

HB 2759 with HCA 1 -- EMPLOYING EX-OFFENDERS TAX CREDIT

SPONSOR: McCaherty

COMMITTEE ACTION: Voted "Do Pass with Amendments" by the Standing Committee on Ways and Means by a vote of 9 to 2.

Beginning January 1, 2017, this bill authorizes a taxpayer to receive a tax credit equal to 50% of the amount of any donation made to an organization that works with ex-offenders to reduce recidivism. Tax credits are non-refundable but may be carried forward for four years. A taxpayer must donate at least \$100 to receive the credit.

The Department of Corrections is charged with determining whether an organization is qualified. To be qualified, an organization must be a valid 501(c)(3) organization that has reduced recidivism in the group of ex-offenders it has worked with by at least 70%. The director of the department must establish a procedure for taxpayers to determine which organizations are qualified and notify the Department of Revenue of any taxpayer wishing to claim a credit. The Department of Revenue may authorize up to \$2 million in tax credits under this section.

The provisions of the bill will expire six years from the effective date.

This bill is similar to SCS SB 1137 (2016).

HCA #1: This amendment makes technical changes.

PROPOSERS: Supporters say that this bill helps with the Department of Corrections (DOC) recidivism rates by providing a benevolent tax credit program to encourage donations like the credit for donations to food pantries. It could reduce costs to the state by not incarcerating ex-offenders again. The bill will help ex-offenders to be productive members of society by supporting programs that help them with housing, food, transportation, social skills, job readiness skills, and to remain drug-free with support and mentor services. The organizations teach parenting skills to reunite the families and because helping a parent helps the kids stay out of prison too.

Testifying for the bill were Representative McCaherty; Missouri Family Network; Trish Maines, Mission Gate; Angela M. Quick; Lawrence Walker; Brittania Byerty; Gregory Smith, and Mission Gate.

OPPOSERS: There was no opposition voiced to the committee.