 1990, between a municipality and any other  
22 political subdivision which provides for an appropriation of other municipal revenues to the special  
23 allocation fund shall be and remain enforceable.

24         3. In addition to the payments in lieu of taxes described in subdivision (2) of subsection 1 of  
25 this section, for redevelopment plans and projects adopted or redevelopment projects approved by  
26 ordinance after August 31, 1991, fifty percent of the total additional revenue from taxes, penalties  
27 and interest which are imposed by the municipality or other taxing districts, and which are generated  
28 by economic activities within the area of the redevelopment project over the amount of such taxes  
29 generated by economic activities within the area of the redevelopment project in the calendar year  
30 prior to the adoption of the redevelopment project by ordinance, while tax increment financing  
31 remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for  
32 sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to section 70.500,  
33 taxes levied for the purpose of public transportation pursuant to section 94.660, taxes imposed on  
34 sales pursuant to subsection 2 of section 67.1712 for the purpose of operating and maintaining a  
35 metropolitan park and recreation district, licenses, fees or special assessments other than payments in  
36 lieu of taxes and penalties and interest thereon, any sales tax imposed by a county with a charter  
37 form of government and with more than six hundred thousand but fewer than seven hundred  
38 thousand inhabitants, for the purpose of sports stadium improvement or levied by such county under  
39 section 238.410 for the purpose of the county transit authority operating transportation facilities, or  
40 for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after  
41 August 28, 2013, taxes imposed on sales under and pursuant to section 67.700 or 650.399 for the

1 purpose of emergency communication systems, shall be allocated to, and paid by the local political  
2 subdivision collecting officer to the treasurer or other designated financial officer of the  
3 municipality, who shall deposit such funds in a separate segregated account within the special  
4 allocation fund. Beginning August 28, 2014, if the voters in a taxing district vote to approve an  
5 increase in such taxing district's sales tax or use tax, other than the renewal of an expiring sales or  
6 use tax, any additional revenues generated within an existing redevelopment project area that are  
7 directly attributable to the newly voter-approved incremental increase in such taxing district's levy  
8 rate shall not be considered economic activity taxes subject to deposit into a special allocation fund  
9 without the consent of such taxing district.

10 4. Beginning January 1, 1998, for redevelopment plans and projects adopted or  
11 redevelopment projects approved by ordinance and which have complied with subsections 4 to 12 of  
12 this section, in addition to the payments in lieu of taxes and economic activity taxes described in  
13 subsections 1, 2 and 3 of this section, up to fifty percent of the new state revenues, as defined in  
14 subsection 8 of this section, estimated for the businesses within the project area and identified by the  
15 municipality in the application required by subsection 10 of this section, over and above the amount  
16 of such taxes reported by businesses within the project area as identified by the municipality in their  
17 application prior to the approval of the redevelopment project by ordinance, while tax increment  
18 financing remains in effect, may be available for appropriation by the general assembly as provided  
19 in subsection 10 of this section to the department of economic development supplemental tax  
20 increment financing fund, from the general revenue fund, for distribution to the treasurer or other  
21 designated financial officer of the municipality with approved plans or projects.

22 5. The treasurer or other designated financial officer of the municipality with approved plans  
23 or projects shall deposit such funds in a separate segregated account within the special allocation  
24 fund established pursuant to section 99.805.

25 6. No transfer from the general revenue fund to the Missouri supplemental tax increment  
26 financing fund shall be made unless an appropriation is made from the general revenue fund for that  
27 purpose. No municipality shall commit any state revenues prior to an appropriation being made for  
28 that project. For all redevelopment plans or projects adopted or approved after December 23, 1997,  
29 appropriations from the new state revenues shall not be distributed from the Missouri supplemental  
30 tax increment financing fund into the special allocation fund unless the municipality's redevelopment  
31 plan ensures that one hundred percent of payments in lieu of taxes and fifty percent of economic  
32 activity taxes generated by the project shall be used for eligible redevelopment project costs while  
33 tax increment financing remains in effect. This account shall be separate from the account into  
34 which payments in lieu of taxes are deposited, and separate from the account into which economic  
35 activity taxes are deposited.

36 7. In order for the redevelopment plan or project to be eligible to receive the revenue  
37 described in subsection 4 of this section, the municipality shall comply with the requirements of  
38 subsection 10 of this section prior to the time the project or plan is adopted or approved by  
39 ordinance. The director of the department of economic development and the commissioner of the  
40 office of administration may waive the requirement that the municipality's application be submitted  
41 prior to the redevelopment plan's or project's adoption or the redevelopment plan's or project's

1 approval by ordinance.

2 8. For purposes of this section, "new state revenues" means:

3 (1) The incremental increase in the general revenue portion of state sales tax revenues  
4 received pursuant to section 144.020, excluding sales taxes that are constitutionally dedicated, taxes  
5 deposited to the school district trust fund in accordance with section 144.701, sales and use taxes on  
6 motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by law. In no  
7 event shall the incremental increase include any amounts attributable to retail sales unless the  
8 municipality or authority has proven to the Missouri development finance board and the department  
9 of economic development and such entities have made a finding that the sales tax increment  
10 attributable to retail sales is from new sources which did not exist in the state during the baseline  
11 year. The incremental increase in the general revenue portion of state sales tax revenues for an  
12 existing or relocated facility shall be the amount that current state sales tax revenue exceeds the state  
13 sales tax revenue in the base year as stated in the redevelopment plan as provided in subsection 10 of  
14 this section; or

15 (2) The state income tax withheld on behalf of new employees by the employer pursuant to  
16 section 143.221 at the business located within the project as identified by the municipality. The state  
17 income tax withholding allowed by this section shall be the municipality's estimate of the amount of  
18 state income tax withheld by the employer within the redevelopment area for new employees who  
19 fill new jobs directly created by the tax increment financing project.

20 9. Subsection 4 of this section shall apply only to blighted areas located in enterprise zones,  
21 pursuant to sections 135.200 to 135.256, blighted areas located in federal empowerment zones, or to  
22 blighted areas located in central business districts or urban core areas of cities which districts or  
23 urban core areas at the time of approval of the project by ordinance, provided that the enterprise  
24 zones, federal empowerment zones or blighted areas contained one or more buildings at least fifty  
25 years old; and

26 (1) Suffered from generally declining population or property taxes over the twenty-year  
27 period immediately preceding the area's designation as a project area by ordinance; or

28 (2) Was a historic hotel located in a county of the first classification without a charter form  
29 of government with a population according to the most recent federal decennial census in excess of  
30 one hundred fifty thousand and containing a portion of a city with a population according to the most  
31 recent federal decennial census in excess of three hundred fifty thousand.

32 10. The initial appropriation of up to fifty percent of the new state revenues authorized  
33 pursuant to subsections 4 and 5 of this section shall not be made to or distributed by the department  
34 of economic development to a municipality until all of the following conditions have been satisfied:

35 (1) The director of the department of economic development or his or her designee and the  
36 commissioner of the office of administration or his or her designee have approved a tax increment  
37 financing application made by the municipality for the appropriation of the new state revenues. The  
38 municipality shall include in the application the following items in addition to the items in section  
39 99.810:

40 (a) The tax increment financing district or redevelopment area, including the businesses  
41 identified within the redevelopment area;



1 (b) The base year of state sales tax revenues or the base year of state income tax withheld on  
2 behalf of existing employees, reported by existing businesses within the project area prior to  
3 approval of the redevelopment project;

4 (c) The estimate of the incremental increase in the general revenue portion of state sales tax  
5 revenue or the estimate for the state income tax withheld by the employer on behalf of new  
6 employees expected to fill new jobs created within the redevelopment area after redevelopment;

7 (d) The official statement of any bond issue pursuant to this subsection after December 23,  
8 1997;

9 (e) An affidavit that is signed by the developer or developers attesting that the provisions of  
10 subdivision (1) of subsection 1 of section 99.810 have been met and specifying that the  
11 redevelopment area would not be reasonably anticipated to be developed without the appropriation  
12 of the new state revenues;

13 (f) The cost-benefit analysis required by section 99.810 includes a study of the fiscal impact  
14 on the state of Missouri; and

15 (g) The statement of election between the use of the incremental increase of the general  
16 revenue portion of the state sales tax revenues or the state income tax withheld by employers on  
17 behalf of new employees who fill new jobs created in the redevelopment area;

18 (h) The name, street and mailing address, and phone number of the mayor or chief executive  
19 officer of the municipality;

20 (i) The street address of the development site;

21 (j) The three-digit North American Industry Classification System number or numbers  
22 characterizing the development project;

23 (k) The estimated development project costs;

24 (l) The anticipated sources of funds to pay such development project costs;

25 (m) Evidence of the commitments to finance such development project costs;

26 (n) The anticipated type and term of the sources of funds to pay such development project  
27 costs;

28 (o) The anticipated type and terms of the obligations to be issued;

29 (p) The most recent equalized assessed valuation of the property within the development  
30 project area;

31 (q) An estimate as to the equalized assessed valuation after the development project area is  
32 developed in accordance with a development plan;

33 (r) The general land uses to apply in the development area;

34 (s) The total number of individuals employed in the development area, broken down by  
35 full-time, part-time, and temporary positions;

36 (t) The total number of full-time equivalent positions in the development area;

37 (u) The current gross wages, state income tax withholdings, and federal income tax  
38 withholdings for individuals employed in the development area;

39 (v) The total number of individuals employed in this state by the corporate parent of any  
40 business benefitting from public expenditures in the development area, and all subsidiaries thereof,  
41 as of December thirty-first of the prior fiscal year, broken down by full-time, part-time, and

1 temporary positions;

2 (w) The number of new jobs to be created by any business benefitting from public  
3 expenditures in the development area, broken down by full-time, part-time, and temporary positions;

4 (x) The average hourly wage to be paid to all current and new employees at the project site,  
5 broken down by full-time, part-time, and temporary positions;

6 (y) For project sites located in a metropolitan statistical area, as defined by the federal Office  
7 of Management and Budget, the average hourly wage paid to nonmanagerial employees in this state  
8 for the industries involved at the project, as established by the United States Bureau of Labor  
9 Statistics;

10 (z) For project sites located outside of metropolitan statistical areas, the average weekly  
11 wage paid to nonmanagerial employees in the county for industries involved at the project, as  
12 established by the United States Department of Commerce;

13 (aa) A list of other community and economic benefits to result from the project;

14 (bb) A list of all development subsidies that any business benefitting from public  
15 expenditures in the development area has previously received for the project, and the name of any  
16 other granting body from which such subsidies are sought;

17 (cc) A list of all other public investments made or to be made by this state or units of local  
18 government to support infrastructure or other needs generated by the project for which the funding  
19 pursuant to this section is being sought;

20 (dd) A statement as to whether the development project may reduce employment at any  
21 other site, within or without the state, resulting from automation, merger, acquisition, corporate  
22 restructuring, relocation, or other business activity;

23 (ee) A statement as to whether or not the project involves the relocation of work from  
24 another address and if so, the number of jobs to be relocated and the address from which they are to  
25 be relocated;

26 (ff) A list of competing businesses in the county containing the development area and in each  
27 contiguous county;

28 (gg) A market study for the development area;

29 (hh) A certification by the chief officer of the applicant as to the accuracy of the  
30 development plan;

31 (2) The methodologies used in the application for determining the base year and determining  
32 the estimate of the incremental increase in the general revenue portion of the state sales tax revenues  
33 or the state income tax withheld by employers on behalf of new employees who fill new jobs created  
34 in the redevelopment area shall be approved by the director of the department of economic  
35 development or his or her designee and the commissioner of the office of administration or his or her  
36 designee. Upon approval of the application, the director of the department of economic development  
37 or his or her designee and the commissioner of the office of administration or his or her designee  
38 shall issue a certificate of approval. The department of economic development may request the  
39 appropriation following application approval;

40 (3) The appropriation shall be either a portion of the estimate of the incremental increase in  
41 the general revenue portion of state sales tax revenues in the redevelopment area or a portion of the

1 estimate of the state income tax withheld by the employer on behalf of new employees who fill new  
2 jobs created in the redevelopment area as indicated in the municipality's application, approved by the  
3 director of the department of economic development or his or her designee and the commissioner of  
4 the office of administration or his or her designee. At no time shall the annual amount of the new  
5 state revenues approved for disbursements from the Missouri supplemental tax increment financing  
6 fund exceed thirty-two million dollars;

7 (4) Redevelopment plans and projects receiving new state revenues shall have a duration of  
8 up to fifteen years, unless prior approval for a longer term is given by the director of the department  
9 of economic development or his or her designee and the commissioner of the office of administration  
10 or his or her designee; except that, in no case shall the duration exceed twenty-three years.

11 11. In addition to the areas authorized in subsection 9 of this section, the funding authorized  
12 pursuant to subsection 4 of this section shall also be available in a federally approved levee district,  
13 where construction of a levee begins after December 23, 1997, and which is contained within a  
14 county of the first classification without a charter form of government with a population between  
15 fifty thousand and one hundred thousand inhabitants which contains all or part of a city with a  
16 population in excess of four hundred thousand or more inhabitants.

17 12. There is hereby established within the state treasury a special fund to be known as the  
18 "Missouri Supplemental Tax Increment Financing Fund", to be administered by the department of  
19 economic development. The department shall annually distribute from the Missouri supplemental  
20 tax increment financing fund the amount of the new state revenues as appropriated as provided in the  
21 provisions of subsections 4 and 5 of this section if and only if the conditions of subsection 10 of this  
22 section are met. The fund shall also consist of any gifts, contributions, grants or bequests received  
23 from federal, private or other sources. Moneys in the Missouri supplemental tax increment financing  
24 fund shall be disbursed per project pursuant to state appropriations.

25 13. Redevelopment project costs may include, at the prerogative of the state, the portion of  
26 salaries and expenses of the department of economic development and the department of revenue  
27 reasonably allocable to each redevelopment project approved for disbursements from the Missouri  
28 supplemental tax increment financing fund for the ongoing administrative functions associated with  
29 such redevelopment project. Such amounts shall be recovered from new state revenues deposited  
30 into the Missouri supplemental tax increment financing fund created under this section.

31 14. For redevelopment plans or projects approved by ordinance that result in net new jobs  
32 from the relocation of a national headquarters from another state to the area of the redevelopment  
33 project, the economic activity taxes and new state tax revenues shall not be based on a calculation of  
34 the incremental increase in taxes as compared to the base year or prior calendar year for such  
35 redevelopment project, rather the incremental increase shall be the amount of total taxes generated  
36 from the net new jobs brought in by the national headquarters from another state. In no event shall  
37 this subsection be construed to allow a redevelopment project to receive an appropriation in excess  
38 of up to fifty percent of the new state revenues.

39 15. Notwithstanding any other provision of law, the general assembly shall not appropriate  
40 any new state revenues to the department of economic development supplemental tax increment  
41 financing fund under the provisions of subsections 4 to 12 of this section for any plan or project not

1 approved by December 31, 2015.

2 100.286. 1. Within the discretion of the board, the development and reserve fund, the  
3 infrastructure development fund or the export finance fund may be pledged to secure the payment of  
4 any bonds or notes issued by the board, or to secure the payment of any loan made by the board or a  
5 participating lender which loan:

6 (1) Is requested to finance any project or export trade activity;

7 (2) Is requested by a borrower who is demonstrated to be financially responsible;

8 (3) Can reasonably be expected to provide a benefit to the economy of this state;

9 (4) Is otherwise secured by a mortgage or deed of trust on real or personal property or other  
10 security satisfactory to the board; provided that loans to finance export trade activities may be  
11 secured by export accounts receivable or inventories of exportable goods satisfactory to the board;

12 (5) Does not exceed five million dollars;

13 (6) Does not have a term longer than five years if such loan is made to finance export trade  
14 activities; and

15 (7) Is, when used to finance export trade activities, made to small or medium size businesses  
16 or agricultural businesses, as may be defined by the board.

17 2. The board shall prescribe standards for the evaluation of the financial condition, business  
18 history, and qualifications of each borrower and the terms and conditions of loans which may be  
19 secured, and may require each application to include a financial report and evaluation by an  
20 independent certified public accounting firm, in addition to such examination and evaluation as may  
21 be conducted by any participating lender.

22 3. Each application for a loan secured by the development and reserve fund, the  
23 infrastructure development fund or the export finance fund shall be reviewed in the first instance by  
24 any participating lender to whom the application was submitted. If satisfied that the standards  
25 prescribed by the board are met and that the loan is otherwise eligible to be secured by the  
26 development and reserve fund, the infrastructure development fund or the export finance fund, the  
27 participating lender shall certify the same and forward the application for final approval to the board.

28 4. The securing of any loans by the development and reserve fund, the infrastructure  
29 development fund or the export finance fund shall be conditioned upon approval of the application  
30 by the board, and receipt of an annual reserve participation fee, as prescribed by the board, submitted  
31 by or on behalf of the borrower.

32 5. The securing of any loan by the export finance fund for export trade activities shall be  
33 conditioned upon the board's compliance with any applicable treaties and international agreements,  
34 such as the general agreement on tariffs and trade and the subsidies code, to which the United States  
35 is then a party.

36 6. Any taxpayer, including any charitable organization that is exempt from federal income  
37 tax and whose Missouri unrelated business taxable income, if any, would be subject to the state  
38 income tax imposed under chapter 143, may, subject to the limitations provided under subsection 8  
39 of this section, receive a tax credit against any tax otherwise due under the provisions of chapter 143,  
40 excluding withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter 148, in  
41 the amount of fifty percent of any amount contributed in money or property by the taxpayer to the  
42 development and reserve fund, the infrastructure development fund or the export finance fund during  
43 the taxpayer's tax year, provided, however, the total tax credits awarded in any calendar year  
44 beginning after January 1, 1994, shall not be the greater of ten million dollars or five percent of the  
45 average growth in general revenue receipts in the preceding three fiscal years. This limit may be  
46 exceeded only upon joint agreement by the commissioner of administration, the director of the  
47 department of economic development, and the director of the department of revenue that such action  
48 is essential to ensure retention or attraction of investment in Missouri. If the board receives, as a

1 contribution, real property, the contributor at such contributor's own expense shall have two  
 2 independent appraisals conducted by appraisers certified by the Master Appraisal Institute. Both  
 3 appraisals shall be submitted to the board, and the tax credit certified by the board to the contributor  
 4 shall be based upon the value of the lower of the two appraisals. The board shall not certify the tax  
 5 credit until the property is deeded to the board. Such credit shall not apply to reserve participation  
 6 fees paid by borrowers under sections 100.250 to 100.297. The portion of earned tax credits which  
 7 exceeds the taxpayer's tax liability may be carried forward for up to five years.

8 7. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,  
 9 exchange, convey or otherwise transfer tax credits allowed in subsection 6 of this section under the  
 10 terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer,  
 11 hereinafter the assignor for the purpose of this subsection, may sell, assign, exchange or otherwise  
 12 transfer earned tax credits:

13 (1) For no less than seventy-five percent of the par value of such credits; and

14 (2) In an amount not to exceed one hundred percent of annual earned credits. The taxpayer  
 15 acquiring earned credits, hereinafter the assignee for the purpose of this subsection, may use the  
 16 acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed by  
 17 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261, chapter 147, or  
 18 chapter 148. Unused credits in the hands of the assignee may be carried forward for up to five years,  
 19 provided all such credits shall be claimed within ten years following the tax years in which the  
 20 contribution was made. The assignor shall enter into a written agreement with the assignee  
 21 establishing the terms and conditions of the agreement and shall perfect such transfer by notifying  
 22 the board in writing within thirty calendar days following the effective day of the transfer and shall  
 23 provide any information as may be required by the board to administer and carry out the provisions  
 24 of this section. Notwithstanding any other provision of law to the contrary, the amount received by  
 25 the assignor of such tax credit shall be taxable as income of the assignor, and the excess of the par  
 26 value of such credit over the amount paid by the assignee for such credit shall be taxable as income  
 27 of the assignee.

28 8. Provisions of subsections 1 to 7 of this section to the contrary notwithstanding, no more  
 29 than ten million dollars in tax credits provided under this section, may be authorized or approved  
 30 annually. The limitation on tax credit authorization and approval provided under this subsection may  
 31 be exceeded only upon mutual agreement, evidenced by a signed and properly notarized letter, by the  
 32 commissioner of the office of administration, the director of the department of economic  
 33 development, and the director of the department of revenue that such action is essential to ensure  
 34 retention or attraction of investment in Missouri provided, however, that in no case shall more than  
 35 twenty-five million dollars in tax credits be authorized or approved during such year. No new tax  
 36 credits shall be authorized under the provisions of this section after December 31, 2015. Taxpayers  
 37 shall file, with the board, an application for tax credits authorized under this section on a form  
 38 provided by the board. The provisions of this subsection shall not be construed to limit or in any  
 39 way impair the ability of the board to authorize tax credits for issuance for projects authorized or  
 40 approved, by a vote of the board, on or before the thirtieth day following the effective date of this  
 41 act, or a taxpayer's ability to redeem such tax credits.

42 100.297. 1. The board may authorize a tax credit, as described in this section, to the owner  
 43 of any revenue bonds or notes issued by the board pursuant to the provisions of sections 100.250 to  
 44 100.297, for infrastructure facilities as defined in subdivision (9) of section 100.255, if, prior to the  
 45 issuance of such bonds or notes, the board determines that:

46 (1) The availability of such tax credit is a material inducement to the undertaking of the

1 project in the state of Missouri and to the sale of the bonds or notes;

2 (2) The loan with respect to the project is adequately secured by a first deed of trust or  
3 mortgage or comparable lien, or other security satisfactory to the board.

4 2. Upon making the determinations specified in subsection 1 of this section, the board may  
5 declare that each owner of an issue of revenue bonds or notes shall be entitled, in lieu of any other  
6 deduction with respect to such bonds or notes, to a tax credit against any tax otherwise due by such  
7 owner pursuant to the provisions of chapter 143, excluding withholding tax imposed by sections  
8 143.191 to 143.261, chapter 147, or chapter 148, in the amount of one hundred percent of the unpaid  
9 principal of and unpaid interest on such bonds or notes held by such owner in the taxable year of  
10 such owner following the calendar year of the default of the loan by the borrower with respect to the  
11 project. The occurrence of a default shall be governed by documents authorizing the issuance of the  
12 bonds. The tax credit allowed pursuant to this section shall be available to the original owners of the  
13 bonds or notes or any subsequent owner or owners thereof. Once an owner is entitled to a claim, any  
14 such tax credits shall be transferable as provided in subsection 7 of section 100.286.

15 Notwithstanding any provision of Missouri law to the contrary, any portion of the tax credit to which  
16 any owner of a revenue bond or note is entitled pursuant to this section which exceeds the total  
17 income tax liability of such owner of a revenue bond or note shall be carried forward and allowed as  
18 a credit against any future taxes imposed on such owner within the next ten years pursuant to the  
19 provisions of chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261,  
20 chapter 147, or chapter 148. The eligibility of the owner of any revenue bond or note issued  
21 pursuant to the provisions of sections 100.250 to 100.297 for the tax credit provided by this section  
22 shall be expressly stated on the face of each such bond or note. The tax credit allowed pursuant to  
23 this section shall also be available to any financial institution or guarantor which executes any credit  
24 facility as security for bonds issued pursuant to this section to the same extent as if such financial  
25 institution or guarantor was an owner of the bonds or notes, provided however, in such case the tax  
26 credits provided by this section shall be available immediately following any default of the loan by  
27 the borrower with respect to the project. In addition to reimbursing the financial institution or  
28 guarantor for claims relating to unpaid principal and interest, such claim may include payment of  
29 any unpaid fees imposed by such financial institution or guarantor for use of the credit facility.

30 3. The aggregate principal amount of revenue bonds or notes outstanding at any time with  
31 respect to which the tax credit provided in this section shall be available shall not exceed fifty  
32 million dollars. No new tax credits shall be authorized under the provisions of this section after  
33 December 31, 2015.

34 100.850. 1. The approved company shall remit to the board a job development assessment  
35 fee, not to exceed five percent of the gross wages of each eligible employee whose job was created as  
36 a result of the economic development project, or not to exceed ten percent if the economic  
37 development project is located within a distressed community as defined in section 135.530, for the  
38 purpose of retiring bonds which fund the economic development project.

39 2. Any approved company remitting an assessment as provided in subsection 1 of this  
40 section shall make its payroll books and records available to the board at such reasonable times as the  
41 board shall request and shall file with the board documentation respecting the assessment as the  
42 board may require.

43 3. Any assessment remitted pursuant to subsection 1 of this section shall cease on the date  
44 the bonds are retired.

45 4. Any approved company which has paid an assessment for debt reduction shall be allowed

1 a tax credit equal to the amount of the assessment. The tax credit may be claimed against taxes  
2 otherwise imposed by chapters 143 and 148, except withholding taxes imposed under the provisions  
3 of sections 143.191 to 143.265, which were incurred during the tax period in which the assessment  
4 was made.

5 5. In no event shall the aggregate amount of tax credits authorized by subsection 4 of this  
6 section exceed twenty-five million dollars annually. Of such amount, nine hundred fifty thousand  
7 dollars shall be reserved for an approved project for a world headquarters of a business whose  
8 primary function is tax return preparation that is located in any home rule city with more than four  
9 hundred thousand inhabitants and located in more than one county, which amount reserved shall end  
10 in the year of the final maturity of the certificates issued for such approved project.

11 6. The director of revenue shall issue a refund to the approved company to the extent that the  
12 amount of credits allowed in subsection 4 of this section exceeds the amount of the approved  
13 company's income tax.

14 7. No new tax credits shall be authorized under the provisions of this section after December  
15 31, 2015.

16 135.020. 1. A credit for property taxes shall be allowed for the amount provided in section  
17 135.030. If the amount allowable as a credit exceeds the income tax reduced by other credits, then  
18 the excess shall be considered an overpayment of the income tax.

19 2. No new tax credits shall be authorized under the provisions of sections 135.010 to  
20 135.030 after December 31, 2015.

21 135.110. 1. Any taxpayer who shall establish a new business facility shall be allowed a  
22 credit, each year for ten years, in an amount determined pursuant to subsection 2 or 3 of this section,  
23 whichever is applicable, against the tax imposed by chapter 143, excluding withholding tax imposed  
24 by sections 143.191 to 143.265, or an insurance company which shall establish a new business  
25 facility by satisfying the requirements in subdivision (7) of section 135.100 shall be allowed a credit  
26 against the tax otherwise imposed by chapter 148, and in the case of an insurance company exempt  
27 from the thirty percent employee requirement of section 135.230, against any obligation imposed  
28 pursuant to section 375.916, except that no taxpayer shall be entitled to multiple ten-year periods for  
29 subsequent expansions at the same facility, except as otherwise provided in this section. For the  
30 purpose of this section, the term "facility" shall mean, and be limited to, the facility or facilities  
31 which are located on the same site in which the new business facility is located, and in which the  
32 business conducted at such facility or facilities is directly related to the business conducted at the  
33 new business facility. Notwithstanding the provisions of this subsection, a taxpayer may be entitled  
34 to an additional ten-year period if a new business facility is expanded in the eighth, ninth or tenth  
35 year of the current ten-year period or in subsequent years following the expiration of the ten-year  
36 period, if the number of new business facility employees attributed to such expansion is at least  
37 twenty-five and the amount of new business facility investment attributed to such expansion is at  
38 least one million dollars. Credits may not be carried forward but shall be claimed for the taxable  
39 year during which commencement of commercial operations occurs at such new business facility,  
40 and for each of the nine succeeding taxable years. A letter of intent, as provided for in section  
41 135.258, must be filed with the department of economic development no later than fifteen days prior

1 to the commencement of commercial operations at the new business facility. The initial application  
 2 for claiming tax credits must be made in the taxpayer's tax period immediately following the tax  
 3 period in which commencement of commercial operations began at the new business facility. This  
 4 provision shall have effect on all initial applications filed on or after August 28, 1992. No credit  
 5 shall be allowed pursuant to this section unless the number of new business facility employees  
 6 engaged or maintained in employment at the new business facility for the taxable year for which the  
 7 credit is claimed equals or exceeds two; except that the number of new business facility employees  
 8 engaged or maintained in employment by a revenue-producing enterprise other than a  
 9 revenue-producing enterprise defined in paragraphs (a) to (g) and (i) to (l) of subdivision [(11)] (12)  
 10 of section 135.100 which establishes an office as defined in subdivision [(8)] (9) of section 135.100  
 11 shall equal or exceed twenty-five.

12 2. For tax periods beginning after August 28, 1991, in the case of a taxpayer operating an  
 13 existing business facility, the credit allowed by subsection 1 of this section shall offset the greater of:

14 (1) Some portion of the income tax otherwise imposed by chapter 143, excluding  
 15 withholding tax imposed by sections 143.191 to 143.265, or in the case of an insurance company, the  
 16 tax on the direct premiums, as defined in chapter 148, and in the case of an insurance company  
 17 exempt from the thirty percent employee requirement of section 135.230, against any obligation  
 18 imposed pursuant to section 375.916 with respect to such taxpayer's new business facility income for  
 19 the taxable year for which such credit is allowed; or

20 (2) Up to fifty percent or, in the case of an economic development project located within a  
 21 distressed community as defined in section 135.530, seventy-five percent of the business income tax  
 22 otherwise imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to  
 23 143.265, or in the case of an insurance company, the tax on the direct premiums, as defined in  
 24 chapter 148, and in the case of an insurance company exempt from the thirty percent employee  
 25 requirement of section 135.230, against any obligation imposed pursuant to section 375.916 if the  
 26 business operates no other facilities in Missouri. In the case of an existing business facility operating  
 27 more than one facility in Missouri, the credit allowed in subsection 1 of this section shall offset up to  
 28 the greater of the portion prescribed in subdivision (1) of this subsection or twenty-five percent or, in  
 29 the case of an economic development project located within a distressed community as defined in  
 30 section 135.530, thirty-five percent of the business' tax, except that no taxpayer operating more than  
 31 one facility in Missouri shall be allowed to offset more than twenty-five percent or, in the case of an  
 32 economic development project located within a distressed community as defined in section 135.530,  
 33 thirty-five percent of the taxpayer's business income tax in any tax period under the method  
 34 prescribed in this subdivision. Such credit shall be an amount equal to the sum of one hundred  
 35 dollars or, in the case of an economic development project located within a distressed community as  
 36 defined in section 135.530, one hundred fifty dollars for each new business facility employee plus  
 37 one hundred dollars or, in the case of an economic development project located within a distressed  
 38 community as defined in section 135.530, one hundred fifty dollars for each one hundred thousand  
 39 dollars, or major fraction thereof (which shall be deemed to be fifty-one percent or more) in new  
 40 business facility investment. For the purpose of this section, tax credits earned by a taxpayer, who  
 41 establishes a new business facility because it satisfies the requirements of paragraph (c) of  
 42 subdivision [(4)] (5) of section 135.100, shall offset the greater of the portion prescribed in  
 43 subdivision (1) of this subsection or up to fifty percent or, in the case of an economic development  
 44 project located within a distressed community as defined in section 135.530, seventy-five percent of  
 45 the business' tax provided the business operates no other facilities in Missouri. In the case of a  
 46 business operating more than one facility in Missouri, the credit allowed in subsection 1 of this



1 section shall offset up to the greater of the portion prescribed in subdivision (1) of this subsection or  
2 twenty-five percent or, in the case of an economic development project located within a distressed  
3 community as defined in section 135.530, thirty-five percent of the business' tax, except that no  
4 taxpayer operating more than one facility in Missouri shall be allowed to offset more than  
5 twenty-five percent or, in the case of an economic development project located within a distressed  
6 community as defined in section 135.530, thirty-five percent of the taxpayer's business income tax in  
7 any tax period under the method prescribed in this subdivision.

8 3. For tax periods beginning after August 28, 1991, in the case of a taxpayer not operating an  
9 existing business facility, the credit allowed by subsection 1 of this section shall offset the greater of:

10 (1) Some portion of the income tax otherwise imposed by chapter 143, excluding  
11 withholding tax imposed by sections 143.191 to 143.265, or in the case of an insurance company, the  
12 tax on the direct premiums, as defined in chapter 148, and in the case of an insurance company  
13 exempt from the thirty percent employee requirement of section 135.230, against any obligation  
14 imposed pursuant to section 375.916 with respect to such taxpayer's new business facility income for  
15 the taxable year for which such credit is allowed; or

16 (2) Up to one hundred percent of the business income tax otherwise imposed by chapter 143,  
17 excluding withholding tax imposed by sections 143.191 to 143.265, or in the case of an insurance  
18 company, the tax on the direct premiums, as defined in chapter 148, and in the case of an insurance  
19 company exempt from the thirty percent employee requirement of section 135.230, against any  
20 obligation imposed pursuant to section 375.916 if the business has no other facilities operating in  
21 Missouri. In the case of a taxpayer not operating an existing business and operating more than one  
22 facility in Missouri, the credit allowed by subsection 1 of this section shall offset up to the greater of  
23 the portion prescribed in subdivision (1) of this subsection or twenty-five percent or, in the case of an  
24 economic development project located within a distressed community as defined in section 135.530,  
25 thirty-five percent of the business' tax, except that no taxpayer operating more than one facility in  
26 Missouri shall be allowed to offset more than twenty-five percent or, in the case of an economic  
27 development project located within a distressed community as defined in section 135.530, thirty-five  
28 percent of the taxpayer's business income tax in any tax period under the method prescribed in this  
29 subdivision. Such credit shall be an amount equal to the sum of seventy-five dollars or, in the case of  
30 an economic development project located within a distressed community as defined in section  
31 135.530, one hundred twenty-five dollars for each new business facility employee plus seventy-five  
32 dollars or, in the case of an economic development project located within a distressed community as  
33 defined in section 135.530, one hundred twenty-five dollars for each one hundred thousand dollars,  
34 or major fraction thereof (which shall be deemed to be fifty-one percent or more) in new business  
35 facility investment.

36 4. The number of new business facility employees during any taxable year shall be  
37 determined by dividing by twelve the sum of the number of individuals employed on the last  
38 business day of each month of such taxable year. If the new business facility is in operation for less  
39 than the entire taxable year, the number of new business facility employees shall be determined by  
40 dividing the sum of the number of individuals employed on the last business day of each full  
41 calendar month during the portion of such taxable year during which the new business facility was in  
42 operation by the number of full calendar months during such period. For the purpose of computing  
43 the credit allowed by this section in the case of a facility which qualifies as a new business facility  
44 because it qualifies as a separate facility pursuant to subsection 6 of this section, and, in the case of a  
45 new business facility which satisfies the requirements of paragraph (c) of subdivision [(4)] (5) of  
46 section 135.100, or subdivision [(10)] (11) of section 135.100, the number of new business facility  
47 employees at such facility shall be reduced by the average number of individuals employed,  
48 computed as provided in this subsection, at the facility during the taxable year immediately

1 preceding the taxable year in which such expansion, acquisition, or replacement occurred and shall  
2 further be reduced by the number of individuals employed by the taxpayer or related taxpayer that  
3 was subsequently transferred to the new business facility from another Missouri facility and for  
4 which credits authorized in this section are not being earned, whether such credits are earned because  
5 of an expansion, acquisition, relocation or the establishment of a new facility.

6 5. For the purpose of computing the credit allowed by this section in the case of a facility  
7 which qualifies as a new business facility because it qualifies as a separate facility pursuant to  
8 subsection 6 of this section, and, in the case of a new business facility which satisfies the  
9 requirements of paragraph (c) of subdivision [(4)] (5) of section 135.100 or subdivision [(10)] (11)  
10 of section 135.100, the amount of the taxpayer's new business facility investment in such facility  
11 shall be reduced by the average amount, computed as provided in subdivision [(7)] (8) of section  
12 135.100 for new business facility investment, of the investment of the taxpayer, or related taxpayer  
13 immediately preceding such expansion or replacement or at the time of acquisition. Furthermore,  
14 the amount of the taxpayer's new business facility investment shall also be reduced by the amount of  
15 investment employed by the taxpayer or related taxpayer which was subsequently transferred to the  
16 new business facility from another Missouri facility and for which credits authorized in this section  
17 are not being earned, whether such credits are earned because of an expansion, acquisition,  
18 relocation or the establishment of a new facility.

19 6. If a facility, which does not constitute a new business facility, is expanded by the taxpayer,  
20 the expansion shall be considered a separate facility eligible for the credit allowed by this section if:

21 (1) The taxpayer's new business facility investment in the expansion during the tax period in  
22 which the credits allowed in this section are claimed exceeds one hundred thousand dollars, or, if  
23 less, one hundred percent of the investment in the original facility prior to expansion and if the  
24 number of new business facility employees engaged or maintained in employment at the expansion  
25 facility for the taxable year for which credit is claimed equals or exceeds two, except that the number  
26 of new business facility employees engaged or maintained in employment at the expansion facility  
27 for the taxable year for which the credit is claimed equals or exceeds twenty-five if an office as  
28 defined in subdivision [(8)] (9) of section 135.100 is established by a revenue-producing enterprise  
29 other than a revenue-producing enterprise defined in paragraphs (a) to (g) and (i) to (l) of subdivision  
30 [(11)] (12) of section 135.100 and the total number of employees at the facility after the expansion is  
31 at least two greater than the total number of employees before the expansion, except that the total  
32 number of employees at the facility after the expansion is at least greater than the number of  
33 employees before the expansion by twenty-five, if an office as defined in subdivision [(8)] (9) of  
34 section 135.100 is established by a revenue-producing enterprise other than a revenue-producing  
35 enterprise defined in paragraphs (a) to (g) and (i) to (l) of subdivision [(11)] (12) of section 135.100;  
36 and

37 (2) The expansion otherwise constitutes a new business facility. The taxpayer's investment  
38 in the expansion and in the original facility prior to expansion shall be determined in the manner  
39 provided in subdivision [(7)] (8) of section 135.100.

40 7. No credit shall be allowed pursuant to this section to a public utility, as such term is  
41 defined in section 386.020. Notwithstanding any provision of this subsection to the contrary, motor  
42 carriers, barge lines or railroads engaged in transporting property for hire, or any interexchange  
43 telecommunications company or local exchange telecommunications company that establishes a new  
44 business facility shall be eligible to qualify for credits allowed in this section.

45 8. For the purposes of the credit described in this section, in the case of a corporation  
46 described in section 143.471 or partnership, in computing Missouri's tax liability, this credit shall be  
47 allowed to the following:

48 (1) The shareholders of the corporation described in section 143.471;

1 (2) The partners of the partnership. This credit shall be apportioned to the entities described  
2 in subdivisions (1) and (2) of this subsection in proportion to their share of ownership on the last day  
3 of the taxpayer's tax period.

4 9. Notwithstanding any provision of law to the contrary, any employee-owned engineering  
5 firm classified as SIC 8711, architectural firm as classified SIC 8712, or accounting firm classified  
6 SIC 8721 establishing a new business facility because it qualifies as a headquarters as defined in  
7 subsection 10 of this section, shall be allowed the credits described in subsection 11 of this section  
8 under the same terms and conditions prescribed in sections 135.100 to 135.150; provided:

9 (1) Such facility maintains an average of at least five hundred new business facility  
10 employees as defined in subdivision [(5)] (6) of section 135.100 during the taxpayer's tax period in  
11 which such credits are being claimed; and

12 (2) Such facility maintains an average of at least twenty million dollars in new business  
13 facility investment as defined in subdivision [(7)] (8) of section 135.100 during the taxpayer's tax  
14 period in which such credits are being claimed.

15 10. For the purpose of the credits allowed in subsection 9 of this section:

16 (1) "Employee-owned" means the business employees own directly or indirectly, including  
17 through an employee stock ownership plan or trust at least:

18 (a) Seventy-five percent of the total business stock, if the taxpayer is a corporation described  
19 in section 143.441; or

20 (b) One hundred percent of the interest in the business if the taxpayer is a corporation  
21 described in section 143.471, a partnership, or a limited liability company; and

22 (2) "Headquarters" means:

23 (a) The administrative management of at least three integrated facilities operated by the  
24 taxpayer or related taxpayer; and

25 (b) The taxpayer's business has been headquartered in this state for more than fifty years.

26 11. The tax credits allowed in subsection 9 of this section shall be the greater of:

27 (1) Four hundred dollars for each new business facility employee as computed in subsection  
28 4 of this section and four percent of new business facility investment as computed in subsection 5 of  
29 this section; or

30 (2) Five hundred dollars for each new business facility employee as computed in subsection  
31 4 of this section, and five hundred dollars of each one hundred thousand dollars of new business  
32 facility investment as computed in subsection 5 of this section.

33 12. For the purpose of the credit described in subsection 9 of this section, in the case of a  
34 small corporation described in section 143.471, or a partnership, or a limited liability company, the  
35 credits allowed in subsection 9 of this section shall be apportioned in proportion to the share of  
36 ownership of each shareholder, partner or stockholder on the last day of the taxpayer's tax period for  
37 which such credits are being claimed.

38 13. For the purpose of the credit described in subsection 9 of this section, tax credits earned,  
39 to the extent such credits exceed the taxpayer's Missouri tax on taxable business income, shall  
40 constitute an overpayment of taxes and in such case, be refunded to the taxpayer provided such  
41 refunds are used by the taxpayer to purchase specified facility items. For the purpose of the refund  
42 as authorized in this subsection, "specified facility items" means equipment, computers, computer  
43 software, copiers, tenant finishing, furniture and fixtures installed and in use at the new business  
44 facility during the taxpayer's taxable year. The taxpayer shall perfect such refund by attesting in  
45 writing to the director, subject to the penalties of perjury, the requirements prescribed in this  
46 subsection have been met and submitting any other information the director may require.

47 14. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,  
48 exchange, convey or otherwise transfer tax credits allowed in subsection 9 of this section under the

1 terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer,  
2 referred to as the assignor for the purpose of this subsection, may sell, assign, exchange or otherwise  
3 transfer earned tax credits:

4 (1) For no less than seventy-five percent of the par value of such credits; and

5 (2) In an amount not to exceed one hundred percent of such earned credits. The taxpayer  
6 acquiring the earned credits referred to as the assignee for the purpose of this subsection may use the  
7 acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed by  
8 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261, or chapter 148, or  
9 in the case of an insurance company exempt from the thirty percent employee requirement of section  
10 135.230, against any obligation imposed pursuant to section 375.916. Unused credits in the hands of  
11 the assignee may be carried forward for up to five tax periods, provided all such credits shall be  
12 claimed within ten tax periods following the tax period in which commencement of commercial  
13 operations occurred at the new business facility. The assignor shall enter into a written agreement  
14 with the assignee establishing the terms and conditions of the agreement and shall perfect such  
15 transfer by notifying the director in writing within thirty calendar days following the effective date  
16 of the transfer and shall provide any information as may be required by the director to administer and  
17 carry out the provisions of this subsection. Notwithstanding any other provision of law to the  
18 contrary, the amount received by the assignor of such tax credit shall be taxable as income of the  
19 assignor, and the difference between the amount paid by the assignee and the par value of the credits  
20 shall be taxable as income of the assignee.

21 15. No new tax credits shall be authorized under the provisions of this section after  
22 December 31, 2015.

23 135.352. 1. A taxpayer owning an interest in a qualified Missouri project shall, subject to  
24 the limitations provided under the provisions of [subsection] subsections 3 and 4 of this section, be  
25 allowed a state tax credit, whether or not allowed a federal tax credit, to be termed the Missouri  
26 low-income housing tax credit, if the commission issues an eligibility statement for that project.

27 2. For qualified Missouri projects placed in service after January 1, 1997, the Missouri  
28 low-income housing tax credit available to a project shall be such amount as the commission shall  
29 determine is necessary to ensure the feasibility of the project, up to an amount equal to the federal  
30 low-income housing tax credit for a qualified Missouri project, for a federal tax period, and such  
31 amount shall be subtracted from the amount of state tax otherwise due for the same tax period.

32 3. No more than six million dollars in tax credits shall be authorized each fiscal year for  
33 projects financed through tax-exempt bond issuance.

34 4. The Missouri low-income housing tax credit shall be taken against the taxes and in the  
35 order specified pursuant to section 32.115. The credit authorized by this section shall not be  
36 refundable. Any amount of credit that exceeds the tax due for a taxpayer's taxable year may be  
37 carried back to any of the taxpayer's three prior taxable years or carried forward to any of the  
38 taxpayer's five subsequent taxable years.

39 [5.] 6. All or any portion of Missouri tax credits issued in accordance with the provisions of  
40 sections 135.350 to 135.362 may be allocated to parties who are eligible pursuant to the provisions  
41 of subsection 1 of this section. Beginning January 1, 1995, for qualified projects which began on or  
42 after January 1, 1994, an owner of a qualified Missouri project shall certify to the director the  
43 amount of credit allocated to each taxpayer. The owner of the project shall provide to the director  
44 appropriate information so that the low-income housing tax credit can be properly allocated.

1 [6.] 7. In the event that recapture of Missouri low-income housing tax credits is required  
2 pursuant to subsection 2 of section 135.355, any statement submitted to the director as provided in  
3 this section shall include the proportion of the state credit required to be recaptured, the identity of  
4 each taxpayer subject to the recapture and the amount of credit previously allocated to such taxpayer.

5 [7.] 8. The director of the department may promulgate rules and regulations necessary to  
6 administer the provisions of this section. No rule or portion of a rule promulgated pursuant to the  
7 authority of this section shall become effective unless it has been promulgated pursuant to the  
8 provisions of section 536.024.

9 9. No new tax credits shall be authorized under the provisions of sections 135.350 to  
10 135.362 after December 31, 2015.

11 135.484. 1. Beginning January 1, 2000, tax credits shall be allowed pursuant to section  
12 135.481 in an amount not to exceed sixteen million dollars per year. Of this total amount of tax  
13 credits in any given year, eight million dollars shall be set aside for projects in areas described in  
14 subdivision (6) of section 135.478 and eight million dollars for projects in areas described in  
15 subdivision (10) of section 135.478. The maximum tax credit for a project consisting of  
16 multiple-unit qualifying residences in a distressed community shall not exceed three million dollars.  
17 No new tax credits shall be authorized under the provisions of sections 135.475 to 135.487 after  
18 December 31, 2015.

19 2. Any amount of credit which exceeds the tax liability of a taxpayer for the tax year in  
20 which the credit is first claimed may be carried back to any of the taxpayer's three prior tax years and  
21 carried forward to any of the taxpayer's five subsequent tax years. A certificate of tax credit issued  
22 to a taxpayer by the department may be assigned, transferred, sold or otherwise conveyed.  
23 Whenever a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a notarized  
24 endorsement shall be filed with the department specifying the name and address of the new owner of  
25 the tax credit and the value of the credit.

26 3. The tax credits allowed pursuant to sections 135.475 to 135.487 may not be claimed in  
27 addition to any other state tax credits, with the exception of the historic structures rehabilitation tax  
28 credit authorized pursuant to sections 253.545 to 253.559, which insofar as sections 135.475 to  
29 135.487 are concerned may be claimed only in conjunction with the tax credit allowed pursuant to  
30 subsection 4 of section 135.481. In order for a taxpayer eligible for the historic structures  
31 rehabilitation tax credit to claim the tax credit allowed pursuant to subsection 4 of section 135.481,  
32 the taxpayer must comply with the requirements of sections 253.545 to 253.559, and in such cases,  
33 the amount of the tax credit pursuant to subsection 4 of section 135.481 shall be limited to the lesser  
34 of twenty percent of the taxpayer's eligible costs or forty thousand dollars.

35 135.535. 1. A corporation, limited liability corporation, partnership or sole proprietorship,  
36 which moves its operations from outside Missouri or outside a distressed community into a  
37 distressed community, or which commences operations in a distressed community on or after  
38 January 1, 1999, and in either case has more than seventy-five percent of its employees at the facility  
39 in the distressed community, and which has fewer than one hundred employees for whom payroll  
40 taxes are paid, and which is a manufacturing, biomedical, medical devices, scientific research,  
41 animal research, computer software design or development, computer programming, including  
42 internet, web hosting, and other information technology, wireless or wired or other

1 telecommunications or a professional firm shall receive a forty percent credit against income taxes  
2 owed pursuant to chapter 143, 147 or 148, other than taxes withheld pursuant to sections 143.191 to  
3 143.265, for each of the three years after such move, if approved by the department of economic  
4 development, which shall issue a certificate of eligibility if the department determines that the  
5 taxpayer is eligible for such credit. The maximum amount of credits per taxpayer set forth in this  
6 subsection shall not exceed one hundred twenty-five thousand dollars for each of the three years for  
7 which the credit is claimed. The department of economic development, by means of rule or  
8 regulation promulgated pursuant to the provisions of chapter 536, shall assign appropriate North  
9 American Industry Classification System numbers to the companies which are eligible for the tax  
10 credits provided for in this section. Such three-year credits shall be awarded only one time to any  
11 company which moves its operations from outside of Missouri or outside of a distressed community  
12 into a distressed community or to a company which commences operations within a distressed  
13 community. A taxpayer shall file an application for certification of the tax credits for the first year in  
14 which credits are claimed and for each of the two succeeding taxable years for which credits are  
15 claimed.

16 2. Employees of such facilities physically working and earning wages for that work within a  
17 distressed community whose employers have been approved for tax credits pursuant to subsection 1  
18 of this section by the department of economic development for whom payroll taxes are paid shall  
19 also be eligible to receive a tax credit against individual income tax, imposed pursuant to chapter  
20 143, equal to one and one-half percent of their gross salary paid at such facility earned for each of the  
21 three years that the facility receives the tax credit provided by this section, so long as they were  
22 qualified employees of such entity. The employer shall calculate the amount of such credit and shall  
23 report the amount to the employee and the department of revenue.

24 3. A tax credit against income taxes owed pursuant to chapter 143, 147 or 148, other than the  
25 taxes withheld pursuant to sections 143.191 to 143.265, in lieu of the credit against income taxes as  
26 provided in subsection 1 of this section, may be taken by such an entity in a distressed community in  
27 an amount of forty percent of the amount of funds expended for computer equipment and its  
28 maintenance, medical laboratories and equipment, research laboratory equipment, manufacturing  
29 equipment, fiber optic equipment, high speed telecommunications, wiring or software development  
30 expense up to a maximum of seventy-five thousand dollars in tax credits for such equipment or  
31 expense per year per entity and for each of three years after commencement in or moving operations  
32 into a distressed community.

33 4. A corporation, partnership or sole partnership, which has no more than one hundred  
34 employees for whom payroll taxes are paid, which is already located in a distressed community and  
35 which expends funds for such equipment pursuant to subsection 3 of this section in an amount  
36 exceeding its average of the prior two years for such equipment, shall be eligible to receive a tax  
37 credit against income taxes owed pursuant to chapters 143, 147 and 148 in an amount equal to the  
38 lesser of seventy-five thousand dollars or twenty-five percent of the funds expended for such  
39 additional equipment per such entity. Tax credits allowed pursuant to this subsection or subsection 1  
40 of this section may be carried back to any of the three prior tax years and carried forward to any of  
41 the next five tax years.

42 5. An existing corporation, partnership or sole proprietorship that is located within a  
43 distressed community and that relocates employees from another facility outside of the distressed  
44 community to its facility within the distressed community, and an existing business located within a  
45 distressed community that hires new employees for that facility may both be eligible for the tax

1 credits allowed by subsections 1 and 3 of this section. To be eligible for such tax credits, such a  
2 business, during one of its tax years, shall employ within a distressed community at least twice as  
3 many employees as were employed at the beginning of that tax year. A business hiring employees  
4 shall have no more than one hundred employees before the addition of the new employees. This  
5 subsection shall only apply to a business which is a manufacturing, biomedical, medical devices,  
6 scientific research, animal research, computer software design or development, computer  
7 programming or telecommunications business, or a professional firm.

8 6. Tax credits shall be approved for applicants meeting the requirements of this section in the  
9 order that such applications are received. Certificates of tax credits issued in accordance with this  
10 section may be transferred, sold or assigned by notarized endorsement which names the transferee.

11 7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section shall be for  
12 an amount of no more than ten million dollars for each year beginning in 1999. The total maximum  
13 credit for all entities already located in distressed communities and claiming credits pursuant to  
14 subsection 4 of this section shall be seven hundred and fifty thousand dollars. The department of  
15 economic development in approving taxpayers for the credit as provided for in subsection 6 of this  
16 section shall use information provided by the department of revenue regarding taxes paid in the  
17 previous year, or projected taxes for those entities newly established in the state, as the method of  
18 determining when this maximum will be reached and shall maintain a record of the order of  
19 approval. Any tax credit not used in the period for which the credit was approved may be carried  
20 over until the full credit has been allowed. No new tax credits shall be authorized under the  
21 provisions of this section after December 31, 2015.

22 8. A Missouri employer relocating into a distressed community and having employees  
23 covered by a collective bargaining agreement at the facility from which it is relocating shall not be  
24 eligible for the credits in subsection 1, 3, 4 or 5 of this section, and its employees shall not be eligible  
25 for the credit in subsection 2 of this section if the relocation violates or terminates a collective  
26 bargaining agreement covering employees at the facility, unless the affected collective bargaining  
27 unit concurs with the move.

28 9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax  
29 credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the tax  
30 credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and  
31 135.245, respectively, for the same business for the same tax period.

32 135.750. 1. As used in this section, the following terms mean:

33 (1) "Highly compensated individual", any individual who receives compensation in excess of  
34 one million dollars in connection with a single qualified film production project;

35 (2) "Qualified film production project", any film, video, commercial, or television  
36 production, as approved by the department of economic development and the office of the Missouri  
37 film commission, that is under thirty minutes in length with an expected in-state expenditure budget  
38 in excess of fifty thousand dollars, or that is over thirty minutes in length with an expected in-state  
39 expenditure budget in excess of one hundred thousand dollars. Regardless of the production costs,  
40 "qualified film production project" shall not include any:

41 (a) News or current events programming;

42 (b) Talk show;

43 (c) Production produced primarily for industrial, corporate, or institutional purposes, and for  
44 internal use;

45 (d) Sports event or sports program;

1 (e) Gala presentation or awards show;

2 (f) Infomercial or any production that directly solicits funds;

3 (g) Political ad;

4 (h) Production that is considered obscene, as defined in section 573.010;

5 (3) "Qualifying expenses", the sum of the total amount spent in this state for the following  
6 by a production company in connection with a qualified film production project:

7 (a) Goods and services leased or purchased by the production company. For goods with a  
8 purchase price of twenty-five thousand dollars or more, the amount included in qualifying expenses  
9 shall be the purchase price less the fair market value of the goods at the time the production is  
10 completed;

11 (b) Compensation and wages paid by the production company on which the production  
12 company remitted withholding payments to the department of revenue under chapter 143. For  
13 purposes of this section, compensation and wages shall not include any amounts paid to a highly  
14 compensated individual;

15 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding  
16 withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 148;

17 (5) "Taxpayer", any individual, partnership, or corporation as described in section 143.441,  
18 143.471, or section 148.370 that is subject to the tax imposed in chapter 143, excluding withholding  
19 tax imposed by sections 143.191 to 143.265, or the tax imposed in chapter 148 or any charitable  
20 organization which is exempt from federal income tax and whose Missouri unrelated business  
21 taxable income, if any, would be subject to the state income tax imposed under chapter 143.

22 2. For all taxable years beginning on or after January 1, 1999, but ending on or before  
23 December 31, 2007, a taxpayer shall be granted a tax credit for up to fifty percent of the amount of  
24 investment in production or production-related activities in any film production project with an  
25 expected in-state expenditure budget in excess of three hundred thousand dollars. For all taxable  
26 years beginning on or after January 1, 2008, a taxpayer shall be allowed a tax credit for up to  
27 thirty-five percent of the amount of qualifying expenses in a qualified film production project. Each  
28 film production company shall be limited to one qualified film production project per year.  
29 Activities qualifying a taxpayer for the tax credit pursuant to this subsection shall be approved by the  
30 office of the Missouri film commission and the department of economic development.

31 3. Taxpayers shall apply for the film production tax credit by submitting an application to the  
32 department of economic development, on a form provided by the department. As part of the  
33 application, the expected in-state expenditures of the qualified film production project shall be  
34 documented. In addition, the application shall include an economic impact statement, showing the  
35 economic impact from the activities of the film production project. Such economic impact statement  
36 shall indicate the impact on the region of the state in which the film production or production-related  
37 activities are located and on the state as a whole.

38 4. For all taxable years ending on or before December 31, 2007, tax credits certified pursuant  
39 to subsection 2 of this section shall not exceed one million dollars per taxpayer per year, and shall  
40 not exceed a total for all tax credits certified of one million five hundred thousand dollars per year.  
41 For all taxable years beginning on or after January 1, 2008, tax credits certified under subsection 1 of



1 this section shall not exceed a total for all tax credits certified of four million five hundred thousand  
2 dollars per year. Taxpayers may carry forward unused credits for up to five tax periods, provided all  
3 such credits shall be claimed within ten tax periods following the tax period in which the film  
4 production or production-related activities for which the credits are certified by the department  
5 occurred.

6 5. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,  
7 exchange, convey or otherwise transfer tax credits allowed in subsection 2 of this section. The  
8 taxpayer acquiring the tax credits may use the acquired credits to offset the tax liabilities otherwise  
9 imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or  
10 chapter 148. Unused acquired credits may be carried forward for up to five tax periods, provided all  
11 such credits shall be claimed within ten tax periods following the tax period in which the film  
12 production or production-related activities for which the credits are certified by the department  
13 occurred.

14 6. [Under section 23.253 of the Missouri sunset act:

15 (1) The provisions of the new program authorized under this section shall automatically  
16 sunset six years after November 28, 2007, unless reauthorized by an act of the general assembly; and

17 (2) If such program is reauthorized, the program authorized under this section shall  
18 automatically sunset twelve years after the effective date of the reauthorization of this section; and

19 (3) This section shall terminate on September first of the calendar year immediately  
20 following the calendar year in which the program authorized under this section is sunset.] No new  
21 tax credits shall be authorized under the provisions of this section after December 31, 2015.

22 135.967. 1. A taxpayer who establishes a new business facility may, upon approval by the  
23 department, be allowed a credit, each tax year for up to ten tax years, in an amount determined as set  
24 forth in this section, against the tax imposed by chapter 143, excluding withholding tax imposed by  
25 sections 143.191 to 143.265. No taxpayer shall receive multiple ten-year periods for subsequent  
26 expansions at the same facility.

27 2. Notwithstanding any provision of law to the contrary, any taxpayer who establishes a new  
28 business facility in an enhanced enterprise zone and is awarded state tax credits under this section  
29 may not also receive tax credits under sections 135.100 to 135.150, sections 135.200 to 135.286, or  
30 section 135.535, and may not simultaneously receive tax credits under sections 620.1875 to  
31 620.1890 at the same facility.

32 3. No credit shall be issued pursuant to this section unless:

33 (1) The number of new business facility employees engaged or maintained in employment at  
34 the new business facility for the taxable year for which the credit is claimed equals or exceeds two;  
35 and

36 (2) The new business facility investment for the taxable year for which the credit is claimed  
37 equals or exceeds one hundred thousand dollars.

38 4. The annual amount of credits allowed for an approved enhanced business enterprise shall  
39 be the lesser of:

40 (1) The annual amount authorized by the department for the enhanced business enterprise,  
41 which shall be limited to the projected state economic benefit, as determined by the department; or

42 (2) The sum calculated based upon the following:

43 (a) A credit of four hundred dollars for each new business facility employee employed  
44 within an enhanced enterprise zone;

1 (b) An additional credit of four hundred dollars for each new business facility employee who  
2 is a resident of an enhanced enterprise zone;

3 (c) An additional credit of four hundred dollars for each new business facility employee who  
4 is paid by the enhanced business enterprise a wage that exceeds the average wage paid within the  
5 county in which the facility is located, as determined by the department; and

6 (d) A credit equal to two percent of new business facility investment within an enhanced  
7 enterprise zone.

8 5. Prior to January 1, 2007, in no event shall the department authorize more than four million  
9 dollars annually to be issued for all enhanced business enterprises. After December 31, 2006, in no  
10 event shall the department authorize more than twenty-four million dollars annually to be issued for  
11 all enhanced business enterprises. No new tax credits shall be authorized under the provisions of this  
12 section after December 31, 2015.

13 6. If a facility, which does not constitute a new business facility, is expanded by the taxpayer,  
14 the expansion shall be considered eligible for the credit allowed by this section if:

15 (1) The taxpayer's new business facility investment in the expansion during the tax period in  
16 which the credits allowed in this section are claimed exceeds one hundred thousand dollars and if the  
17 number of new business facility employees engaged or maintained in employment at the expansion  
18 facility for the taxable year for which credit is claimed equals or exceeds two, and the total number  
19 of employees at the facility after the expansion is at least two greater than the total number of  
20 employees before the expansion; and

21 (2) The taxpayer's investment in the expansion and in the original facility prior to expansion  
22 shall be determined in the manner provided in subdivision (19) of section 135.950.

23 7. The number of new business facility employees during any taxable year shall be  
24 determined by dividing by twelve the sum of the number of individuals employed on the last  
25 business day of each month of such taxable year. If the new business facility is in operation for less  
26 than the entire taxable year, the number of new business facility employees shall be determined by  
27 dividing the sum of the number of individuals employed on the last business day of each full  
28 calendar month during the portion of such taxable year during which the new business facility was in  
29 operation by the number of full calendar months during such period. For the purpose of computing  
30 the credit allowed by this section in the case of a facility which qualifies as a new business facility  
31 under subsection 6 of this section, and in the case of a new business facility which satisfies the  
32 requirements of paragraph (c) of subdivision (17) of section 135.950, or subdivision [(25)] (27) of  
33 section 135.950, the number of new business facility employees at such facility shall be reduced by  
34 the average number of individuals employed, computed as provided in this subsection, at the facility  
35 during the taxable year immediately preceding the taxable year in which such expansion, acquisition,  
36 or replacement occurred and shall further be reduced by the number of individuals employed by the  
37 taxpayer or related taxpayer that was subsequently transferred to the new business facility from  
38 another Missouri facility and for which credits authorized in this section are not being earned,  
39 whether such credits are earned because of an expansion, acquisition, relocation, or the establishment  
40 of a new facility.

41 8. In the case where a new business facility employee who is a resident of an enhanced  
42 enterprise zone for less than a twelve-month period is employed for less than a twelve-month period,  
43 the credits allowed by paragraph (b) of subdivision (2) of subsection 4 of this section shall be  
44 determined by multiplying four hundred dollars by a fraction, the numerator of which is the number  
45 of calendar days during the taxpayer's tax year for which such credits are claimed, in which the  
46 employee was a resident of an enhanced enterprise zone, and the denominator of which is three  
47 hundred sixty-five.

48 9. For the purpose of computing the credit allowed by this section in the case of a facility

1 which qualifies as a new business facility pursuant to subsection 6 of this section, and in the case of a  
 2 new business facility which satisfies the requirements of paragraph (c) of subdivision (17) of section  
 3 135.950 or subdivision [(25)] (27) of section 135.950, the amount of the taxpayer's new business  
 4 facility investment in such facility shall be reduced by the average amount, computed as provided in  
 5 subdivision (19) of section 135.950 for new business facility investment, of the investment of the  
 6 taxpayer, or related taxpayer immediately preceding such expansion or replacement or at the time of  
 7 acquisition. Furthermore, the amount of the taxpayer's new business facility investment shall also be  
 8 reduced by the amount of investment employed by the taxpayer or related taxpayer which was  
 9 subsequently transferred to the new business facility from another Missouri facility and for which  
 10 credits authorized in this section are not being earned, whether such credits are earned because of an  
 11 expansion, acquisition, relocation, or the establishment of a new facility.

12 10. For a taxpayer with flow-through tax treatment to its members, partners, or shareholders,  
 13 the credit shall be allowed to members, partners, or shareholders in proportion to their share of  
 14 ownership on the last day of the taxpayer's tax period.

15 11. Credits may not be carried forward but shall be claimed for the taxable year during  
 16 which commencement of commercial operations occurs at such new business facility, and for each of  
 17 the nine succeeding taxable years for which the credit is issued

18 12. Certificates of tax credit authorized by this section may be transferred, sold, or assigned  
 19 by filing a notarized endorsement thereof with the department that names the transferee, the amount  
 20 of tax credit transferred, and the value received for the credit, as well as any other information  
 21 reasonably requested by the department. The sale price cannot be less than seventy-five percent of  
 22 the par value of such credits.

23 13. The director of revenue shall issue a refund to the taxpayer to the extent that the amount  
 24 of credits allowed in this section exceeds the amount of the taxpayer's income tax.

25 14. Prior to the issuance of tax credits, the department shall verify through the department of  
 26 revenue, or any other state department, that the tax credit applicant does not owe any delinquent  
 27 income, sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments  
 28 levied by any state department and through the department of insurance, financial institutions and  
 29 professional registration that the applicant does not owe any delinquent insurance taxes. Such  
 30 delinquency shall not affect the authorization of the application for such tax credits, except that the  
 31 amount of credits issued shall be reduced by the applicant's tax delinquency. If the department of  
 32 revenue or the department of insurance, financial institutions and professional registration, or any  
 33 other state department, concludes that a taxpayer is delinquent after June fifteenth but before July  
 34 first of any year and the application of tax credits to such delinquency causes a tax deficiency on  
 35 behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the deficiency  
 36 in which interest, penalties, and additions to tax shall be tolled. After applying all available credits  
 37 toward a tax delinquency, the administering agency shall notify the appropriate department, and that  
 38 department shall update the amount of outstanding delinquent tax owed by the applicant. If any  
 39 credits remain after satisfying all insurance, income, sales, and use tax delinquencies, the remaining  
 40 credits shall be issued to the applicant, subject to the restrictions of other provisions of law."; and  
 41

42 Further amend said bill, Page 2, Section 135.1770, Line 41, by inserting after all of said section and  
 43 line the following:

44 "137.1018. 1. The commission shall ascertain the statewide average rate of property taxes

1 levied the preceding year, based upon the total assessed valuation of the railroad and street railway  
 2 companies and the total property taxes levied upon the railroad and street railway companies. It shall  
 3 determine total property taxes levied from reports prescribed by the commission from the railroad  
 4 and street railway companies. Total taxes levied shall not include revenues from the surtax on  
 5 subclass three real property.

6 2. The commission shall report its determination of average property tax rate for the  
 7 preceding year, together with the taxable distributable assessed valuation of each freight line  
 8 company for the current year to the director no later than October first of each year.

9 3. Taxes on property of such freight line companies shall be collected at the state level by the  
 10 director on behalf of the counties and other local public taxing entities and shall be distributed in  
 11 accordance with sections 137.1021 and 137.1024. The director shall tax such property based upon  
 12 the distributable assessed valuation attributable to Missouri of each freight line company, using the  
 13 average tax rate for the preceding year of the railroad and street railway companies certified by the  
 14 commission. Such tax shall be due and payable on or before December thirty-first of the year levied  
 15 and, if it becomes delinquent, shall be subject to a penalty equal to that specified in section 140.100.

16 4. (1) As used in this subsection, the following terms mean:

17 (a) "Eligible expenses", expenses incurred in this state to manufacture, maintain, or improve  
 18 a freight line company's qualified rolling stock;

19 (b) "Qualified rolling stock", any freight, stock, refrigerator, or other railcars subject to the  
 20 tax levied under this section.

21 (2) For all taxable years beginning on or after January 1, 2009, but ending on or before  
 22 December 31, 2015, a freight line company shall, subject to appropriation, be allowed a credit  
 23 against the tax levied under this section for the applicable tax year. The tax credit amount shall be  
 24 equal to the amount of eligible expenses incurred during the calendar year immediately preceding the  
 25 tax year for which the credit under this section is claimed. The amount of the tax credit issued shall  
 26 not exceed the freight line company's liability for the tax levied under this section for the tax year for  
 27 which the credit is claimed.

28 (3) A freight line company may apply for the credit by submitting to the commission an  
 29 application in the form prescribed by the state tax commission.

30 (4) Subject to appropriation, the state shall reimburse, on an annual basis, any political  
 31 subdivision of this state for any decrease in revenue due to the provisions of this subsection.

32 5. Notwithstanding the provisions of subsection 4 to the contrary, no new tax credits shall be  
 33 authorized under the provisions of this section after December 31, 2015.

34 6. Pursuant to section 23.253 of the Missouri sunset act:

35 (1) The program authorized under this section shall expire on August 28, 2020; and

36 (2) This section shall terminate on September 1, 2021.

37 143.011. 1. A tax is hereby imposed for every taxable year on the Missouri taxable income  
 38 of every resident. The tax shall be determined by applying the tax table or the rate provided in  
 39 section 143.021, which is based upon the following rates:

40 If the Missouri taxable income is: The tax is:

41 Not over \$1,000.00 . . . . . 1 1/2% of the Missouri

1	taxable income	
2	Over \$1,000 but not over \$2,000	\$15 plus 2% of excess
3	over \$1,000	
4	Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess
5	over \$2,000	
6	Over \$3,000 but not over \$4,000	\$60 plus 3% of excess
7	over \$3,000	
8	Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess
9	over \$4,000	
10	Over \$5,000 but not over \$6,000	\$125 plus 4% of excess
11	over \$5,000	
12	Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of
13	excess over \$6,000	
14	Over \$7,000 but not over \$8,000	\$210 plus 5% of excess
15	over \$7,000	
16	Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of
17	excess over \$8,000	
18	Over \$9,000 . . . . .	\$315 plus 6% of excess
19	over \$9,000	

20       2. Beginning with the 2016 calendar year, the department of revenue shall calculate the  
 21 amount of additional tax revenue resulting from this act after any revenue reduction required in  
 22 subsection 3 of this section. The director of the department of revenue shall, by rule, adjust the tax  
 23 brackets under subsection 1 of this section to offset any additional tax revenue so as to produce a  
 24 revenue neutral effect. The resulting rates of tax shall be rounded to the nearest tenth of a percent.  
 25 The director shall notify the revisor of statutes of any changes to the tax tables of subsection 1 of this  
 26 section for updating as appropriate.

27       3. (1) Beginning with the 2017 calendar year, the top rate of tax under subsection 1 of this  
 28 section may be reduced over a period of years. Each reduction in the top rate of tax shall be by  
 29 one-tenth of a percent and no more than one reduction shall occur in a calendar year. The top rate of  
 30 tax shall not be reduced below [five] three and one-half percent. Reductions in the rate of tax shall  
 31 take effect on January first of a calendar year and such reduced rates shall continue in effect until the  
 32 next reduction occurs.

33       (2) A reduction in the rate of tax shall only occur if the amount of net general revenue  
 34 collected in the previous fiscal year exceeds the highest amount of net general revenue collected in  
 35 any of the three fiscal years prior to such fiscal year by at least one hundred fifty million dollars.

36       (3) Any modification of tax rates under this subsection shall only apply to tax years that  
 37 begin on or after a modification takes effect.

38       (4) The director of the department of revenue shall, by rule, adjust the tax tables under  
 39 subsection 1 of this section to effectuate the provisions of this subsection. [The bracket for income  
 40 subject to the top rate of tax shall be eliminated once the top rate of tax has been reduced to five and  
 41 one-half of a percent.]

1 [3.] 4. Beginning with the 2017 calendar year, the brackets of Missouri taxable income  
2 identified in subsection 1 of this section shall be adjusted annually by the percent increase in  
3 inflation. The director shall publish such brackets annually beginning on or after October 1, 2016.  
4 Modifications to the brackets shall take effect on January first of each calendar year and shall apply  
5 to tax years beginning on or after the effective date of the new brackets.

6 [4.] 5. As used in this section, the following terms mean:

7 (1) "CPI", the Consumer Price Index for All Urban Consumers for the United States as  
8 reported by the Bureau of Labor Statistics, or its successor index;

9 (2) "CPI for the preceding calendar year", the average of the CPI as of the close of the twelve  
10 month period ending on August thirty-first of such calendar year;

11 (3) "Percent increase in inflation", the percentage, if any, by which the CPI for the preceding  
12 calendar year exceeds the CPI for the year beginning September 1, 2014, and ending August 31,  
13 2015.

14 144.010. 1. The following words, terms, and phrases when used in sections 144.010 to  
15 144.525 have the meanings ascribed to them in this section, except when the context indicates a  
16 different meaning:

17 (1) "Admission" includes seats and tables, reserved or otherwise, and other similar  
18 accommodations and charges made therefor and amount paid for admission, exclusive of any  
19 admission tax imposed by the federal government or by sections 144.010 to 144.525;

20 (2) "Business" includes any activity engaged in by any person, or caused to be engaged in by  
21 him, with the object of gain, benefit or advantage, either direct or indirect, and the classification of  
22 which business is of such character as to be subject to the terms of sections 144.010 to 144.525. A  
23 person is "engaging in business" in this state for purposes of sections 144.010 to 144.525 if such  
24 person "engages in business in this state" or "maintains a place of business in this state" under section  
25 144.605. The isolated or occasional sale of tangible personal property, service, substance, or thing,  
26 by a person not engaged in such business, does not constitute engaging in business within the  
27 meaning of sections 144.010 to 144.525 unless the total amount of the gross receipts from such sales,  
28 exclusive of receipts from the sale of tangible personal property by persons which property is sold in  
29 the course of the partial or complete liquidation of a household, farm or nonbusiness enterprise,  
30 exceeds three thousand dollars in any calendar year. The provisions of this subdivision shall not be  
31 construed to make any sale of property which is exempt from sales tax or use tax on June 1, 1977,  
32 subject to that tax thereafter;

33 (3) "Captive wildlife", includes but is not limited to exotic partridges, gray partridge,  
34 northern bobwhite quail, ring-necked pheasant, captive waterfowl, captive white-tailed deer, captive  
35 elk, and captive furbearers held under permit issued by the Missouri department of conservation for  
36 hunting purposes. The provisions of this subdivision shall not apply to sales tax on a harvested  
37 animal;

38 (4) "Gross receipts", except as provided in section 144.012, means the total amount of the  
39 sale price of the sales at retail including any services other than charges incident to the extension of  
40 credit that are a part of such sales made by the businesses herein referred to, capable of being valued  
41 in money, whether received in money or otherwise; except that, the term "gross receipts" shall not

1 include the sale price of property returned by customers when the full sale price thereof is refunded  
2 either in cash or by credit. In determining any tax due under sections 144.010 to 144.525 on the  
3 gross receipts, charges incident to the extension of credit shall be specifically exempted. For the  
4 purposes of sections 144.010 to 144.525 the total amount of the sale price above mentioned shall be  
5 deemed to be the amount received. It shall also include the lease or rental consideration where the  
6 right to continuous possession or use of any article of tangible personal property is granted under a  
7 lease or contract and such transfer of possession would be taxable if outright sale were made and, in  
8 such cases, the same shall be taxable as if outright sale were made and considered as a sale of such  
9 article, and the tax shall be computed and paid by the lessee upon the rentals paid;

10 (5) "Livestock", cattle, calves, sheep, swine, ratite birds, including but not limited to, ostrich  
11 and emu, aquatic products as defined in section 277.024, llamas, alpaca, buffalo, elk documented as  
12 obtained from a legal source and not from the wild, goats, horses, other equine, or rabbits raised in  
13 confinement for human consumption;

14 (6) "Motor vehicle leasing company" shall be a company obtaining a permit from the  
15 director of revenue to operate as a motor vehicle leasing company. Not all persons renting or leasing  
16 trailers or motor vehicles need to obtain such a permit; however, no person failing to obtain such a  
17 permit may avail itself of the optional tax provisions of subsection 5 of section 144.070, as  
18 hereinafter provided;

19 (7) "Person" includes any individual, firm, copartnership, joint adventure, association,  
20 corporation, municipal or private, and whether organized for profit or not, state, county, political  
21 subdivision, state department, commission, board, bureau or agency, except the state transportation  
22 department, estate, trust, business trust, receiver or trustee appointed by the state or federal court,  
23 syndicate, or any other group or combination acting as a unit, and the plural as well as the singular  
24 number;

25 (8) "Purchaser" means a person who purchases tangible personal property or to whom are  
26 rendered services, receipts from which are taxable under sections 144.010 to 144.525;

27 (9) "Research or experimentation activities" are the development of an experimental or pilot  
28 model, plant process, formula, invention or similar property, and the improvement of existing  
29 property of such type. Research or experimentation activities do not include activities such as  
30 ordinary testing or inspection of materials or products for quality control, efficiency surveys,  
31 advertising promotions or research in connection with literary, historical or similar projects;

32 (10) "Sale" or "sales" includes installment and credit sales, and the exchange of properties as  
33 well as the sale thereof for money, every closed transaction constituting a sale, and means any  
34 transfer, exchange or barter, conditional or otherwise, in any manner or by any means whatsoever, of  
35 tangible personal property for valuable consideration and the rendering, furnishing or selling for a  
36 valuable consideration any of the substances, things and services herein designated and defined as  
37 taxable under the terms of sections 144.010 to 144.525;

38 (11) "Sale at retail" means any transfer made by any person engaged in business as defined  
39 herein of the ownership of, or title to, tangible personal property to the purchaser, for use or  
40 consumption and not for resale in any form as tangible personal property, for a valuable  
41 consideration; except that, for the purposes of sections 144.010 to 144.525 and the tax imposed

1 thereby:

2 (i) purchases of tangible personal property made by duly licensed physicians, dentists,  
3 optometrists and veterinarians and used in the practice of their professions shall be deemed to be  
4 purchases for use or consumption and not for resale; and

5 (ii) the selling of computer printouts, computer output or microfilm or microfiche and  
6 computer-assisted photo compositions to a purchaser to enable the purchaser to obtain for his or her  
7 own use the desired information contained in such computer printouts, computer output on  
8 microfilm or microfiche and computer-assisted photo compositions shall be considered as the sale of  
9 a service and not as the sale of tangible personal property. The provisions of this item shall expire on  
10 December 31, 2015.

11 Where necessary to conform to the context of sections 144.010 to 144.525 and the tax  
12 imposed thereby, the term "sale at retail" shall be construed to embrace:

13 (a) Sales of admission tickets, cash admissions, charges and fees to or in places of  
14 amusement, entertainment and recreation, games and athletic events;

15 (b) Sales of electricity, electrical current, water and gas, natural or artificial, to domestic,  
16 commercial or industrial consumers;

17 (c) Sales of local and long distance telecommunications service to telecommunications  
18 subscribers and to others through equipment of telecommunications subscribers for the transmission  
19 of messages and conversations, and the sale, rental or leasing of all equipment or services pertaining  
20 or incidental thereto;

21 (d) Sales of service for transmission of messages by telegraph companies;

22 (e) Sales or charges for all rooms, meals and drinks furnished at any hotel, motel, tavern,  
23 inn, restaurant, eating house, drugstore, dining car, tourist camp, tourist cabin, or other place in  
24 which rooms, meals or drinks are regularly served to the public;

25 (f) Sales of tickets by every person operating a railroad, sleeping car, dining car, express car,  
26 boat, airplane, and such buses and trucks as are licensed by the division of motor carrier and railroad  
27 safety of the department of economic development of Missouri, engaged in the transportation of  
28 persons for hire;

29 (12) "Seller" means a person selling or furnishing tangible personal property or rendering  
30 services, on the receipts from which a tax is imposed pursuant to section 144.020;

31 (13) The noun "tax" means either the tax payable by the purchaser of a commodity or service  
32 subject to tax, or the aggregate amount of taxes due from the vendor of such commodities or services  
33 during the period for which he or she is required to report his or her collections, as the context may  
34 require;

35 (14) "Telecommunications service", for the purpose of this chapter, the transmission of  
36 information by wire, radio, optical cable, coaxial cable, electronic impulses, or other similar means.  
37 As used in this definition, "information" means knowledge or intelligence represented by any form  
38 of writing, signs, signals, pictures, sounds, or any other symbols. Telecommunications service does  
39 not include the following if such services are separately stated on the customer's bill or on records of  
40 the seller maintained in the ordinary course of business:

41 (a) Access to the internet, access to interactive computer services or electronic publishing



1 services, except the amount paid for the telecommunications service used to provide such access;

2 (b) Answering services and one-way paging services;

3 (c) Private mobile radio services which are not two-way commercial mobile radio services  
4 such as wireless telephone, personal communications services or enhanced specialized mobile radio  
5 services as defined pursuant to federal law; or

6 (d) Cable or satellite television or music services; and

7 (15) "Product which is intended to be sold ultimately for final use or consumption" means  
8 tangible personal property, or any service that is subject to state or local sales or use taxes, or any tax  
9 that is substantially equivalent thereto, in this state or any other state.

10 2. For purposes of the taxes imposed under sections 144.010 to 144.525, and any other  
11 provisions of law pertaining to sales or use taxes which incorporate the provisions of sections  
12 144.010 to 144.525 by reference, the term "manufactured homes" shall have the same meaning given  
13 it in section 700.010.

14 3. Sections 144.010 to 144.525 may be known and quoted as the "Sales Tax Law".

15 144.011. 1. For purposes of sections 144.010 to 144.525 and 144.600 to 144.748, and the  
16 taxes imposed thereby, the definition of "retail sale" or "sale at retail" shall not be construed to  
17 include any of the following:

18 (1) The transfer by one corporation of substantially all of its tangible personal property to  
19 another corporation pursuant to a merger or consolidation effected under the laws of the state of  
20 Missouri or any other jurisdiction;

21 (2) The transfer of tangible personal property incident to the liquidation or cessation of a  
22 taxpayer's trade or business, conducted in proprietorship, partnership or corporate form, except to the  
23 extent any transfer is made in the ordinary course of the taxpayer's trade or business;

24 (3) The transfer of tangible personal property to a corporation solely in exchange for its  
25 stock or securities;

26 (4) The transfer of tangible personal property to a corporation by a shareholder as a  
27 contribution to the capital of the transferee corporation;

28 (5) The transfer of tangible personal property to a partnership solely in exchange for a  
29 partnership interest therein;

30 (6) The transfer of tangible personal property by a partner as a contribution to the capital of  
31 the transferee partnership;

32 (7) The transfer of tangible personal property by a corporation to one or more of its  
33 shareholders as a dividend, return of capital, distribution in the partial or complete liquidation of the  
34 corporation or distribution in redemption of the shareholder's interest therein;

35 (8) The transfer of tangible personal property by a partnership to one or more of its partners  
36 as a current distribution, return of capital or distribution in the partial or complete liquidation of the  
37 partnership or of the partner's interest therein;

38 (9) The transfer of reusable containers used in connection with the sale of tangible personal  
39 property contained therein for which a deposit is required and refunded on return. The provisions of  
40 this subdivision shall expire on December 31, 2015;

41 (10) The purchase by persons operating eating or food service establishments, of items of a

1 nonreusable nature which are furnished to the customers of such establishments with or in  
2 conjunction with the retail sales of their food or beverage. Such items shall include, but not be  
3 limited to, wrapping or packaging materials and nonreusable paper, wood, plastic and aluminum  
4 articles such as containers, trays, napkins, dishes, silverware, cups, bags, boxes, straws, sticks and  
5 toothpicks;

6 (11) The purchase by persons operating hotels, motels or other transient accommodation  
7 establishments, of items of a nonreusable nature which are furnished to the guests in the guests'  
8 rooms of such establishments and such items are included in the charge made for such  
9 accommodations. Such items shall include, but not be limited to, soap, shampoo, tissue and other  
10 toiletries and food or confectionery items offered to the guests without charge. The provisions of  
11 this subdivision shall expire on December 31, 2015;

12 (12) The transfer of a manufactured home other than:

13 (a) A transfer which involves the delivery of the document known as the "Manufacturer's  
14 Statement of Origin" to a person other than a manufactured home dealer, as defined in section  
15 700.010, for purposes of allowing such person to obtain a title to the manufactured home from the  
16 department of revenue of this state or the appropriate agency or officer of any other state;

17 (b) A transfer which involves the delivery of a "Repossessed Title" to a resident of this state  
18 if the tax imposed by sections 144.010 to 144.525 was not paid on the transfer of the manufactured  
19 home described in paragraph (a) of this subdivision;

20 (c) The first transfer which occurs after December 31, 1985, if the tax imposed by sections  
21 144.010 to 144.525 was not paid on any transfer of the same manufactured home which occurred  
22 before December 31, 1985; or

23 (13) Charges for initiation fees or dues to:

24 (a) Fraternal beneficiaries societies, or domestic fraternal societies, orders or associations  
25 operating under the lodge system a substantial part of the activities of which are devoted to religious,  
26 charitable, scientific, literary, educational or fraternal purposes; or

27 (b) Posts or organizations of past or present members of the Armed Forces of the United  
28 States or an auxiliary unit or society of, or a trust or foundation for, any such post or organization  
29 substantially all of the members of which are past or present members of the Armed Forces of the  
30 United States or who are cadets, spouses, widows, or widowers of past or present members of the  
31 Armed Forces of the United States, no part of the net earnings of which inures to the benefit of any  
32 private shareholder or individual.

33 2. The assumption of liabilities of the transferor by the transferee incident to any of the  
34 transactions enumerated in the above subdivisions (1) to (8) of subsection 1 of this section shall not  
35 disqualify the transfer from the exclusion described in this section, where such liability assumption is  
36 related to the property transferred and where the assumption does not have as its principal purpose  
37 the avoidance of Missouri sales or use tax.

38 144.014. 1. Notwithstanding other provisions of law to the contrary, beginning October 1,  
39 1997, and ending December 31, 2015, the tax levied and imposed pursuant to sections 144.010 to  
40 144.525 and sections 144.600 to 144.746 on all retail sales of food shall be at the rate of one percent.  
41 The revenue derived from the one percent rate pursuant to this section shall be deposited by the state

1 treasurer in the school district trust fund and shall be distributed as provided in section 144.701.

2 2. For the purposes of this section, the term "food" shall include only those products and  
3 types of food for which food stamps may be redeemed pursuant to the provisions of the Federal Food  
4 Stamp Program as contained in 7 U.S.C. Section 2012, as that section now reads or as it may be  
5 amended hereafter, and shall include food dispensed by or through vending machines. For the  
6 purpose of this section, except for vending machine sales, the term "food" shall not include food or  
7 drink sold by any establishment where the gross receipts derived from the sale of food prepared by  
8 such establishment for immediate consumption on or off the premises of the establishment  
9 constitutes more than eighty percent of the total gross receipts of that establishment, regardless of  
10 whether such prepared food is consumed on the premises of that establishment, including, but not  
11 limited to, sales of food by any restaurant, fast food restaurant, delicatessen, eating house, or cafe.

12 3. The provisions of this section shall expire on December 31, 2015.

13 144.020. 1. A tax is hereby levied and imposed for the privilege of titling new and used  
14 motor vehicles, trailers, boats, and outboard motors purchased or acquired for use on the highways  
15 or waters of this state which are required to be titled under the laws of the state of Missouri and,  
16 except as provided in subdivision (9) of this subsection, upon all sellers for the privilege of engaging  
17 in the business of selling tangible personal property or rendering taxable service at retail in this state.  
18 The rate of tax shall be as follows:

19 (1) Upon every retail sale in this state of tangible personal property, excluding motor  
20 vehicles, trailers, motorcycles, mopeds, motortricycles, boats and outboard motors required to be  
21 titled under the laws of the state of Missouri and subject to tax under subdivision (9) of this  
22 subsection, a tax equivalent to four percent of the purchase price paid or charged, or in case such sale  
23 involves the exchange of property, a tax equivalent to four percent of the consideration paid or  
24 charged, including the fair market value of the property exchanged at the time and place of the  
25 exchange, except as otherwise provided in section 144.025;

26 (2) A tax equivalent to four percent of the amount paid for admission and seating  
27 accommodations, or fees paid to, or in any place of amusement, entertainment or recreation, games  
28 and athletic events;

29 (3) A tax equivalent to four percent of the basic rate paid or charged on all sales of electricity  
30 or electrical current, water and gas, natural or artificial, to domestic, commercial or industrial  
31 consumers;

32 (4) A tax equivalent to four percent on the basic rate paid or charged on all sales of local and  
33 long distance telecommunications service to telecommunications subscribers and to others through  
34 equipment of telecommunications subscribers for the transmission of messages and conversations  
35 and upon the sale, rental or leasing of all equipment or services pertaining or incidental thereto;  
36 except that, the payment made by telecommunications subscribers or others, pursuant to section  
37 144.060, and any amounts paid for access to the internet or interactive computer services shall not be  
38 considered as amounts paid for telecommunications services prior to December 31, 2015 or upon the  
39 expiration of the federal law that prohibits state and local taxes on internet access, whichever comes  
40 later;

41 (5) A tax equivalent to four percent of the basic rate paid or charged for all sales of services

1 for transmission of messages of telegraph companies;

2 (6) A tax equivalent to four percent on the amount of sales or charges for all rooms, meals  
3 and drinks furnished at any hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car,  
4 tourist cabin, tourist camp or other place in which rooms, meals or drinks are regularly served to the  
5 public;

6 (7) A tax equivalent to four percent of the amount paid or charged for intrastate tickets by  
7 every person operating a railroad, sleeping car, dining car, express car, boat, airplane and such buses  
8 and trucks as are licensed by the division of motor carrier and railroad safety of the department of  
9 economic development of Missouri, engaged in the transportation of persons for hire;

10 (8) A tax equivalent to four percent of the amount paid or charged for rental or lease of  
11 tangible personal property, provided that if the lessor or renter of any tangible personal property had  
12 previously purchased the property under the conditions of "sale at retail" or leased or rented the  
13 property and the tax was paid at the time of purchase, lease or rental, the lessor, sublessor, renter or  
14 subrenter shall not apply or collect the tax on the subsequent lease, sublease, rental or subrental  
15 receipts from that property. The purchase, rental or lease of motor vehicles, trailers, motorcycles,  
16 mopeds, motortricycles, boats, and outboard motors shall be taxed and the tax paid as provided in  
17 this section and section 144.070. In no event shall the rental or lease of boats and outboard motors  
18 be considered a sale, charge, or fee to, for or in places of amusement, entertainment or recreation nor  
19 shall any such rental or lease be subject to any tax imposed to, for, or in such places of amusement,  
20 entertainment or recreation. Rental and leased boats or outboard motors shall be taxed under the  
21 provisions of the sales tax laws as provided under such laws for motor vehicles and trailers. Tangible  
22 personal property which is exempt from the sales or use tax under section 144.030 upon a sale  
23 thereof is likewise exempt from the sales or use tax upon the lease or rental thereof;

24 (9) A tax equivalent to four percent of the purchase price, as defined in section 144.070, of  
25 new and used motor vehicles, trailers, boats, and outboard motors purchased or acquired for use on  
26 the highways or waters of this state which are required to be registered under the laws of the state of  
27 Missouri. This tax is imposed on the person titling such property, and shall be paid according to the  
28 procedures in section 144.440.

29 2. All tickets sold which are sold under the provisions of sections 144.010 to 144.525 which  
30 are subject to the sales tax shall have printed, stamped or otherwise endorsed thereon, the words  
31 "This ticket is subject to a sales tax."

32 144.030. 1. There is hereby specifically exempted from the provisions of sections 144.010  
33 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to sections  
34 144.010 to 144.525 such retail sales as may be made in commerce between this state and any other  
35 state of the United States, or between this state and any foreign country, and any retail sale which the  
36 state of Missouri is prohibited from taxing pursuant to the Constitution or laws of the United States  
37 of America, and such retail sales of tangible personal property which the general assembly of the  
38 state of Missouri is prohibited from taxing or further taxing by the constitution of this state.

39 2. There are also specifically exempted from the provisions of the local sales tax law as  
40 defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761  
41 and from the computation of the tax levied, assessed or payable pursuant to the local sales tax law as

1 defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.745:

2 (1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such  
3 excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be consumed in  
4 manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold  
5 ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which are  
6 to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be used  
7 for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be fed to  
8 livestock or poultry to be sold ultimately in processed form at retail; economic poisons registered  
9 pursuant to the provisions of the Missouri pesticide registration law (sections 281.220 to 281.310)  
10 which are to be used in connection with the growth or production of crops, fruit trees or orchards  
11 applied before, during, or after planting, the crop of which when harvested will be sold at retail or  
12 will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

13 (2) Materials, manufactured goods, machinery and parts which when used in manufacturing,  
14 processing, compounding, mining, producing or fabricating become a component part or ingredient  
15 of the new personal property resulting from such manufacturing, processing, compounding, mining,  
16 producing or fabricating and which new personal property is intended to be sold ultimately for final  
17 use or consumption; and materials, including without limitation, gases and manufactured goods,  
18 including without limitation slagging materials and firebrick, which are ultimately consumed in the  
19 manufacturing process by blending, reacting or interacting with or by becoming, in whole or in part,  
20 component parts or ingredients of steel products intended to be sold ultimately for final use or  
21 consumption;

22 (3) Materials, replacement parts and equipment purchased for use directly upon, and for the  
23 repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock or  
24 aircraft engaged as common carriers of persons or property;

25 (4) Motor vehicles registered in excess of fifty-four thousand pounds, and the trailers pulled  
26 by such motor vehicles, that are actually used in the normal course of business to haul property on  
27 the public highways of the state, and that are capable of hauling loads commensurate with the motor  
28 vehicle's registered weight; and the materials, replacement parts, and equipment purchased for use  
29 directly upon, and for the repair and maintenance or manufacture of such vehicles. For purposes of  
30 this subdivision, "motor vehicle" and "public highway" shall have the meaning as ascribed in section  
31 390.020;

32 (5) Replacement machinery, equipment, and parts and the materials and supplies solely  
33 required for the installation or construction of such replacement machinery, equipment, and parts,  
34 used directly in manufacturing, mining, fabricating or producing a product which is intended to be  
35 sold ultimately for final use or consumption; and machinery and equipment, and the materials and  
36 supplies required solely for the operation, installation or construction of such machinery and  
37 equipment, purchased and used to establish new, or to replace or expand existing, material recovery  
38 processing plants in this state. For the purposes of this subdivision, a "material recovery processing  
39 plant" means a facility that has as its primary purpose the recovery of materials into a usable product  
40 or a different form which is used in producing a new product and shall include a facility or  
41 equipment which are used exclusively for the collection of recovered materials for delivery to a

1 material recovery processing plant but shall not include motor vehicles used on highways. For  
2 purposes of this section, the terms motor vehicle and highway shall have the same meaning pursuant  
3 to section 301.010. Material recovery is not the reuse of materials within a manufacturing process or  
4 the use of a product previously recovered. The material recovery processing plant shall qualify  
5 under the provisions of this section regardless of ownership of the material being recovered;

6 (6) Machinery and equipment, and parts and the materials and supplies solely required for  
7 the installation or construction of such machinery and equipment, purchased and used to establish  
8 new or to expand existing manufacturing, mining or fabricating plants in the state if such machinery  
9 and equipment is used directly in manufacturing, mining or fabricating a product which is intended  
10 to be sold ultimately for final use or consumption;

11 (7) Tangible personal property which is used exclusively in the manufacturing, processing,  
12 modification or assembling of products sold to the United States government or to any agency of the  
13 United States government;

14 (8) Animals or poultry used for breeding or feeding purposes, or captive wildlife;

15 (9) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and other  
16 machinery, equipment, replacement parts and supplies used in producing newspapers published for  
17 dissemination of news to the general public;

18 (10) The rentals of films, records or any type of sound or picture transcriptions for public  
19 commercial display. The provisions of this subdivision shall expire on December 31, 2015;

20 (11) Pumping machinery and equipment used to propel products delivered by pipelines  
21 engaged as common carriers;

22 (12) Railroad rolling stock for use in transporting persons or property in interstate commerce  
23 and motor vehicles licensed for a gross weight of twenty-four thousand pounds or more or trailers  
24 used by common carriers, as defined in section 390.020, in the transportation of persons or property;

25 (13) Electrical energy used in the actual primary manufacture, processing, compounding,  
26 mining or producing of a product, or electrical energy used in the actual secondary processing or  
27 fabricating of the product, or a material recovery processing plant as defined in subdivision (5) of  
28 this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical energy so  
29 used exceeds ten percent of the total cost of production, either primary or secondary, exclusive of the  
30 cost of electrical energy so used or if the raw materials used in such processing contain at least  
31 twenty-five percent recovered materials as defined in section 260.200. There shall be a rebuttable  
32 presumption that the raw materials used in the primary manufacture of automobiles contain at least  
33 twenty-five percent recovered materials. For purposes of this subdivision, "processing" means any  
34 mode of treatment, act or series of acts performed upon materials to transform and reduce them to a  
35 different state or thing, including treatment necessary to maintain or preserve such processing by the  
36 producer at the production facility;

37 (14) Anodes which are used or consumed in manufacturing, processing, compounding,  
38 mining, producing or fabricating and which have a useful life of less than one year;

39 (15) Machinery, equipment, appliances and devices purchased or leased and used solely for  
40 the purpose of preventing, abating or monitoring air pollution, and materials and supplies solely  
41 required for the installation, construction or reconstruction of such machinery, equipment, appliances

1 and devices;

2 (16) Machinery, equipment, appliances and devices purchased or leased and used solely for  
3 the purpose of preventing, abating or monitoring water pollution, and materials and supplies solely  
4 required for the installation, construction or reconstruction of such machinery, equipment, appliances  
5 and devices;

6 (17) Tangible personal property purchased by a rural water district;

7 (18) All amounts paid or charged for admission or participation or other fees paid by or other  
8 charges to individuals in or for any place of amusement, entertainment or recreation, games or  
9 athletic events, including museums, fairs, zoos and planetariums, owned or operated by a  
10 municipality or other political subdivision where all the proceeds derived therefrom benefit the  
11 municipality or other political subdivision and do not inure to any private person, firm, or  
12 corporation, provided, however, that a municipality or other political subdivision may enter into  
13 revenue-sharing agreements with private persons, firms, or corporations providing goods or services,  
14 including management services, in or for the place of amusement, entertainment or recreation, games  
15 or athletic events, and provided further that nothing in this subdivision shall exempt from tax any  
16 amounts retained by any private person, firm, or corporation under such revenue-sharing agreement.  
17 The provisions of this subdivision shall expire on December 31, 2015;

18 (19) All sales of insulin and prosthetic or orthopedic devices as defined on January 1, 1980,  
19 by the federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965,  
20 including the items specified in Section 1862(a)(12) of that act, and also specifically including  
21 hearing aids and hearing aid supplies and all sales of drugs which may be legally dispensed by a  
22 licensed pharmacist only upon a lawful prescription of a practitioner licensed to administer those  
23 items, including samples and materials used to manufacture samples which may be dispensed by a  
24 practitioner authorized to dispense such samples and all sales or rental of medical oxygen, home  
25 respiratory equipment and accessories, hospital beds and accessories and ambulatory aids, all sales or  
26 rental of manual and powered wheelchairs, stairway lifts, Braille writers, electronic Braille  
27 equipment and, if purchased or rented by or on behalf of a person with one or more physical or  
28 mental disabilities to enable them to function more independently, all sales or rental of scooters,  
29 reading machines, electronic print enlargers and magnifiers, electronic alternative and augmentative  
30 communication devices, and items used solely to modify motor vehicles to permit the use of such  
31 motor vehicles by individuals with disabilities or sales of over-the-counter or nonprescription drugs  
32 to individuals with disabilities, and drugs required by the Food and Drug Administration to meet the  
33 over-the-counter drug product labeling requirements in 21 CFR 201.66, or its successor, as  
34 prescribed by a health care practitioner licensed to prescribe;

35 (20) All sales made by or to religious and charitable organizations and institutions in their  
36 religious, charitable or educational functions and activities and all sales made by or to all elementary  
37 and secondary schools operated at public expense in their educational functions and activities;

38 (21) All sales of aircraft to common carriers for storage or for use in interstate commerce  
39 and all sales made by or to not-for-profit civic, social, service or fraternal organizations, including  
40 fraternal organizations which have been declared tax-exempt organizations pursuant to Section  
41 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or charitable

1 functions and activities and all sales made to eleemosynary institutions, and all sales made to penal  
2 institutions prior to December 31, 2015, and all sales made to industries of the state, and all sales  
3 made to any private not-for-profit institution of higher education not otherwise excluded pursuant to  
4 subdivision (20) of this subsection or any institution of higher education supported by public funds,  
5 and all sales made to a state relief agency in the exercise of relief functions and activities;

6 (22) All ticket sales made by benevolent, scientific and educational associations which are  
7 formed to foster, encourage, and promote progress and improvement in the science of agriculture and  
8 in the raising and breeding of animals, and by nonprofit summer theater organizations if such  
9 organizations are exempt from federal tax pursuant to the provisions of the Internal Revenue Code  
10 and all admission charges and entry fees to the Missouri state fair or any fair conducted by a county  
11 agricultural and mechanical society organized and operated pursuant to sections 262.290 to 262.530;

12 (23) All sales made to any private not-for-profit elementary or secondary school, all sales of  
13 feed additives, medications or vaccines administered to livestock or poultry in the production of food  
14 or fiber, all sales of pesticides used in the production of crops, livestock or poultry for food or fiber,  
15 all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of  
16 propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops,  
17 natural gas used in the primary manufacture or processing of fuel ethanol as defined in section  
18 142.028, natural gas, propane, and electricity used by an eligible new generation cooperative or an  
19 eligible new generation processing entity as defined in section 348.432, and all sales of farm  
20 machinery and equipment, other than airplanes, motor vehicles and trailers, and any freight charges  
21 on any exempt item. As used in this subdivision, the term "feed additives" means tangible personal  
22 property which, when mixed with feed for livestock or poultry, is to be used in the feeding of  
23 livestock or poultry. As used in this subdivision, the term "pesticides" includes adjuvants such as  
24 crop oils, surfactants, wetting agents and other assorted pesticide carriers used to improve or enhance  
25 the effect of a pesticide and the foam used to mark the application of pesticides and herbicides for the  
26 production of crops, livestock or poultry. As used in this subdivision, the term "farm machinery and  
27 equipment" means new or used farm tractors and such other new or used farm machinery and  
28 equipment and repair or replacement parts thereon and any accessories for and upgrades to such farm  
29 machinery and equipment, rotary mowers used exclusively for agricultural purposes, and supplies  
30 and lubricants used exclusively, solely, and directly for producing crops, raising and feeding  
31 livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for ultimate sale at retail,  
32 including field drain tile, and one-half of each purchaser's purchase of diesel fuel therefor which is:

33 (a) Used exclusively for agricultural purposes;

34 (b) Used on land owned or leased for the purpose of producing farm products; and

35 (c) Used directly in producing farm products to be sold ultimately in processed form or  
36 otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold  
37 ultimately in processed form at retail;

38 (24) Except as otherwise provided in section 144.032, all sales of metered water service,  
39 electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil for  
40 domestic use and in any city not within a county, all sales of metered or unmetered water service for  
41 domestic use:



1 (a) "Domestic use" means that portion of metered water service, electricity, electrical  
2 current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not within  
3 a county, metered or unmetered water service, which an individual occupant of a residential premises  
4 uses for nonbusiness, noncommercial or nonindustrial purposes. Utility service through a single or  
5 master meter for residential apartments or condominiums, including service for common areas and  
6 facilities and vacant units, shall be deemed to be for domestic use. Each seller shall establish and  
7 maintain a system whereby individual purchases are determined as exempt or nonexempt;

8 (b) Regulated utility sellers shall determine whether individual purchases are exempt or  
9 nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file  
10 with and approved by the Missouri public service commission. Sales and purchases made pursuant  
11 to the rate classification "residential" and sales to and purchases made by or on behalf of the  
12 occupants of residential apartments or condominiums through a single or master meter, including  
13 service for common areas and facilities and vacant units, shall be considered as sales made for  
14 domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales tax upon the  
15 entire amount of purchases classified as nondomestic use. The seller's utility service rate  
16 classification and the provision of service thereunder shall be conclusive as to whether or not the  
17 utility must charge sales tax;

18 (c) Each person making domestic use purchases of services or property and who uses any  
19 portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of  
20 the fourth month following the year of purchase, and without assessment, notice or demand, file a  
21 return and pay sales tax on that portion of nondomestic purchases. Each person making nondomestic  
22 purchases of services or property and who uses any portion of the services or property so purchased  
23 for domestic use, and each person making domestic purchases on behalf of occupants of residential  
24 apartments or condominiums through a single or master meter, including service for common areas  
25 and facilities and vacant units, under a nonresidential utility service rate classification may, between  
26 the first day of the first month and the fifteenth day of the fourth month following the year of  
27 purchase, apply for credit or refund to the director of revenue and the director shall give credit or  
28 make refund for taxes paid on the domestic use portion of the purchase. The person making such  
29 purchases on behalf of occupants of residential apartments or condominiums shall have standing to  
30 apply to the director of revenue for such credit or refund;

31 (25) All sales of handicraft items made by the seller or the seller's spouse if the seller or the  
32 seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such sales do not  
33 constitute a majority of the annual gross income of the seller;

34 (26) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061, 4071, 4081,  
35 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of revenue  
36 shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales taxes on such  
37 excise taxes;

38 (27) Sales of fuel consumed or used in the operation of ships, barges, or waterborne vessels  
39 which are used primarily in or for the transportation of property or cargo, or the conveyance of  
40 persons for hire, on navigable rivers bordering on or located in part in this state, if such fuel is  
41 delivered by the seller to the purchaser's barge, ship, or waterborne vessel while it is afloat upon such

1 river;

2 (28) All sales made to an interstate compact agency created pursuant to sections 70.370 to  
3 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities of such agency  
4 as provided pursuant to the compact;

5 (29) Computers, computer software and computer security systems purchased for use by  
6 architectural or engineering firms headquartered in this state. For the purposes of this subdivision,  
7 "headquartered in this state" means the office for the administrative management of at least four  
8 integrated facilities operated by the taxpayer is located in the state of Missouri. The provisions of  
9 this subdivision shall expire on December 31, 2015;

10 (30) All livestock sales when either the seller is engaged in the growing, producing or  
11 feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering or  
12 leasing of such livestock;

13 (31) All sales of barges which are to be used primarily in the transportation of property or  
14 cargo on interstate waterways;

15 (32) Electrical energy or gas, whether natural, artificial or propane, water, or other utilities  
16 which are ultimately consumed in connection with the manufacturing of cellular glass products or in  
17 any material recovery processing plant as defined in subdivision (5) of this subsection;

18 (33) Notwithstanding other provisions of law to the contrary, all sales of pesticides or  
19 herbicides used in the production of crops, aquaculture, livestock or poultry;

20 (34) Tangible personal property and utilities purchased for use or consumption directly or  
21 exclusively in the research and development of agricultural/biotechnology and plant genomics  
22 products and prescription pharmaceuticals consumed by humans or animals;

23 (35) All sales of grain bins for storage of grain for resale;

24 (36) All sales of feed which are developed for and used in the feeding of pets owned by a  
25 commercial breeder when such sales are made to a commercial breeder, as defined in section  
26 273.325, and licensed pursuant to sections 273.325 to 273.357;

27 (37) All purchases by a contractor on behalf of an entity located in another state, provided  
28 that the entity is authorized to issue a certificate of exemption for purchases to a contractor under the  
29 provisions of that state's laws. For purposes of this subdivision, the term "certificate of exemption"  
30 shall mean any document evidencing that the entity is exempt from sales and use taxes on purchases  
31 pursuant to the laws of the state in which the entity is located. Any contractor making purchases on  
32 behalf of such entity shall maintain a copy of the entity's exemption certificate as evidence of the  
33 exemption. If the exemption certificate issued by the exempt entity to the contractor is later  
34 determined by the director of revenue to be invalid for any reason and the contractor has accepted the  
35 certificate in good faith, neither the contractor or the exempt entity shall be liable for the payment of  
36 any taxes, interest and penalty due as the result of use of the invalid exemption certificate. Materials  
37 shall be exempt from all state and local sales and use taxes when purchased by a contractor for the  
38 purpose of fabricating tangible personal property which is used in fulfilling a contract for the  
39 purpose of constructing, repairing or remodeling facilities for the following:

40 (a) An exempt entity located in this state, if the entity is one of those entities able to issue  
41 project exemption certificates in accordance with the provisions of section 144.062; or

1 (b) An exempt entity located outside the state if the exempt entity is authorized to issue an  
2 exemption certificate to contractors in accordance with the provisions of that state's law and the  
3 applicable provisions of this section;

4 (38) All sales or other transfers of tangible personal property to a lessor who leases the  
5 property under a lease of one year or longer executed or in effect at the time of the sale or other  
6 transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections  
7 238.010 to 238.100;

8 (39) Sales of tickets to any collegiate athletic championship event that is held in a facility  
9 owned or operated by a governmental authority or commission, a quasi-governmental agency, a state  
10 university or college or by the state or any political subdivision thereof, including a municipality, and  
11 that is played on a neutral site and may reasonably be played at a site located outside the state of  
12 Missouri. For purposes of this subdivision, "neutral site" means any site that is not located on the  
13 campus of a conference member institution participating in the event. The provisions of this  
14 subdivision shall expire on December 31, 2015;

15 (40) All purchases by a sports complex authority created under section 64.920, and all sales  
16 of utilities by such authority at the authority's cost that are consumed in connection with the  
17 operation of a sports complex leased to a professional sports team. The provisions of this  
18 subdivision shall expire on December 31, 2015;

19 (41) All materials, replacement parts, and equipment purchased for use directly upon, and  
20 for the modification, replacement, repair, and maintenance of aircraft, aircraft power plants, and  
21 aircraft accessories;

22 (42) Sales of sporting clays, wobble, skeet, and trap targets to any shooting range or similar  
23 places of business for use in the normal course of business and money received by a shooting range  
24 or similar places of business from patrons and held by a shooting range or similar place of business  
25 for redistribution to patrons at the conclusion of a shooting event.

26 3. Any ruling, agreement, or contract, whether written or oral, express or implied, between a  
27 person and this state's executive branch, or any other state agency or department, stating, agreeing, or  
28 ruling that such person is not required to collect sales and use tax in this state despite the presence of  
29 a warehouse, distribution center, or fulfillment center in this state that is owned or operated by the  
30 person or an affiliated person shall be null and void unless it is specifically approved by a majority  
31 vote of each of the houses of the general assembly. For purposes of this subsection, an "affiliated  
32 person" means any person that is a member of the same controlled group of corporations as defined  
33 in Section 1563(a) of the Internal Revenue Code of 1986, as amended, as the vendor or any other  
34 entity that, notwithstanding its form of organization, bears the same ownership relationship to the  
35 vendor as a corporation that is a member of the same controlled group of corporations as defined in  
36 Section 1563(a) of the Internal Revenue Code, as amended.

37 144.039. In addition to the exemptions granted under the provisions of section 144.030,  
38 there shall also be specifically exempted from the provisions of sections 66.600 to 66.635, sections  
39 67.500 to 67.545, 67.547, 67.581, 67.582, 67.671 to 67.685, 67.700 to 67.729, 67.730 to 67.739,  
40 67.782, sections 92.400 to 92.420, sections 94.500 to 94.570, 94.600 to 94.655, 94.700 to 94.755,  
41 and sections 144.010 to 144.510 and 144.600 to 144.745 and from the computation of the tax levied,

1 assessed or payable under sections 66.600 to 66.635, sections 67.500 to 67.545, 67.547, 67.581,  
2 67.582, 67.671 to 67.685, 67.700 to 67.729, 67.730 to 67.739, 67.782, sections 92.400 to 92.420,  
3 sections 94.500 to 94.570, 94.600 to 94.655, 94.700 to 94.755, and sections 144.010 to 144.510 and  
4 144.600 to 144.745, purchases of all tangible personal property made by, or on behalf of, a state  
5 senator or state representative if such purchases are made from funds in such state senator's or state  
6 representative's state expense account. The provisions of this section shall expire on December 31,  
7 2015.

8 144.045. 1. Notwithstanding any other provision of law to the contrary, the department of  
9 revenue shall not consider the transfer for consideration of court transcripts, depositions, compressed  
10 transcripts, exhibits, computer disks containing any such item, or copies of any such item which are  
11 prepared by a court reporter as tangible personal property, but rather as a nontaxable service for  
12 purposes of administrative interpretation. [In addition, the department of revenue shall, for purposes  
13 of administrative interpretation, consider as nontaxable any machinery or equipment meeting the  
14 definition of "farm machinery" under subdivision (23) of subsection 2 of section 144.030, whether or  
15 not such machinery or equipment is attached to a vehicle or real property.]

16 2. In addition to the exemptions granted under the provisions of section 144.030, there shall  
17 also be specifically exempted from the provisions of sections 144.010 to 144.525, sections 144.600  
18 to 144.748, section 238.235, and from the provisions of any local sales tax law, as defined in section  
19 32.085, and from the computation of the tax levied, assessed or payable under sections 144.010 to  
20 144.525, sections 144.600 to 144.748, section 238.235, and under any local sales tax law, as defined  
21 in section 32.085, all sales of court transcripts, depositions, compressed transcripts, exhibits,  
22 computer disks containing any such item, and all copies of any such item, which are prepared by a  
23 court reporter.

24 3. The provisions of subsections 1 and 2 of this section shall expire on December 31, 2015.

25 4. The department of revenue shall, for purposes of administrative interpretation, consider as  
26 nontaxable any machinery or equipment meeting the definition of "farm machinery" under  
27 subdivision (23) of subsection 2 of section 144.030, whether or not such machinery or equipment is  
28 attached to a vehicle or real property.

29 144.054. 1. As used in this section, the following terms mean:

30 (1) "Processing", any mode of treatment, act, or series of acts performed upon materials to  
31 transform or reduce them to a different state or thing, including treatment necessary to maintain or  
32 preserve such processing by the producer at the production facility;

33 (2) "Recovered materials", those materials which have been diverted or removed from the  
34 solid waste stream for sale, use, reuse, or recycling, whether or not they require subsequent  
35 separation and processing.

36 2. In addition to all other exemptions granted under this chapter, there is hereby specifically  
37 exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.761, and from the  
38 computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to  
39 144.761, electrical energy and gas, whether natural, artificial, or propane, water, coal, and energy  
40 sources, chemicals, machinery, equipment, and materials used or consumed in the manufacturing,  
41 processing, compounding, mining, or producing of any product, or used or consumed in the

1 processing of recovered materials, or used in research and development related to manufacturing,  
2 processing, compounding, mining, or producing any product. The exemptions granted in this  
3 subsection shall not apply to local sales taxes as defined in section 32.085 and the provisions of this  
4 subsection shall be in addition to any state and local sales tax exemption provided in section 144.030.

5 3. In addition to all other exemptions granted under this chapter, there is hereby specifically  
6 exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.761, and section  
7 238.235, and the local sales tax law as defined in section 32.085, and from the computation of the tax  
8 levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section  
9 238.235, and the local sales tax law as defined in section 32.085, all utilities, machinery, and  
10 equipment used or consumed directly in television or radio broadcasting and all sales and purchases  
11 of tangible personal property, utilities, services, or any other transaction that would otherwise be  
12 subject to the state or local sales or use tax when such sales are made to or purchases are made by a  
13 contractor for use in fulfillment of any obligation under a defense contract with the United States  
14 government prior to December 31, 2015, and all sales and leases of tangible personal property by  
15 any county, city, incorporated town, or village, made prior to December 31, 2015, provided such sale  
16 or lease is authorized under chapter 100, and such transaction is certified for sales tax exemption by  
17 the department of economic development, and tangible personal property used for railroad  
18 infrastructure brought into this state for processing, fabrication, or other modification for use outside  
19 the state in the regular course of business.

20 4. In addition to all other exemptions granted under this chapter, there is hereby specifically  
21 exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.761, and section  
22 238.235, and the local sales tax law as defined in section 32.085, and from the computation of the tax  
23 levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section  
24 238.235, and the local sales tax law as defined in section 32.085, all sales and purchases of tangible  
25 personal property, utilities, services, or any other transaction that would otherwise be subject to the  
26 state or local sales or use tax when such sales are made to or purchases are made by a private partner  
27 for use in completing a project under sections 227.600 to 227.669.

28 144.057. In addition to the exemptions granted under this chapter, there shall also be  
29 specifically exempted from state and local sales and use taxes defined, levied, or calculated under  
30 section 32.085, sections 144.010 to 144.525, sections 144.600 to 144.761, or section 238.235, all  
31 tangible personal property included on the United States munitions list, as provided in 22 CFR  
32 121.1, sold to or purchased by any foreign government or agency or instrumentality of such foreign  
33 government which is used for a governmental purpose. The provisions of this section shall expire on  
34 December 31, 2015.

35 144.062. 1. With respect to exempt sales at retail of tangible personal property and materials  
36 for the purpose of constructing, repairing or remodeling facilities for:

37 (1) A county, other political subdivision or instrumentality thereof exempt from taxation  
38 under subdivision (10) of Section 39 of Article III of the Constitution of Missouri; or

39 (2) An organization sales to which are exempt from taxation under the provisions of  
40 subdivision (20) of subsection 2 of section 144.030; or

41 (3) Any institution of higher education supported by public funds or any private

1 not-for-profit institution of higher education, exempt from taxation under subdivision (21) of  
2 subsection 2 of section 144.030; or

3 (4) Any private not-for-profit elementary or secondary school exempt from taxation under  
4 subdivision (23) of subsection 2 of section 144.030; or

5 (5) Any authority exempt from taxation under subdivision (40) of subsection 2 of section  
6 144.030; or

7 (6) After June 30, 2007, but before December 31, 2015, the department of transportation or  
8 the state highways and transportation commission; hereinafter collectively referred to as exempt  
9 entities, such exemptions shall be allowed for such purchases if the purchases are related to the  
10 entities' exempt functions and activities. In addition, the sales shall not be rendered nonexempt nor  
11 shall any material supplier or contractor be obligated to pay, collect or remit sales tax with respect to  
12 such purchases made by or on behalf of an exempt entity due to such purchases being billed to or  
13 paid for by a contractor or the exempt entity contracting with any entity to render any services in  
14 relation to such purchases, including but not limited to selection of materials, ordering, pickup,  
15 delivery, approval on delivery, taking of delivery, transportation, storage, assumption of risk of loss  
16 to materials or providing warranties on materials as specified by contract, use of materials or other  
17 purchases for construction of the building or other facility, providing labor, management services,  
18 administrative services, design or technical services or advice to the exempt entity, whether or not  
19 the contractor or other entity exercises dominion or control in any other manner over the materials in  
20 conjunction with services or labor provided to the exempt entity.

21 2. When any exempt entity contracts for the purpose of constructing, repairing or remodeling  
22 facilities, and purchases of tangible personal property and materials to be incorporated into or  
23 consumed in the construction of the project are to be made on a tax-exempt basis, such entity shall  
24 furnish to the contractor an exemption certificate authorizing such purchases for the construction,  
25 repair or remodeling project. The form and content of such project exemption certificate shall be  
26 approved by the director of revenue. The project exemption certificate shall include but not be  
27 limited to:

28 (1) The exempt entity's name, address, Missouri tax identification number and signature of  
29 authorized representative;

30 (2) The project location, description, and unique identification number;

31 (3) The date the contract is entered into, which is the earliest date materials may be  
32 purchased for the project on a tax-exempt basis;

33 (4) The estimated project completion date; and

34 (5) The certificate expiration date.

35 Such certificate is renewable for a given project at the option of the exempt entity, only for the  
36 purpose of revising the certificate expiration date as necessary to complete the project.

37 3. The contractor shall furnish the certificate prescribed in subsection 2 of this section to all  
38 subcontractors, and any contractor purchasing materials shall present such certificate to all material  
39 suppliers as authorization to purchase, on behalf of the exempt entity, all tangible personal property  
40 and materials to be incorporated into or consumed in the construction of that project and no other on  
41 a tax-exempt basis. Such suppliers shall execute to the purchasing contractor invoices bearing the

1 name of the exempt entity and the project identification number. Nothing in this section shall be  
2 deemed to exempt the purchase of any construction machinery, equipment or tools used in  
3 constructing, repairing or remodeling facilities for the exempt entity. All invoices for all personal  
4 property and materials purchased under a project exemption certificate shall be retained by the  
5 purchasing contractor for a period of five years and shall be subject to audit by the director of  
6 revenue.

7 4. Any excess resalable tangible personal property or materials which were purchased for the  
8 project by a contractor under a project exemption certificate but which were not incorporated into or  
9 consumed in the construction of the project shall either be returned to the supplier for credit or the  
10 appropriate sales or use tax on such excess property or materials shall be reported on a return and  
11 paid by such contractor not later than the due date of the contractor's Missouri sales or use tax return  
12 following the month in which it was determined that the materials were not to be used in the project.

13 5. No contractor or material supplier shall, upon audit, be required to pay tax on tangible  
14 personal property and materials incorporated into or consumed in the construction of the project due  
15 to the failure of the exempt entity to revise the certificate expiration date as necessary to complete  
16 any work required by the contract. If it is determined that tax is owed on such property and materials  
17 due to the failure of the exempt entity to revise such certificate expiration date, the exempt entity  
18 shall be liable for the tax owed.

19 6. If an entity issues exemption certificates for the purchase of tangible personal property  
20 and materials which are incorporated into or consumed in the construction of its project and such  
21 entity is found not to have had the authority granted by this section to issue such exemption  
22 certificates, then such entity shall be liable for the tax owed on such personal property and materials.  
23 In addition, if an entity which does have the authority granted by this section to issue exemption  
24 certificates issues such certificates for the purchase of tangible personal property and materials which  
25 are incorporated into or consumed in the construction of a project, or part of a project, which is  
26 found not to be related to such entity's exempt functions and activities, then such entity shall be  
27 liable for the tax owed on such personal property and materials.

28 144.518. 1. In addition to the exemptions granted pursuant to section 144.030, there is  
29 hereby specifically exempted from the provisions of sections 144.010 to 144.525, sections 144.600  
30 to 144.761, sections 190.335 to 190.337, section 238.235, section 238.236, section 238.410, section  
31 321.242, section 573.505, section 644.032, and any local sales tax law as defined in section 32.085,  
32 and from the computation of the tax levied, assessed or payable pursuant to sections 144.010 to  
33 144.525, sections 144.600 to 144.761, sections 190.335 to 190.337, section 238.235, section  
34 238.236, section 238.410, section 321.242, section 573.505, section 644.032, and any local sales tax  
35 law as defined in section 32.085, coin-operated amusement devices and parts for such devices  
36 purchased prior to September 1, 2007, where sales tax is paid on the gross receipts derived from the  
37 use of such devices. The provisions of this subsection shall expire on December 31, 2015.

38 2. Beginning September 1, 2007, in addition to any other exemption provided by law, there  
39 is hereby specifically exempted from the provisions of sections 144.010 to 144.525, sections 144.600  
40 to 144.761, sections 190.335 to 190.337, section 238.235, section 238.236, section 238.410, section  
41 321.242, section 573.505, section 644.032, and any local sales tax law as defined in section 32.085,

1 and from the computation of the tax levied, assessed, or payable pursuant to sections 144.010 to  
2 144.525, sections 144.600 to 144.761, sections 190.335 to 190.337, section 238.235, section  
3 238.236, section 238.410, section 321.242, section 573.505, section 644.032, and any local sales tax  
4 law as defined in section 32.085, amounts paid for the temporary use of a coin-operated amusement  
5 device. The provisions of this subsection shall expire on December 31, 2015.

6 3. As used in this section, "coin-operated amusement device" means a device accepting  
7 payment or items representing payments to allow one or more users temporary use of the device for  
8 entertainment or amusement purposes. Examples of coin-operated amusement devices include, but  
9 are not limited to, video games, pinball games, table games such as billiards and air hockey, and  
10 redemption games such as the claw and skee ball that may award prizes of tangible personal  
11 property.

12 4. In addition to any other exemptions provided by law, there is hereby specifically  
13 exempted from the provisions of sections 144.010 to 144.525, sections 144.600 to 144.761, sections  
14 190.335 to 190.337, section 238.235, section 238.236, section 238.410, section 321.242, section  
15 573.505, section 644.032, and any local sales tax law as defined in section 32.085, and from the  
16 computation of the tax levied, assessed, or payable pursuant to sections 144.010 to 144.525, sections  
17 144.600 to 144.761, sections 190.335 to 190.337, section 238.235, section 238.236, section 238.410,  
18 section 321.242, section 573.505, section 644.032, and any local sales tax law as defined in section  
19 32.085, vending machines or parts for vending machines used in a commercial vending business  
20 where sales tax is paid on the gross receipts derived from such vending machines.

21 5. Beginning January 1, 2016, sales tax shall be paid for all coin-operated amusement  
22 devices and parts for such devices upon the gross receipts derived from the use of such devices.

23 144.526. 1. This section shall be known and may be cited as the "Show Me Green Sales Tax  
24 Holiday".

25 2. For purposes of this section, the following terms mean:

26 (1) "Appliance", clothes washers and dryers, water heaters, trash compactors, dishwashers,  
27 conventional ovens, ranges, stoves, air conditioners, furnaces, refrigerators and freezers; and

28 (2) "Energy star certified", any appliance approved by both the United States Environmental  
29 Protection Agency and the United States Department of Energy as eligible to display the energy star  
30 label, as amended from time to time.

31 3. In each year beginning on or after January 1, 2009, there is hereby specifically exempted  
32 from state sales tax law all retail sales of any energy star certified new appliance, up to one thousand  
33 five hundred dollars per appliance, during a seven-day period beginning at 12:01 a.m. on April  
34 nineteenth and ending at midnight on April twenty-fifth.

35 4. A political subdivision may allow the sales tax holiday under this section to apply to its  
36 local sales taxes by enacting an ordinance to that effect. Any such political subdivision shall notify  
37 the department of revenue not less than forty-five calendar days prior to the beginning date of the  
38 sales tax holiday occurring in that year of any such ordinance or order.

39 5. This section may not apply to any retailer when less than two percent of the retailer's  
40 merchandise offered for sale qualifies for the sales tax holiday. The retailer shall offer a sales tax  
41 refund in lieu of the sales tax holiday.



1           6. The provisions of this section shall expire on December 31, 2015.

2           253.550. 1. Any taxpayer incurring costs and expenses for the rehabilitation of eligible  
3 property, which is a certified historic structure or structure in a certified historic district, may, subject  
4 to the provisions of this section and section 253.559, receive a credit against the taxes imposed  
5 pursuant to chapters 143 and 148, except for sections 143.191 to 143.265, on such taxpayer in an  
6 amount equal to twenty-five percent of the total costs and expenses of rehabilitation incurred after  
7 January 1, 1998, which shall include, but not be limited to, qualified rehabilitation expenditures as  
8 defined under section 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended, and the related  
9 regulations thereunder, provided the rehabilitation costs associated with rehabilitation and the  
10 expenses exceed fifty percent of the total basis in the property and the rehabilitation meets standards  
11 consistent with the standards of the Secretary of the United States Department of the Interior for  
12 rehabilitation as determined by the state historic preservation officer of the Missouri department of  
13 natural resources.

14           2. During the period beginning on January 1, 2010, but ending on or after June 30, 2010, the  
15 department of economic development shall not approve applications for tax credits under the  
16 provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed seventy million  
17 dollars, increased by any amount of tax credits for which approval shall be rescinded under the  
18 provisions of section 253.559. For each fiscal year beginning on or after July 1, 2010, but ending on  
19 or before June 30, 2016, the department of economic development shall not approve applications for  
20 tax credits under the provisions of subsections 3 and 8 of section 253.559 which, in the aggregate,  
21 exceed one hundred forty million dollars, increased by any amount of tax credits for which approval  
22 shall be rescinded under the provisions of section 253.559. The limitations provided under this  
23 subsection shall not apply to applications approved under the provisions of subsection 3 of section  
24 253.559 for projects to receive less than two hundred seventy-five thousand dollars in tax credits.

25           3. For all applications for tax credits approved on or after January 1, 2010, no more than two  
26 hundred fifty thousand dollars in tax credits may be issued for eligible costs and expenses incurred in  
27 the rehabilitation of an eligible property which is a nonincome producing single-family,  
28 owner-occupied residential property and is either a certified historic structure or a structure in a  
29 certified historic district.

30           4. The limitations on tax credit authorization provided under the provisions of subsections 2  
31 and 3 of this section shall not apply to:

32           (1) Any application submitted by a taxpayer, which has received approval from the  
33 department prior to January 1, 2010; or

34           (2) Any taxpayer applying for tax credits, provided under this section, which, on or before  
35 January 1, 2010, has filed an application with the department evidencing that such taxpayer:

36           (a) Has incurred costs and expenses for an eligible property which exceed the lesser of five  
37 percent of the total project costs or one million dollars and received an approved Part I from the  
38 Secretary of the United States Department of Interior; or

39           (b) Has received certification, by the state historic preservation officer, that the rehabilitation  
40 plan meets the standards consistent with the standards of the Secretary of the United States  
41 Department of the Interior, and the rehabilitation costs and expenses associated with such

1 rehabilitation shall exceed fifty percent of the total basis in the property.

2 5. No new tax credits shall be authorized under the provisions of sections 253.545 to  
3 253.559 after December 31, 2015.

4 262.250. 1. The commission may charge a fee on any entry to be paid at the time of entry.  
5 All animals and articles must be entered in their proper classes and no other. The director shall  
6 determine all questions of classification.

7 2. In addition to any exemption in chapter 144, no sales taxes shall be levied and collected on  
8 any entry fee or charge authorized in this section. The provisions of this subsection shall expire on  
9 December 31, 2015.

10 313.821. 1. In addition to the exemptions granted under the provisions of section 144.030,  
11 there shall also be specifically exempted from the provisions of sections 66.600 to 66.635, sections  
12 67.500 to 67.545, 67.547, 67.581, 67.582, 67.671 to 67.685, 67.700 to 67.729, 67.730 to 67.739, and  
13 67.782, sections 92.400 to 92.420, sections 94.500 to 94.570, 94.600 to 94.655, and 94.700 to  
14 94.755, and sections 144.010 to 144.510 and 144.600 to 144.745, and from the computation of the  
15 tax levied, assessed or payable under sections 66.600 to 66.635, sections 67.500 to 67.545, 67.547,  
16 67.581, 67.582, 67.671 to 67.685, 67.700 to 67.729, 67.730 to 67.739, and 67.782, sections 92.400  
17 to 92.420, sections 94.500 to 94.570, 94.600 to 94.655, and 94.700 to 94.755, and sections 144.010  
18 to 144.510 and 144.600 to 144.745, any state or local admission fees imposed upon excursion  
19 gambling boat operators to be collected from each passenger boarding such excursion gambling  
20 boats. The provisions of this subsection shall expire on December 31, 2015.

21 2. Nothing in this section shall exempt from the taxes referenced in subsection 1 of this  
22 section any fees of admission voluntarily charged by excursion boat gambling operators to  
23 passengers boarding such excursion gambling boats.

24 447.708. 1. For eligible projects, the director of the department of economic development,  
25 with notice to the directors of the departments of natural resources and revenue, and subject to the  
26 other provisions of sections 447.700 to 447.718, may not create a new enterprise zone but may  
27 decide that a prospective operator of a facility being remedied and renovated pursuant to sections  
28 447.700 to 447.718 may receive the tax credits and exemptions pursuant to sections 135.100 to  
29 135.150 and sections 135.200 to 135.257. The tax credits allowed pursuant to this subsection shall  
30 be used to offset the tax imposed by chapter 143, excluding withholding tax imposed by sections  
31 143.191 to 143.265, or the tax otherwise imposed by chapter 147, or the tax otherwise imposed by  
32 chapter 148. For purposes of this subsection:

33 (1) For receipt of the ad valorem tax abatement pursuant to section 135.215, the eligible  
34 project must create at least ten new jobs or retain businesses which supply at least twenty-five  
35 existing jobs. The city, or county if the eligible project is not located in a city, must provide ad  
36 valorem tax abatement of at least fifty percent for a period not less than ten years and not more than  
37 twenty-five years;

38 (2) For receipt of the income tax exemption pursuant to section 135.220 and tax credit for  
39 new or expanded business facilities pursuant to sections 135.100 to 135.150, and 135.225, the  
40 eligible project must create at least ten new jobs or retain businesses which supply at least  
41 twenty-five existing jobs, or combination thereof. For purposes of sections 447.700 to 447.718, the

1 tax credits described in section 135.225 are modified as follows: the tax credit shall be four hundred  
2 dollars per employee per year, an additional four hundred dollars per year for each employee  
3 exceeding the minimum employment thresholds of ten and twenty-five jobs for new and existing  
4 businesses, respectively, an additional four hundred dollars per year for each person who is a person  
5 difficult to employ as defined by section 135.240, and investment tax credits at the same amounts  
6 and levels as provided in subdivision (4) of subsection 1 of section 135.225;

7 (3) For eligibility to receive the income tax refund pursuant to section 135.245, the eligible  
8 project must create at least ten new jobs or retain businesses which supply at least twenty-five  
9 existing jobs, or combination thereof, and otherwise comply with the provisions of section 135.245  
10 for application and use of the refund and the eligibility requirements of this section;

11 (4) The eligible project operates in compliance with applicable environmental laws and  
12 regulations, including permitting and registration requirements, of this state as well as the federal  
13 and local requirements;

14 (5) The eligible project operator shall file such reports as may be required by the director of  
15 economic development or the director's designee;

16 (6) The taxpayer may claim the state tax credits authorized by this subsection and the state  
17 income exemption for a period not in excess of ten consecutive tax years. For the purpose of this  
18 section, "taxpayer" means an individual proprietorship, partnership or corporation described in  
19 section 143.441 or 143.471 who operates an eligible project. The director shall determine the  
20 number of years the taxpayer may claim the state tax credits and the state income exemption based  
21 on the projected net state economic benefits attributed to the eligible project;

22 (7) For the purpose of meeting the new job requirement prescribed in subdivisions (1), (2)  
23 and (3) of this subsection, it shall be required that at least ten new jobs be created and maintained  
24 during the taxpayer's tax period for which the credits are earned, in the case of an eligible project that  
25 does not replace a similar facility in Missouri. "New job" means a person who was not previously  
26 employed by the taxpayer or related taxpayer within the twelve-month period immediately preceding  
27 the time the person was employed by that taxpayer to work at, or in connection with, the eligible  
28 project on a full-time basis. "Full-time basis" means the employee works an average of at least  
29 thirty-five hours per week during the taxpayer's tax period for which the tax credits are earned. For  
30 the purposes of this section, related taxpayer has the same meaning as defined in subdivision (9) of  
31 section 135.100;

32 (8) For the purpose of meeting the existing job retention requirement, if the eligible project  
33 replaces a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax  
34 period in which the tax credits are earned, it shall be required that at least twenty-five existing jobs  
35 be retained at, and in connection with the eligible project, on a full-time basis during the taxpayer's  
36 tax period for which the credits are earned. "Retained job" means a person who was previously  
37 employed by the taxpayer or related taxpayer, at a facility similar to the eligible project that closed  
38 elsewhere in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned,  
39 within the tax period immediately preceding the time the person was employed by the taxpayer to  
40 work at, or in connection with, the eligible project on a full-time basis. "Full-time basis" means the  
41 employee works an average of at least thirty-five hours per week during the taxpayer's tax period for

1 which the tax credits are earned;

2 (9) In the case where an eligible project replaces a similar facility that closed elsewhere in  
3 Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, the owner  
4 and operator of the eligible project shall provide the director with a written statement explaining the  
5 reason for discontinuing operations at the closed facility. The statement shall include a comparison  
6 of the activities performed at the closed facility prior to the date the facility ceased operating, to the  
7 activities performed at the eligible project, and a detailed account describing the need and rationale  
8 for relocating to the eligible project. If the director finds the relocation to the eligible project  
9 significantly impaired the economic stability of the area in which the closed facility was located, and  
10 that such move was detrimental to the overall economic development efforts of the state, the director  
11 may deny the taxpayer's request to claim tax benefits;

12 (10) Notwithstanding any provision of law to the contrary, for the purpose of this section, the  
13 number of new jobs created and maintained, the number of existing jobs retained, and the value of  
14 new qualified investment used at the eligible project during any tax year shall be determined by  
15 dividing by twelve, in the case of jobs, the sum of the number of individuals employed at the eligible  
16 project, or in the case of new qualified investment, the value of new qualified investment used at the  
17 eligible project, on the last business day of each full calendar month of the tax year. If the eligible  
18 project is in operation for less than the entire tax year, the number of new jobs created and  
19 maintained, the number of existing jobs retained, and the value of new qualified investment created  
20 at the eligible project during any tax year shall be determined by dividing the sum of the number of  
21 individuals employed at the eligible project, or in the case of new qualified investment, the value of  
22 new qualified investment used at the eligible project, on the last business day of each full calendar  
23 month during the portion of the tax year during which the eligible project was in operation, by the  
24 number of full calendar months during such period;

25 (11) For the purpose of this section, "new qualified investment" means new business facility  
26 investment as defined and as determined in subdivision (7) of section 135.100 which is used at and in  
27 connection with the eligible project. "New qualified investment" shall not include small tools,  
28 supplies and inventory. "Small tools" means tools that are portable and can be hand held.

29 2. The determination of the director of economic development pursuant to subsection 1 of  
30 this section shall not affect requirements for the prospective purchaser to obtain the approval of the  
31 granting of real property tax abatement by the municipal or county government where the eligible  
32 project is located.

33 3. (1) The director of the department of economic development, with the approval of the  
34 director of the department of natural resources, may, in addition to the tax credits allowed in  
35 subsection 1 of this section, grant a remediation tax credit to the applicant for up to one hundred  
36 percent of the costs of materials, supplies, equipment, labor, professional engineering, consulting and  
37 architectural fees, permitting fees and expenses, demolition, asbestos abatement, and direct utility  
38 charges for performing the voluntary remediation activities for the preexisting hazardous substance  
39 contamination and releases, including, but not limited to, the costs of performing operation and  
40 maintenance of the remediation equipment at the property beyond the year in which the systems and  
41 equipment are built and installed at the eligible project and the costs of performing the voluntary

1 remediation activities over a period not in excess of four tax years following the taxpayer's tax year  
2 in which the system and equipment were first put into use at the eligible project, provided the  
3 remediation activities are the subject of a plan submitted to, and approved by, the director of natural  
4 resources pursuant to sections 260.565 to 260.575. The tax credit may also include up to one  
5 hundred percent of the costs of demolition that are not directly part of the remediation activities,  
6 provided that the demolition is on the property where the voluntary remediation activities are  
7 occurring, the demolition is necessary to accomplish the planned use of the facility where the  
8 remediation activities are occurring, and the demolition is part of a redevelopment plan approved by  
9 the municipal or county government and the department of economic development. The demolition  
10 may occur on an adjacent property if the project is located in a municipality which has a population  
11 less than twenty thousand and the above conditions are otherwise met. The adjacent property shall  
12 independently qualify as abandoned or underutilized. The amount of the credit available for  
13 demolition not associated with remediation cannot exceed the total amount of credits approved for  
14 remediation including demolition required for remediation.

15 (2) The amount of remediation tax credits issued shall be limited to the least amount  
16 necessary to cause the project to occur, as determined by the director of the department of economic  
17 development.

18 (3) The director may, with the approval of the director of natural resources, extend the tax  
19 credits allowed for performing voluntary remediation maintenance activities, in increments of  
20 three-year periods, not to exceed five consecutive three-year periods. The tax credits allowed in this  
21 subsection shall be used to offset the tax imposed by chapter 143, excluding withholding tax imposed  
22 by sections 143.191 to 143.265, or the tax otherwise imposed by chapter 147, or the tax otherwise  
23 imposed by chapter 148. The remediation tax credit may be taken in the same tax year in which the  
24 tax credits are received or may be taken over a period not to exceed twenty years.

25 (4) The project facility shall be projected to create at least ten new jobs or at least  
26 twenty-five retained jobs, or a combination thereof, as determined by the department of economic  
27 development, to be eligible for tax credits pursuant to this section.

28 (5) No more than seventy-five percent of earned remediation tax credits may be issued when  
29 the remediation costs were paid, and the remaining percentage may be issued when the department  
30 of natural resources issues a letter of completion letter or covenant not to sue following completion  
31 of the voluntary remediation activities. It shall not include any costs associated with ongoing  
32 operational environmental compliance of the facility or remediation costs arising out of spills, leaks,  
33 or other releases arising out of the ongoing business operations of the facility. In the event the  
34 department of natural resources issues a letter of completion for a portion of a property, an impacted  
35 media such as soil or groundwater, or for a site or a portion of a site improvement, a prorated amount  
36 of the remaining percentage may be released based on the percentage of the total site receiving a  
37 letter of completion.

38 4. In the exercise of the sound discretion of the director of the department of economic  
39 development or the director's designee, the tax credits and exemptions described in this section may  
40 be terminated, suspended or revoked, if the eligible project fails to continue to meet the conditions  
41 set forth in this section. In making such a determination, the director shall consider the severity of

1 the condition violation, actions taken to correct the violation, the frequency of any condition  
2 violations and whether the actions exhibit a pattern of conduct by the eligible facility owner and  
3 operator. The director shall also consider changes in general economic conditions and the  
4 recommendation of the director of the department of natural resources, or his or her designee,  
5 concerning the severity, scope, nature, frequency and extent of any violations of the environmental  
6 compliance conditions. The taxpayer or person claiming the tax credits or exemptions may appeal  
7 the decision regarding termination, suspension or revocation of any tax credit or exemption in  
8 accordance with the procedures outlined in subsections 4 [to 6] and 5 of section 135.250. The  
9 director of the department of economic development shall notify the directors of the departments of  
10 natural resources and revenue of the termination, suspension or revocation of any tax credits as  
11 determined in this section or pursuant to the provisions of section 447.716.

12 5. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax  
13 credits, exemptions or refund otherwise allowed in subdivisions (2), (3) and (4) of subsection 1 of  
14 this section and the tax credits otherwise allowed in section 135.110, or the tax credits, exemptions  
15 and refund otherwise allowed in sections 135.215, 135.220, 135.225 and 135.245, respectively, for  
16 the same facility for the same tax period.

17 6. The total amount of the tax credits allowed in subsection 1 of this section may not exceed  
18 the greater of:

19 (1) That portion of the taxpayer's income attributed to the eligible project; or

20 (2) One hundred percent of the total business' income tax if the eligible facility does not  
21 replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax  
22 period in which the tax credits are earned, and further provided the taxpayer does not operate any  
23 other facilities besides the eligible project in Missouri; fifty percent of the total business' income tax  
24 if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the end of  
25 the taxpayer's tax period in which the credits are earned, and further provided the taxpayer does not  
26 operate any other facilities besides the eligible project in Missouri; or twenty-five percent of the total  
27 business income if the taxpayer operates, in addition to the eligible facility, any other facilities in  
28 Missouri. In no case shall a taxpayer operating more than one eligible project in Missouri be allowed  
29 to offset more than twenty-five percent of the taxpayer's business income in any tax period. That  
30 portion of the taxpayer's income attributed to the eligible project as referenced in subdivision (1) of  
31 this subsection, for which the credits allowed in sections 135.110 and 135.225 and subsection 3 of  
32 this section, may apply, shall be determined in the same manner as prescribed in subdivision [(6)] (7)  
33 of section 135.100. That portion of the taxpayer's franchise tax attributed to the eligible project for  
34 which the remediation tax credit may offset, shall be determined in the same manner as prescribed in  
35 paragraph (a) of subdivision [(6)] (7) of section 135.100.

36 7. Taxpayers claiming the state tax benefits allowed in subdivisions (2) and (3) of subsection  
37 1 of this section shall be required to file all applicable tax credit applications, forms and schedules  
38 prescribed by the director during the taxpayer's tax period immediately after the tax period in which  
39 the eligible project was first put into use. Otherwise, the taxpayer's right to claim such state tax  
40 benefits shall be forfeited. Unused business facility and enterprise zone tax credits shall not be  
41 carried forward but shall be initially claimed for the tax period during which the eligible project was

1 first capable of being used, and during any applicable subsequent tax periods.

2 8. Taxpayers claiming the remediation tax credit allowed in subsection 3 of this section shall  
3 be required to file all applicable tax credit applications, forms and schedules prescribed by the  
4 director during the taxpayer's tax period immediately after the tax period in which the eligible  
5 project was first put into use, or during the taxpayer's tax period immediately after the tax period in  
6 which the voluntary remediation activities were performed.

7 9. The recipient of remediation tax credits, for the purpose of this subsection referred to as  
8 assignor, may assign, sell or transfer, in whole or in part, the remediation tax credit allowed in  
9 subsection 3 of this section to any other person, for the purpose of this subsection referred to as  
10 assignee. To perfect the transfer, the assignor shall provide written notice to the director of the  
11 assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective, the  
12 assignee's name, address and the assignee's tax period and the amount of tax credits to be transferred.  
13 The number of tax periods during which the assignee may subsequently claim the tax credits shall  
14 not exceed twenty tax periods, less the number of tax periods the assignor previously claimed the  
15 credits before the transfer occurred.

16 10. In the case where an operator and assignor of an eligible project has been certified to  
17 claim state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section, and sells  
18 or otherwise transfers title of the eligible project to another taxpayer or assignee who continues the  
19 same or substantially similar operations at the eligible project, the director shall allow the assignee to  
20 claim the credits for a period of time to be determined by the director; except that, the total number  
21 of tax periods the tax credits may be earned by the assignor and the assignee shall not exceed ten. To  
22 perfect the transfer, the assignor shall provide written notice to the director of the assignor's intent to  
23 transfer the tax credits to the assignee, the date the transfer is effective, the assignee's name, address,  
24 and the assignee's tax period, and the amount of tax credits to be transferred.

25 11. For the purpose of the state tax benefits described in this section, in the case of a  
26 corporation described in section 143.471 or partnership, in computing Missouri's tax liability, such  
27 state benefits shall be allowed to the following:

28 (1) The shareholders of the corporation described in section 143.471;

29 (2) The partners of the partnership. The credit provided in this subsection shall be  
30 apportioned to the entities described in subdivisions (1) and (2) of this subsection in proportion to  
31 their share of ownership on the last day of the taxpayer's tax period.

32 12. No new tax credits shall be authorized under the provisions of this section after  
33 December 31, 2015.

34 620.495. 1. This section shall be known as the "Small Business Incubators Act".

35 2. As used in this section, unless the context clearly indicates otherwise, the following words  
36 and phrases shall mean:

37 (1) "Department", the department of economic development;

38 (2) "Incubator", a program in which small units of space may be leased by a tenant and in  
39 which management maintains or provides access to business development services for use by tenants  
40 or a program without infrastructure in which participants avail themselves of business development  
41 services to assist in the growth of their start-up small businesses;

42 (3) "Local sponsor" or "sponsor", an organization which enters into a written agreement with

1 the department to establish, operate and administer a small business incubator program or to provide  
2 funding to an organization which operates such a program;

3 (4) "Participant", a sole proprietorship, business partnership or corporation operating a  
4 business for profit through which the owner avails himself or herself of business development  
5 services in an incubator program;

6 (5) "Tenant", a sole proprietorship, business partnership or corporation operating a business  
7 for profit and leasing or otherwise occupying space in an incubator.

8 3. There is hereby established under the direction of the department a loan, loan guarantee  
9 and grant program for the establishment, operation and administration of small business incubators,  
10 to be known as the "Small Business Incubator Program". A local sponsor may submit an application  
11 to the department to obtain a loan, loan guarantee or grant to establish an incubator. Each  
12 application shall:

13 (1) Demonstrate that a program exists that can be transformed into an incubator at a  
14 specified cost;

15 (2) Demonstrate the ability to directly provide or arrange for the provision of business  
16 development services for tenants and participants of the incubator. These services shall include, but  
17 need not be limited to, financial consulting assistance, management and marketing assistance,  
18 business education, and physical services;

19 (3) Demonstrate a potential for sustained use of the incubator program by eligible tenants  
20 and participants, through a market study or other means;

21 (4) Demonstrate the ability to manage and operate the incubator program;

22 (5) Include such other information as the department may require through its guidelines.

23 4. The department shall review and accept applications based on the following criteria:

24 (1) Ability of the local sponsor to carry out the provisions of this section;

25 (2) Economic impact of the incubator on the community;

26 (3) Conformance with areawide and local economic development plans, if such exist;

27 (4) Location of the incubator, in order to encourage geographic distribution of incubators  
28 across the state.

29 5. Loans, loan guarantees and grants shall be administered in the following manner:

30 (1) Loans awarded or guaranteed and grants awarded shall be used only for the acquisition  
31 and leasing of land and existing buildings, the rehabilitation of buildings or other facilities,  
32 construction of new facilities, the purchase of equipment and furnishings which are necessary for the  
33 creation and operation of the incubator, and business development services including, but not limited  
34 to, business management advising and business education;

35 (2) Loans, loan guarantees and grants may not exceed fifty percent of total eligible project  
36 costs;

37 (3) Payment of interest and principal on loans may be deferred at the discretion of the  
38 department.

39 6. A local sponsor, or the organization receiving assistance through the local sponsor, shall  
40 have the following responsibilities and duties in establishing and operating an incubator with  
41 assistance from the small business incubator program:

42 (1) Secure title on a facility for the program or a lease of a facility for the program;

43 (2) Manage the physical development of the incubator program, including the provision of  
44 common conference or meeting space;

45 (3) Furnish and equip the program to provide business services to the tenants and  
46 participants;

47 (4) Market the program and secure eligible tenants and participants;

48 (5) Provide financial consulting, marketing and management assistance services or arrange



1 for the provision of these services for tenants and participants of the incubator, including assistance  
2 in accessing private financial markets;

3 (6) Set rental and service fees;

4 (7) Encourage the sharing of ideas between tenants and participants and otherwise aid the  
5 tenants and participants in an innovative manner while they are within the incubator;

6 (8) Establish policies and criteria for the acceptance of tenants and participants into the  
7 incubator and for the termination of occupancy of tenants so as to maximize the opportunity to  
8 succeed for the greatest number of tenants, consistent with those specified in this section.

9 7. The department:

10 (1) May adopt such rules, statements of policy, procedures, forms and guidelines as may be  
11 necessary for the implementation of this section;

12 (2) May make loans, loan guarantees and grants to local sponsors for incubators;

13 (3) Shall ensure that local sponsors receiving loans, loan guarantees or grants meet the  
14 conditions of this section;

15 (4) Shall receive and evaluate annual reports from local sponsors. Such annual reports shall  
16 include, but need not be limited to, a financial statement for the incubator, evidence that all tenants  
17 and participants in the program are eligible under the terms of this section, and a list of companies in  
18 the incubator.

19 8. The department of economic development is also hereby authorized to review any  
20 previous loans made under this program and, where appropriate in the department's judgment,  
21 convert such loans to grant status.

22 9. On or before January first of each year, the department shall provide a report to the  
23 governor, the chief clerk of the house of representatives and the secretary of the senate which shall  
24 include, but need not be limited to:

25 (1) The number of applications for incubators submitted to the department;

26 (2) The number of applications for incubators approved by the department;

27 (3) The number of incubators created through the small business incubator program;

28 (4) The number of tenants and participants engaged in each incubator;

29 (5) The number of jobs provided by each incubator and tenants and participant of each  
30 incubator;

31 (6) The occupancy rate of each incubator;

32 (7) The number of firms still operating in the state after leaving incubators and the number  
33 of jobs they have provided.

34 10. There is hereby established in the state treasury a special fund to be known as the  
35 "Missouri Small Business Incubators Fund", which shall consist of all moneys which may be  
36 appropriated to it by the general assembly, and also any gifts, contributions, grants or bequests  
37 received from federal, private or other sources. Moneys for loans, loan guarantees and grants under  
38 the small business incubator program may be obtained from appropriations made by the general  
39 assembly from the Missouri small business incubators fund. Any moneys remaining in the Missouri  
40 small business incubators fund at the end of any fiscal year shall not lapse to the general revenue  
41 fund, as provided in section 33.080, but shall remain in the Missouri small business incubators fund.

42 11. For any taxable year beginning after December 31, 1989, a taxpayer, including any  
43 charitable organization which is exempt from federal income tax and whose Missouri unrelated  
44 business taxable income, if any, would be subject to the state income tax imposed under chapter 143,  
45 shall be entitled to a tax credit against any tax otherwise due under the provisions of chapter 143, or  
46 chapter 147, or chapter 148, excluding withholding tax imposed by sections 143.191 to 143.265, in  
47 the amount of fifty percent of any amount contributed by the taxpayer to the Missouri small business  
48 incubators fund during the taxpayer's tax year or any contribution by the taxpayer to a local sponsor

1 after the local sponsor's application has been accepted and approved by the department. The tax  
2 credit allowed by this subsection shall be claimed by the taxpayer at the time he files his or her return  
3 and shall be applied against the income tax liability imposed by chapter 143, or chapter 147, or  
4 chapter 148, after all other credits provided by law have been applied. That portion of earned tax  
5 credits which exceeds the taxpayer's tax liability may be carried forward for up to five years. The  
6 aggregate of all tax credits authorized under this section shall not exceed five hundred thousand  
7 dollars in any taxable year. No new tax credits shall be authorized under the provisions of this  
8 section after December 31, 2015.

9 12. Notwithstanding any provision of Missouri law to the contrary, any taxpayer may sell,  
10 assign, exchange, convey or otherwise transfer tax credits allowed in subsection 11 of this section  
11 under the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such  
12 taxpayer, hereinafter the assignor for the purpose of this subsection, may sell, assign, exchange or  
13 otherwise transfer earned tax credits:

14 (1) For no less than seventy-five percent of the par value of such credits; and

15 (2) In an amount not to exceed one hundred percent of annual earned credits. The taxpayer  
16 acquiring earned credits, hereinafter the assignee for the purpose of this subsection, may use the  
17 acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed by  
18 chapter 143, or chapter 147, or chapter 148 excluding withholding tax imposed by sections 143.191  
19 to 143.265. Unused credits in the hands of the assignee may be carried forward for up to five years.  
20 The assignor shall enter into a written agreement with the assignee establishing the terms and  
21 conditions of the agreement and shall perfect such transfer by notifying the department of economic  
22 development in writing within thirty calendar days following the effective day of the transfer and  
23 shall provide any information as may be required by the department of economic development to  
24 administer and carry out the provisions of this section. The director of the department of economic  
25 development shall prescribe the method for submitting applications for claiming the tax credit  
26 allowed under subsection 11 of this section and shall, if the application is approved, certify to the  
27 director of revenue that the taxpayer claiming the credit has satisfied all the requirements specified in  
28 this section and is eligible to claim the credit.

29 620.1881. 1. The department of economic development shall respond within thirty days to a  
30 company who provides a notice of intent with either an approval or a rejection of the notice of intent.  
31 The department shall give preference to qualified companies and projects targeted at an area of the  
32 state which has recently been classified as a disaster area by the federal government. Failure to  
33 respond on behalf of the department of economic development shall result in the notice of intent  
34 being deemed an approval for the purposes of this section. A qualified company who is provided an  
35 approval for a project shall be allowed a benefit as provided in this program in the amount and  
36 duration provided in this section. A qualified company may receive additional periods for  
37 subsequent new jobs at the same facility after the full initial period if the minimum thresholds are  
38 met as set forth in sections 620.1875 to 620.1890. There is no limit on the number of periods a  
39 qualified company may participate in the program, as long as the minimum thresholds are achieved  
40 and the qualified company provides the department with the required reporting and is in proper  
41 compliance for this program or other state programs. A qualified company may elect to file a notice  
42 of intent to start a new project period concurrent with an existing project period if the minimum  
43 thresholds are achieved and the qualified company provides the department with the required

1 reporting and is in proper compliance for this program and other state programs; however, the  
2 qualified company may not receive any further benefit under the original approval for jobs created  
3 after the date of the new notice of intent, and any jobs created before the new notice of intent may  
4 not be included as new jobs for the purpose of benefit calculation in relation to the new approval.  
5 When a qualified company has filed and received approval of a notice of intent and subsequently  
6 files another notice of intent, the department shall apply the definition of project facility under  
7 subdivision (19) of section 620.1878 to the new notice of intent as well as all previously approved  
8 notices of intent and shall determine the application of the definitions of new job, new payroll,  
9 project facility base employment, and project facility base payroll accordingly.

10 2. Notwithstanding any provision of law to the contrary, any qualified company that is  
11 awarded benefits under this program may not simultaneously receive tax credits or exemptions under  
12 sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections 135.900 to  
13 135.906 at the same project facility. The benefits available to the company under any other state  
14 programs for which the company is eligible and which utilize withholding tax from the new jobs of  
15 the company must first be credited to the other state program before the withholding retention level  
16 applicable under the Missouri quality jobs act will begin to accrue. These other state programs  
17 include, but are not limited to, the Missouri works jobs training program under sections 620.800 to  
18 620.809, the real property tax increment allocation redevelopment act, sections 99.800 to 99.865, or  
19 the Missouri downtown and rural economic stimulus act under sections 99.915 to 99.980. If any  
20 qualified company also participates in the Missouri works jobs training program in sections 620.800  
21 to 620.809, the company shall retain no withholding tax, but the department shall issue a refundable  
22 tax credit for the full amount of benefit allowed under this subdivision. The calendar year annual  
23 maximum amount of tax credits which may be issued to a qualifying company that also participates  
24 in the new job training program shall be increased by an amount equivalent to the withholding tax  
25 retained by that company under the new jobs training program. However, if the combined benefits  
26 of the quality jobs program and the new jobs training program exceed the projected state benefit of  
27 the project, as determined by the department of economic development through a cost-benefit  
28 analysis, the increase in the maximum tax credits shall be limited to the amount that would not cause  
29 the combined benefits to exceed the projected state benefit. Any taxpayer who is awarded benefits  
30 under this program who knowingly hires individuals who are not allowed to work legally in the  
31 United States shall immediately forfeit such benefits and shall repay the state an amount equal to any  
32 state tax credits already redeemed and any withholding taxes already retained.

33 3. The types of projects and the amount of benefits to be provided are:

34 (1) Small and expanding business projects: in exchange for the consideration provided by  
35 the new tax revenues and other economic stimuli that will be generated by the new jobs created by  
36 the program, a qualified company may retain an amount equal to the withholding tax as calculated  
37 under subdivision (33) of section 620.1878 from the new jobs that would otherwise be withheld and  
38 remitted by the qualified company under the provisions of sections 143.191 to 143.265 for a period  
39 of three years from the date the required number of new jobs were created if the average wage of the  
40 new payroll equals or exceeds the county average wage or for a period of five years from the date the  
41 required number of new jobs were created if the average wage of the new payroll equals or exceeds

1 one hundred twenty percent of the county average wage;

2 (2) Technology business projects: in exchange for the consideration provided by the new tax  
3 revenues and other economic stimuli that will be generated by the new jobs created by the program,  
4 a qualified company may retain an amount equal to a maximum of five percent of new payroll for a  
5 period of five years from the date the required number of jobs were created from the withholding tax  
6 of the new jobs that would otherwise be withheld and remitted by the qualified company under the  
7 provisions of sections 143.191 to 143.265 if the average wage of the new payroll equals or exceeds  
8 the county average wage. An additional one-half percent of new payroll may be added to the five  
9 percent maximum if the average wage of the new payroll in any year exceeds one hundred twenty  
10 percent of the county average wage in the county in which the project facility is located, plus an  
11 additional one-half percent of new payroll may be added if the average wage of the new payroll in  
12 any year exceeds one hundred forty percent of the average wage in the county in which the project  
13 facility is located. The department shall issue a refundable tax credit for any difference between the  
14 amount of benefit allowed under this subdivision and the amount of withholding tax retained by the  
15 company, in the event the withholding tax is not sufficient to provide the entire amount of benefit  
16 due to the qualified company under this subdivision;

17 (3) High impact projects: in exchange for the consideration provided by the new tax  
18 revenues and other economic stimuli that will be generated by the new jobs created by the program,  
19 a qualified company may retain an amount from the withholding tax of the new jobs that would  
20 otherwise be withheld and remitted by the qualified company under the provisions of sections  
21 143.191 to 143.265, equal to three percent of new payroll for a period of five years from the date the  
22 required number of jobs were created if the average wage of the new payroll equals or exceeds the  
23 county average wage of the county in which the project facility is located. For high-impact projects  
24 in a facility located within two adjacent counties, the new payroll shall equal or exceed the higher  
25 county average wage of the adjacent counties. The percentage of payroll allowed under this  
26 subdivision shall be three and one-half percent of new payroll if the average wage of the new payroll  
27 in any year exceeds one hundred twenty percent of the county average wage in the county in which  
28 the project facility is located. The percentage of payroll allowed under this subdivision shall be four  
29 percent of new payroll if the average wage of the new payroll in any year exceeds one hundred forty  
30 percent of the county average wage in the county in which the project facility is located. An  
31 additional one percent of new payroll may be added to these percentages if local incentives equal  
32 between ten percent and twenty-four percent of the new direct local revenue; an additional two  
33 percent of new payroll is added to these percentages if the local incentives equal between twenty-five  
34 percent and forty-nine percent of the new direct local revenue; or an additional three percent of  
35 payroll is added to these percentages if the local incentives equal fifty percent or more of the new  
36 direct local revenue. The department shall issue a refundable tax credit for any difference between  
37 the amount of benefit allowed under this subdivision and the amount of withholding tax retained by  
38 the company, in the event the withholding tax is not sufficient to provide the entire amount of benefit  
39 due to the qualified company under this subdivision;

40 (4) Job retention projects: a qualified company may receive a tax credit for the retention of  
41 jobs in this state, provided the qualified company and the project meets all of the following

1 conditions:

2 (a) For each of the twenty-four months preceding the year in which application for the  
3 program is made the qualified company must have maintained at least one thousand full-time  
4 employees at the employer's site in the state at which the jobs are based, and the average wage of  
5 such employees must meet or exceed the county average wage;

6 (b) The qualified company retained at the project facility the level of full-time employees  
7 that existed in the taxable year immediately preceding the year in which application for the program  
8 is made;

9 (c) The qualified company is considered to have a significant statewide effect on the  
10 economy, and has been determined to represent a substantial risk of relocation from the state by the  
11 quality jobs advisory task force established in section 620.1887; provided, however, until such time  
12 as the initial at-large members of the quality jobs advisory task force are appointed, this  
13 determination shall be made by the director of the department of economic development;

14 (d) The qualified company in the project facility will cause to be invested a minimum of  
15 seventy million dollars in new investment prior to the end of two years or will cause to be invested a  
16 minimum of thirty million dollars in new investment prior to the end of two years and maintain an  
17 annual payroll of at least seventy million dollars during each of the years for which a credit is  
18 claimed; and

19 (e) The local taxing entities shall provide local incentives of at least fifty percent of the new  
20 direct local revenues created by the project over a ten-year period.

21 The quality jobs advisory task force may recommend to the department of economic development  
22 that appropriate penalties be applied to the company for violating the agreement. The amount of the  
23 job retention credit granted may be equal to up to fifty percent of the amount of withholding tax  
24 generated by the full-time jobs at the project facility for a period of five years. The calendar year  
25 annual maximum amount of tax credit that may be issued to any qualified company for a job  
26 retention project or combination of job retention projects shall be seven hundred fifty thousand  
27 dollars per year, but the maximum amount may be increased up to one million dollars if such action  
28 is proposed by the department and approved by the quality jobs advisory task force established in  
29 section 620.1887; provided, however, until such time as the initial at-large members of the quality  
30 jobs advisory task force are appointed, this determination shall be made by the director of the  
31 department of economic development. In considering such a request, the task force shall rely on  
32 economic modeling and other information supplied by the department when requesting the increased  
33 limit on behalf of the job retention project. In no event shall the total amount of all tax credits issued  
34 for the entire job retention program under this subdivision exceed three million dollars annually.  
35 Notwithstanding the above, no tax credits shall be issued for job retention projects approved by the  
36 department after August 30, 2013;

37 (5) Small business job retention and flood survivor relief: a qualified company may receive  
38 a tax credit under sections 620.1875 to 620.1890 for the retention of jobs and flood survivor relief in  
39 this state for each job retained over a three-year period, provided that:

40 (a) The qualified company did not receive any state or federal benefits, incentives, or tax  
41 relief or abatement in locating its facility in a flood plain;

1 (b) The qualified company and related companies have fewer than one hundred employees at  
2 the time application for the program is made;

3 (c) The average wage of the qualified company's and related companies' employees must  
4 meet or exceed the county average wage;

5 (d) All of the qualified company's and related companies' facilities are located in this state;

6 (e) The facilities at the primary business site in this state have been directly damaged by  
7 floodwater rising above the level of a five hundred year flood at least two years, but fewer than eight  
8 years, prior to the time application is made;

9 (f) The qualified company made significant efforts to protect the facilities prior to any  
10 impending danger from rising floodwaters;

11 (g) For each year it receives tax credits under sections 620.1875 to 620.1890, the qualified  
12 company and related companies retained, at the company's facilities in this state, at least the level of  
13 full-time, year-round employees that existed in the taxable year immediately preceding the year in  
14 which application for the program is made; and

15 (h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company  
16 cumulatively invests at least two million dollars in capital improvements in facilities and equipment  
17 located at such facilities that are not located within a five hundred year flood plain as designated by  
18 the Federal Emergency Management Agency, and amended from time to time. The amount of the  
19 small business job retention and flood survivor relief credit granted may be equal to up to one  
20 hundred percent of the amount of withholding tax generated by the full-time jobs at the project  
21 facility for a period of three years. The calendar year annual maximum amount of tax credit that  
22 may be issued to any qualified company for a small business job retention and survivor relief project  
23 shall be two hundred fifty thousand dollars per year, but the maximum amount may be increased up  
24 to five hundred thousand dollars if such action is proposed by the department and approved by the  
25 quality jobs advisory task force established in section 620.1887. In considering such a request, the  
26 task force shall rely on economic modeling and other information supplied by the department when  
27 requesting an increase in the limit on behalf of the small business job retention and flood survivor  
28 relief project. In no event shall the total amount of all tax credits issued for the entire small business  
29 job retention and flood survivor relief program under this subdivision exceed five hundred thousand  
30 dollars annually. Notwithstanding the provisions of this subdivision to the contrary, no tax credits  
31 shall be issued for small business job retention and flood survivor relief projects approved by the  
32 department after August 30, 2010.

33 4. The qualified company shall provide an annual report of the number of jobs and such  
34 other information as may be required by the department to document the basis for the benefits of this  
35 program. The department may withhold the approval of any benefits until it is satisfied that proper  
36 documentation has been provided, and shall reduce the benefits to reflect any reduction in full-time  
37 employees or new payroll. Upon approval by the department, the qualified company may begin the  
38 retention of the withholding taxes when it reaches the minimum number of new jobs and the average  
39 wage exceeds the county average wage. Tax credits, if any, may be issued upon satisfaction by the  
40 department that the qualified company has exceeded the county average wage and the minimum  
41 number of new jobs. In such annual report, if the average wage is below the county average wage,

1 the qualified company has not maintained the employee insurance as required, or if the number of  
2 new jobs is below the minimum, the qualified company shall not receive tax credits or retain the  
3 withholding tax for the balance of the benefit period. In the case of a qualified company that initially  
4 filed a notice of intent and received an approval from the department for high-impact benefits and  
5 the minimum number of new jobs in an annual report is below the minimum for high-impact  
6 projects, the company shall not receive tax credits for the balance of the benefit period but may  
7 continue to retain the withholding taxes if it otherwise meets the requirements of a small and  
8 expanding business under this program.

9 5. The maximum calendar year annual tax credits issued for the entire program shall not  
10 exceed eighty million dollars. Notwithstanding any provision of law to the contrary, the maximum  
11 annual tax credits authorized under section 135.535 are hereby reduced from ten million dollars to  
12 eight million dollars, with the balance of two million dollars transferred to this program. There shall  
13 be no limit on the amount of withholding taxes that may be retained by approved companies under  
14 this program.

15 6. The department shall allocate the annual tax credits based on the date of the approval,  
16 reserving such tax credits based on the department's best estimate of new jobs and new payroll of the  
17 project, and the other factors in the determination of benefits of this program. However, the annual  
18 issuance of tax credits is subject to the annual verification of the actual new payroll. The allocation  
19 of tax credits for the period assigned to a project shall expire if, within two years from the date of  
20 commencement of operations, or approval if applicable, the minimum thresholds have not been  
21 achieved. The qualified company may retain authorized amounts from the withholding tax under  
22 this section once the minimum new jobs thresholds are met for the duration of the project period. No  
23 benefits shall be provided under this program until the qualified company meets the minimum new  
24 jobs thresholds. In the event the qualified company does not meet the minimum new job threshold,  
25 the qualified company may submit a new notice of intent or the department may provide a new  
26 approval for a new project of the qualified company at the project facility or other facilities.

27 7. For a qualified company with flow-through tax treatment to its members, partners, or  
28 shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion to  
29 their share of ownership on the last day of the qualified company's tax period.

30 8. Tax credits may be claimed against taxes otherwise imposed by chapters 143 and 148, and  
31 may not be carried forward but shall be claimed within one year of the close of the taxable year for  
32 which they were issued, except as provided under subdivision (4) of subsection 3 of this section.

33 9. Tax credits authorized by this section may be transferred, sold, or assigned by filing a  
34 notarized endorsement thereof with the department that names the transferee, the amount of tax  
35 credit transferred, and the value received for the credit, as well as any other information reasonably  
36 requested by the department.

37 10. Prior to the issuance of tax credits, the department shall verify through the department of  
38 revenue, or any other state department, that the tax credit applicant does not owe any delinquent  
39 income, sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments  
40 levied by any state department and through the department of insurance, financial institutions and  
41 professional registration that the applicant does not owe any delinquent insurance taxes. Such

1 delinquency shall not affect the authorization of the application for such tax credits, except that at  
2 issuance credits shall be first applied to the delinquency and any amount issued shall be reduced by  
3 the applicant's tax delinquency. If the department of revenue or the department of insurance,  
4 financial institutions and professional registration, or any other state department, concludes that a  
5 taxpayer is delinquent after June fifteenth but before July first of any year and the application of tax  
6 credits to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the  
7 taxpayer shall be granted thirty days to satisfy the deficiency in which interest, penalties, and  
8 additions to tax shall be tolled. After applying all available credits toward a tax delinquency, the  
9 administering agency shall notify the appropriate department and that department shall update the  
10 amount of outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all  
11 insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the  
12 applicant, subject to the restrictions of other provisions of law.

13 11. Except as provided under subdivision (4) of subsection 3 of this section, the director of  
14 revenue shall issue a refund to the qualified company to the extent that the amount of credits allowed  
15 in this section exceeds the amount of the qualified company's income tax.

16 12. An employee of a qualified company will receive full credit for the amount of tax  
17 withheld as provided in section 143.211.

18 13. If any provision of sections 620.1875 to 620.1890 or application thereof to any person or  
19 circumstance is held invalid, the invalidity shall not affect other provisions or application of these  
20 sections which can be given effect without the invalid provisions or application, and to this end, the  
21 provisions of sections 620.1875 to 620.1890 are hereby declared severable.

22 14. The provisions of this section shall expire on December 31, 2027. The total amount of  
23 tax credits eligible to be awarded under subsection 5 of this section shall be reduced each year for ten  
24 years in equal amounts beginning with the 2017 fiscal year until no tax credits are eligible to be  
25 awarded under this section.

26 [135.680. 1. As used in this section, the following terms shall mean:

27 (1) "Adjusted purchase price", the product of:

28 (a) The amount paid to the issuer of a qualified equity investment for such qualified equity  
29 investment; and

30 (b) The following fraction:

31 a. The numerator shall be the dollar amount of qualified low-income community investments  
32 held by the issuer in this state as of the credit allowance date during the applicable tax year; and

33 b. The denominator shall be the total dollar amount of qualified low-income community  
34 investments held by the issuer in all states as of the credit allowance date during the applicable tax  
35 year;

36 c. For purposes of calculating the amount of qualified low-income community investments  
37 held by an issuer, an investment shall be considered held by an issuer even if the investment has been  
38 sold or repaid; provided that the issuer reinvests an amount equal to the capital returned to or  
39 recovered by the issuer from the original investment, exclusive of any profits realized, in another  
40 qualified low-income community investment within twelve months of the receipt of such capital. An  
41 issuer shall not be required to reinvest capital returned from qualified low-income community  
42 investments after the sixth anniversary of the issuance of the qualified equity investment, the  
43 proceeds of which were used to make the qualified low-income community investment, and the  
44 qualified low-income community investment shall be considered held by the issuer through the



1 seventh anniversary of the qualified equity investment's issuance;

2 (2) "Applicable percentage", zero percent for each of the first two credit allowance dates,  
3 seven percent for the third credit allowance date, and eight percent for the next four credit allowance  
4 dates;

5 (3) "Credit allowance date", with respect to any qualified equity investment:

6 (a) The date on which such investment is initially made; and

7 (b) Each of the six anniversary dates of such date thereafter;

8 (4) "Long-term debt security", any debt instrument issued by a qualified community  
9 development entity, at par value or a premium, with an original maturity date of at least seven years  
10 from the date of its issuance, with no acceleration of repayment, amortization, or prepayment  
11 features prior to its original maturity date, and with no distribution, payment, or interest features  
12 related to the profitability of the qualified community development entity or the performance of the  
13 qualified community development entity's investment portfolio. The foregoing shall in no way limit  
14 the holder's ability to accelerate payments on the debt instrument in situations where the issuer has  
15 defaulted on covenants designed to ensure compliance with this section or Section 45D of the  
16 Internal Revenue Code of 1986, as amended;

17 (5) "Qualified active low-income community business", the meaning given such term in  
18 Section 45D of the Internal Revenue Code of 1986, as amended; provided that any business that  
19 derives or projects to derive fifteen percent or more of its annual revenue from the rental or sale of  
20 real estate shall not be considered to be a qualified active low-income community business;

21 (6) "Qualified community development entity", the meaning given such term in Section 45D  
22 of the Internal Revenue Code of 1986, as amended; provided that such entity has entered into an  
23 allocation agreement with the Community Development Financial Institutions Fund of the U.S.  
24 Treasury Department with respect to credits authorized by Section 45D of the Internal Revenue Code  
25 of 1986, as amended, which includes the state of Missouri within the service area set forth in such  
26 allocation agreement;

27 (7) "Qualified equity investment", any equity investment in, or long-term debt security  
28 issued by, a qualified community development entity that:

29 (a) Is acquired after September 4, 2007, at its original issuance solely in exchange for cash;

30 (b) Has at least eighty-five percent of its cash purchase price used by the issuer to make  
31 qualified low-income community investments; and

32 (c) Is designated by the issuer as a qualified equity investment under this subdivision and is  
33 certified by the department of economic development as not exceeding the limitation contained in  
34 subsection 2 of this section. This term shall include any qualified equity investment that does not  
35 meet the provisions of paragraph (a) of this subdivision if such investment was a qualified equity  
36 investment in the hands of a prior holder;

37 (8) "Qualified low-income community investment", any capital or equity investment in, or  
38 loan to, any qualified active low-income community business. With respect to any one qualified  
39 active low-income community business, the maximum amount of qualified low-income community  
40 investments made in such business, on a collective basis with all of its affiliates, that may be used  
41 from the calculation of any numerator described in subparagraph a. of paragraph (b) of subdivision  
42 (1) of this subsection shall be ten million dollars whether issued to one or several qualified  
43 community development entities;

44 (9) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding  
45 withholding tax imposed in sections 143.191 to 143.265, or otherwise due under section 375.916 or  
46 chapter 147, 148, or 153;

47 (10) "Taxpayer", any individual or entity subject to the tax imposed in chapter 143,  
48 excluding withholding tax imposed in sections 143.191 to 143.265, or the tax imposed in section

1 375.916 or chapter 147, 148, or 153.

2 2. A taxpayer that makes a qualified equity investment earns a vested right to tax credits  
3 under this section. On each credit allowance date of such qualified equity investment the taxpayer,  
4 or subsequent holder of the qualified equity investment, shall be entitled to a tax credit during the  
5 taxable year including such credit allowance date. The tax credit amount shall be equal to the  
6 applicable percentage of the adjusted purchase price paid to the issuer of such qualified equity  
7 investment. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state  
8 tax liability for the tax year for which the tax credit is claimed. No tax credit claimed under this  
9 section shall be refundable or transferable. Tax credits earned by a partnership, limited liability  
10 company, S-corporation, or other pass-through entity may be allocated to the partners, members, or  
11 shareholders of such entity for their direct use in accordance with the provisions of any agreement  
12 among such partners, members, or shareholders. Any amount of tax credit that the taxpayer is  
13 prohibited by this section from claiming in a taxable year may be carried forward to any of the  
14 taxpayer's five subsequent taxable years. The department of economic development shall limit the  
15 monetary amount of qualified equity investments permitted under this section to a level necessary to  
16 limit tax credit utilization at no more than twenty-five million dollars of tax credits in any fiscal year.  
17 Such limitation on qualified equity investments shall be based on the anticipated utilization of credits  
18 without regard to the potential for taxpayers to carry forward tax credits to later tax years.

19 3. The issuer of the qualified equity investment shall certify to the department of economic  
20 development the anticipated dollar amount of such investments to be made in this state during the  
21 first twelve-month period following the initial credit allowance date. If on the second credit  
22 allowance date, the actual dollar amount of such investments is different than the amount estimated,  
23 the department of economic development shall adjust the credits arising on the second allowance  
24 date to account for such difference.

25 4. The department of economic development shall recapture the tax credit allowed under this  
26 section with respect to such qualified equity investment under this section if:

27 (1) Any amount of the federal tax credit available with respect to a qualified equity  
28 investment that is eligible for a tax credit under this section is recaptured under Section 45D of the  
29 Internal Revenue Code of 1986, as amended; or

30 (2) The issuer redeems or makes principal repayment with respect to a qualified equity  
31 investment prior to the seventh anniversary of the issuance of such qualified equity investment. Any  
32 tax credit that is subject to recapture shall be recaptured from the taxpayer that claimed the tax credit  
33 on a return.

34 5. The department of economic development shall promulgate rules to implement the  
35 provisions of this section, including recapture provisions on a scaled proportional basis, and to  
36 administer the allocation of tax credits issued for qualified equity investments, which shall be  
37 conducted on a first-come, first-serve basis. Any rule or portion of a rule, as that term is defined in  
38 section 536.010, that is created under the authority delegated in this section shall become effective  
39 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable,  
40 section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with  
41 the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove  
42 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and  
43 any rule proposed or adopted after September 4, 2007, shall be invalid and void.

44 6. For fiscal years following fiscal year 2010, qualified equity investments shall not be made  
45 under this section unless reauthorization is made pursuant to this subsection. For all fiscal years  
46 following fiscal year 2010, unless the general assembly adopts a concurrent resolution granting  
47 authority to the department of economic development to approve qualified equity investments for the  
48 Missouri new markets development program and clearly describing the amount of tax credits

1 available for the next fiscal year, or otherwise complies with the provisions of this subsection, no  
2 qualified equity investments may be permitted to be made under this section. The amount of  
3 available tax credits contained in such a resolution shall not exceed the limitation provided under  
4 subsection 2 of this section. In any year in which the provisions of this section shall sunset pursuant  
5 to subsection 7 of this section, reauthorization shall be made by general law and not by concurrent  
6 resolution. Nothing in this subsection shall preclude a taxpayer who makes a qualified equity  
7 investment prior to the expiration of authority to make qualified equity investments from claiming  
8 tax credits relating to such qualified equity investment for each applicable credit allowance date.

9 7. Under section 23.253 of the Missouri sunset act:

10 (1) The provisions of the new program authorized under this section shall automatically  
11 sunset six years after September 4, 2007, unless reauthorized by an act of the general assembly; and

12 (2) If such program is reauthorized, the program authorized under this section shall  
13 automatically sunset twelve years after the effective date of the reauthorization of this section; and

14 (3) This section shall terminate on September first of the calendar year immediately  
15 following the calendar year in which the program authorized under this section is sunset. However,  
16 nothing in this subsection shall preclude a taxpayer who makes a qualified equity investment prior to  
17 sunset of this section under the provisions of section 23.253 from claiming tax credits relating to  
18 such qualified equity investment for each credit allowance date.]" ; and

19  
20 Further amend said bill by amending the title, enacting clause, and intersectional references  
21 accordingly.