

SECOND REGULAR SESSION

# HOUSE BILL NO. 1238

99TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE STACY.

4262H.021

D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To repeal sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.020, 135.110, 135.225, 135.235, 135.279, 135.327, 135.352, 135.403, 135.460, 135.481, 135.490, 135.503, 135.535, 135.545, 135.550, 135.700, 135.766, 135.967, 135.968, 135.1150, 135.1180, 143.119, 143.471, 148.064, 148.620, 148.655, 148.657, 191.1056, 192.2015, 208.770, 253.550, 348.302, 348.430, 348.432, 348.505, 375.774, 376.745, 376.975, 447.708, 620.495, 620.650, and 620.1881, RSMo, and to enact in lieu thereof forty-seven new sections relating to tax credits.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.020, 135.110, 135.225, 135.235, 135.279, 135.327, 135.352, 135.403, 135.460, 135.481, 135.490, 135.503, 135.535, 135.545, 135.550, 135.700, 135.766, 135.967, 135.968, 135.1150, 135.1180, 143.119, 143.471, 148.064, 148.620, 148.655, 148.657, 191.1056, 192.2015, 208.770, 253.550, 348.302, 348.430, 348.432, 348.505, 375.774, 376.745, 376.975, 447.708, 620.495, 620.650, and 620.1881, RSMo, are repealed and forty-seven new sections enacted in lieu thereof, to be known as sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.020, 135.110, 135.225, 135.235, 135.279, 135.327, 135.352, 135.403, 135.460, 135.481, 135.490, 135.503, 135.535, 135.545, 135.550, 135.700, 135.766, 135.967, 135.968, 135.1150, 135.1180, 143.119, 143.471, 148.064, 148.620, 148.655, 148.657, 191.1056, 192.2015, 208.770, 253.550, 348.302, 348.430, 348.432, 348.505, 375.774, 376.745, 376.975, 447.708, 620.495, 620.650, and 620.1881, to read as follows:

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

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

- 3 (1) The annual tax on gross premium receipts of insurance companies in chapter 148;
- 4 (2) The tax on banks determined pursuant to subdivision (2) of subsection 2 of section
- 5 148.030;
- 6 (3) The tax on banks determined in subdivision (1) of subsection 2 of section 148.030;
- 7 (4) The tax on other financial institutions in chapter 148;
- 8 (5) The corporation franchise tax in chapter 147;
- 9 (6) The state income tax in chapter 143; and
- 10 (7) The annual tax on gross receipts of express companies in chapter 153.
- 11 2. For proposals approved pursuant to section 32.110:
- 12 (1) The amount of the tax credit shall not exceed fifty percent of the total amount
- 13 contributed during the ~~taxable~~ tax year by the business firm or, in the case of a financial
- 14 institution, where applicable, during the relevant income period in programs approved pursuant
- 15 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
- 19 promulgated 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
- 23 or less inhabitants as of the last decennial census and is located in a county which is either
- 24 located in:
- 25 (a) An area that is not part of a standard metropolitan statistical area;
- 26 (b) A standard metropolitan statistical area but such county has only one city, town or
- 27 village which has more than fifteen thousand inhabitants; or
- 28 (c) A standard metropolitan statistical area and a substantial number of persons in such
- 29 county derive their income from agriculture.
- 30
- 31 Such community may also be in an unincorporated area in such county as provided in
- 32 subdivision (1), (2) or (3) of this subsection. Except in no case shall the total economic benefit
- 33 of the combined federal and state tax savings to the taxpayer exceed the amount contributed by
- 34 the taxpayer during the tax year;
- 35 (4) Such tax credit allocation, equal to seventy percent of the total amount contributed,
- 36 shall not exceed four million dollars in fiscal year 1999 and six million dollars in fiscal year 2000
- 37 and any subsequent fiscal year. When the maximum dollar limit on the seventy percent tax credit
- 38 allocation is committed, the tax credit allocation for such programs shall then be equal to fifty

39 percent credit of the total amount contributed. Regulations establishing special program  
40 priorities are to be promulgated during the first month of each fiscal year and at such times  
41 during the year as the public interest dictates. Such credit shall not exceed two hundred and fifty  
42 thousand dollars annually except as provided in subdivision (5) of this subsection. No tax credit  
43 shall be approved for any bank, bank and trust company, insurance company, trust company,  
44 national bank, savings association, or building and loan association for activities that are a part  
45 of its normal course of business. Any tax credit not used in the period the contribution was made  
46 may be carried over the next five succeeding calendar or fiscal years until the full credit has been  
47 claimed. Except as otherwise provided for proposals approved pursuant to section 32.111,  
48 32.112 or 32.117, in no event shall the total amount of all other tax credits allowed pursuant to  
49 sections 32.100 to 32.125 exceed thirty-two million dollars in any one fiscal year, of which six  
50 million shall be credits allowed pursuant to section 135.460. If six million dollars in credits are  
51 not approved, then the remaining credits may be used for programs approved pursuant to sections  
52 32.100 to 32.125;

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

60 3. For proposals approved pursuant to section 32.111:

61 (1) The amount of the tax credit shall not exceed fifty-five percent of the total amount  
62 invested in affordable housing assistance activities or market rate housing in distressed  
63 communities as defined in section 135.530 by a business firm. Whenever such investment is  
64 made in the form of an equity investment or a loan, as opposed to a donation alone, tax credits  
65 may be claimed only where the loan or equity investment is accompanied by a donation which  
66 is eligible for federal income tax charitable deduction, and where the total value of the tax credits  
67 herein plus the value of the federal income tax charitable deduction is less than or equal to the  
68 value of the donation. Any tax credit not used in the period for which the credit was approved  
69 may be carried over the next ten succeeding calendar or fiscal years until the full credit has been  
70 allowed. If the affordable housing units or market rate housing units in distressed communities  
71 for which a tax is claimed are within a larger structure, parts of which are not the subject of a tax  
72 credit claim, then expenditures applicable to the entire structure shall be reduced on a prorated  
73 basis in proportion to the ratio of the number of square feet devoted to the affordable housing  
74 units or market rate housing units in distressed communities, for purposes of determining the

75 amount of the tax credit. The total amount of tax credit granted for programs approved pursuant  
76 to section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed two million dollars,  
77 to be increased by no more than two million dollars each succeeding fiscal year, until the total  
78 tax credits that may be approved reaches ten million dollars in any fiscal year;

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

85 (3) In the case of owner-occupied affordable housing units, the qualifying owner  
86 occupant shall, before the end of the first year in which credits are claimed, certify to the  
87 commission that the occupant is income eligible during the preceding two years, and at the time  
88 of the initial purchase contract, but not thereafter. The qualifying owner occupant shall further  
89 certify to the commission, before the end of the first year in which credits are claimed, that  
90 during the compliance period indicated in the land use restriction agreement, the cost of the  
91 affordable housing unit to the occupant for the claimed unit can reasonably be projected to be  
92 in compliance with the provisions of sections 32.100 to 32.125. Any succeeding owner occupant  
93 acquiring the affordable housing unit during the compliance period indicated in the land use  
94 restriction agreement shall make the same certification;

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

106 4. For proposals approved pursuant to section 32.112, the amount of the tax credit shall  
107 not exceed fifty-five percent of the total amount contributed to a neighborhood organization by  
108 business firms. Any tax credit not used in the period for which the credit was approved may be  
109 carried over the next ten succeeding calendar or fiscal years until the full credit has been allowed.

110 The total amount of tax credit granted for programs approved pursuant to section 32.112 shall  
111 not exceed one million dollars for each fiscal year.

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

115 **6. Under section 23.253 of the Missouri sunset act:**

116 **(1) The provisions of the neighborhood assistance act shall automatically sunset on**  
117 **December thirty-first four years after the effective date of this section unless reauthorized**  
118 **by an act of the general assembly;**

119 **(2) If such programs are reauthorized, the programs authorized under the**  
120 **neighborhood assistance act shall automatically sunset on December thirty-first four years**  
121 **after the effective date of the reauthorization of this section;**

122 **(3) The neighborhood assistance act shall terminate on September first of the**  
123 **calendar year immediately following the calendar year in which the programs authorized**  
124 **under the act are sunset; and**

125 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
126 **before this section is sunset.**

99.1205. 1. This section shall be known and may be cited as the "Distressed Areas Land  
2 Assemblage Tax Credit Act".

3 2. As used in this section, the following terms mean:

4 (1) "Acquisition costs", the purchase price for the eligible parcel, costs of environmental  
5 assessments, closing costs, real estate brokerage fees, reasonable demolition costs of vacant  
6 structures, and reasonable maintenance costs incurred to maintain an acquired eligible parcel for  
7 a period of five years after the acquisition of such eligible parcel. Acquisition costs shall not  
8 include costs for title insurance and survey, attorney's fees, relocation costs, fines, or bills from  
9 a municipality;

10 (2) "Applicant", any person, firm, partnership, trust, limited liability company, or  
11 corporation which has:

12 (a) Incurred, within an eligible project area, acquisition costs for the acquisition of land  
13 sufficient to satisfy the requirements under subdivision (8) of this subsection; and

14 (b) Been appointed or selected, pursuant to a redevelopment agreement by a municipal  
15 authority, as a redeveloper or similar designation, under an economic incentive law, to redevelop  
16 an urban renewal area or a redevelopment area that includes all of an eligible project area or  
17 whose redevelopment plan or redevelopment area, which encompasses all of an eligible project  
18 area, has been approved or adopted under an economic incentive law. In addition to being  
19 designated the redeveloper, the applicant shall have been designated to receive economic

20 incentives only after the municipal authority has considered the amount of the tax credits in  
21 adopting such economic incentives as provided in subsection 8 of this section. The  
22 redevelopment agreement shall provide that:

23 a. The funds generated through the use or sale of the tax credits issued under this section  
24 shall be used to redevelop the eligible project area;

25 b. No more than seventy-five percent of the urban renewal area identified in the urban  
26 renewal plan or the redevelopment area identified in the redevelopment plan may be redeveloped  
27 by the applicant; and

28 c. The remainder of the urban renewal area or the redevelopment area shall be  
29 redeveloped by co-redevelopers or redevelopers to whom the applicant has assigned its  
30 redevelopment rights and obligations under the urban renewal plan or the redevelopment plan;

31 (3) "Certificate", a tax credit certificate issued under this section;

32 (4) "Condemnation proceedings", any action taken by, or on behalf of, an applicant to  
33 initiate an action in a court of competent jurisdiction to use the power of eminent domain to  
34 acquire a parcel within the eligible project area. Condemnation proceedings shall include any  
35 and all actions taken after the submission of a notice of intended acquisition to an owner of a  
36 parcel within the eligible project area by a municipal authority or any other person or entity under  
37 section 523.250;

38 (5) "Department", the Missouri department of economic development;

39 (6) "Economic incentive laws", any provision of Missouri law pursuant to which  
40 economic incentives are provided to redevelopers of a parcel or parcels to redevelop the land,  
41 such as tax abatement or payments in lieu of taxes, or redevelopment plans or redevelopment  
42 projects approved or adopted which include the use of economic incentives to redevelop the land.  
43 Economic incentive laws include, but are not limited to, the land clearance for redevelopment  
44 authority law under sections 99.300 to 99.660, the real property tax increment allocation  
45 redevelopment act under sections 99.800 to 99.865, the Missouri downtown and rural economic  
46 stimulus act under sections 99.915 to 99.1060, and the downtown revitalization preservation  
47 program under sections 99.1080 to 99.1092;

48 (7) "Eligible parcel", a parcel:

49 (a) Which is located within an eligible project area;

50 (b) Which is to be redeveloped;

51 (c) On which the applicant has not commenced construction prior to November 28,  
52 2007;

53 (d) Which has been acquired without the commencement of any condemnation  
54 proceedings with respect to such parcel brought by or on behalf of the applicant. Any parcel  
55 acquired by the applicant from a municipal authority shall not constitute an eligible parcel; and

56 (e) On which all outstanding taxes, fines, and bills levied by municipal governments that  
57 were levied by the municipality during the time period that the applicant held title to the eligible  
58 parcel have been paid in full;

59 (8) "Eligible project area", an area which shall have satisfied the following requirements:

60 (a) The eligible project area shall consist of at least seventy-five acres and may include  
61 parcels within its boundaries that do not constitute an eligible parcel;

62 (b) At least eighty percent of the eligible project area shall be located within a Missouri  
63 qualified census tract area, as designated by the United States Department of Housing and Urban  
64 Development under 26 U.S.C. Section 42, or within a distressed community as that term is  
65 defined in section 135.530;

66 (c) The eligible parcels acquired by the applicant within the eligible project area shall  
67 total at least fifty acres, which may consist of contiguous and noncontiguous parcels;

68 (d) The average number of parcels per acre in an eligible project area shall be four or  
69 more;

70 (e) Less than five percent of the acreage within the boundaries of the eligible project area  
71 shall consist of owner-occupied residences which the applicant has identified for acquisition  
72 under the urban renewal plan or the redevelopment plan pursuant to which the applicant was  
73 appointed or selected as the redeveloper or by which the person or entity was qualified as an  
74 applicant under this section on the date of the approval or adoption of such plan;

75 (9) "Interest costs", interest, loan fees, and closing costs. Interest costs shall not include  
76 attorney's fees;

77 (10) "Maintenance costs", costs of boarding up and securing vacant structures, costs of  
78 removing trash, and costs of cutting grass and weeds;

79 (11) "Municipal authority", any city, town, village, county, public body corporate and  
80 politic, political subdivision, or land trust of this state established and authorized to own land  
81 within the state;

82 (12) "Municipality", any city, town, village, or county;

83 (13) "Parcel", a single lot or tract of land, and the improvements thereon, owned by, or  
84 recorded as the property of, one or more persons or entities;

85 (14) "Redeveloped", the process of undertaking and carrying out a redevelopment plan  
86 or urban renewal plan pursuant to which the conditions which provided the basis for an eligible  
87 project area to be included in a redevelopment plan or urban renewal plan are to be reduced or  
88 eliminated by redevelopment or rehabilitation; and

89 (15) "Redevelopment agreement", the redevelopment agreement or similar agreement  
90 into which the applicant entered with a municipal authority and which is the agreement for the  
91 implementation of the urban renewal plan or redevelopment plan pursuant to which the applicant

92 was appointed or selected as the redeveloper or by which the person or entity was qualified as  
93 an applicant under this section; and such appointment or selection shall have been approved by  
94 an ordinance of the governing body of the municipality, or municipalities, or in the case of any  
95 city not within a county, the board of aldermen, in which the eligible project area is located. The  
96 redevelopment agreement shall include a time line for redevelopment of the eligible project area.  
97 The redevelopment agreement shall state that the named developer shall be subject to the  
98 provisions of chapter 290.

99         3. Any applicant shall be entitled to a tax credit against the taxes imposed under chapters  
100 143, 147, and 148, except for sections 143.191 to 143.265, in an amount equal to fifty percent  
101 of the acquisition costs, and one hundred percent of the interest costs incurred for a period of five  
102 years after the acquisition of an eligible parcel. No tax credits shall be issued under this section  
103 until after January 1, 2008.

104         4. If the amount of such tax credit exceeds the total tax liability for the year in which the  
105 applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be  
106 carried forward for credit against the taxes imposed under chapters 143, 147, and 148 for the  
107 succeeding six years, or until the full credit is used, whichever occurs first. The applicant shall  
108 not be entitled to a tax credit for taxes imposed under sections 143.191 to 143.265. Applicants  
109 entitled to receive such tax credits may transfer, sell, or assign the tax credits. Tax credits  
110 granted to a partnership, a limited liability company taxed as a partnership, or multiple owners  
111 of property shall be passed through to the partners, members, or owners respectively pro rata or  
112 pursuant to an executed agreement among the partners, members, or owners documenting an  
113 alternate distribution method.

114         5. A purchaser, transferee, or assignee of the tax credits authorized under this section  
115 may use acquired tax credits to offset up to one hundred percent of the tax liabilities otherwise  
116 imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265. A seller,  
117 transferor, or assignor shall perfect such transfer by notifying the department in writing within  
118 thirty calendar days following the effective date of the transfer and shall provide any information  
119 as may be required by the department to administer and carry out the provisions of this section.

120         6. To claim tax credits authorized under this section, an applicant shall submit to the  
121 department an application for a certificate. An applicant shall identify the boundaries of the  
122 eligible project area in the application. The department shall verify that the applicant has  
123 submitted a valid application in the form and format required by the department. The department  
124 shall verify that the municipal authority held the requisite hearings and gave the requisite notices  
125 for such hearings in accordance with the applicable economic incentive act, and municipal  
126 ordinances. On an annual basis, an applicant may file for the tax credit for the acquisition costs,  
127 and for the tax credit for the interest costs, subject to the limitations of this section. If an



128 applicant applying for the tax credit meets the criteria required under this section, the department  
129 shall issue a certificate in the appropriate amount. If an applicant receives a tax credit for  
130 maintenance costs as a part of the applicant's acquisition costs, the department shall post on its  
131 internet website the amount and type of maintenance costs and a description of the  
132 redevelopment project for which the applicant received a tax credit within thirty days after the  
133 department issues the certificate to the applicant.

134 7. The total aggregate amount of tax credits authorized under this section shall not  
135 exceed ninety-five million dollars. At no time shall the annual amount of the tax credits issued  
136 under this section exceed twenty million dollars. If the tax credits that are to be issued under this  
137 section exceed, in any year, the twenty million dollar limitation, the department shall either:

138 (1) Issue tax credits to the applicant in the amount of twenty million dollars, if there is  
139 only one applicant entitled to receive tax credits in that year; or

140 (2) Issue the tax credits on a pro rata basis to all applicants entitled to receive tax credits  
141 in that year. Any amount of tax credits, which an applicant is, or applicants are, entitled to  
142 receive on an annual basis and are not issued due to the twenty million dollar limitation, shall  
143 be carried forward for the benefit of the applicant or applicants to subsequent years.

144

145 No tax credits provided under this section shall be authorized after August 28, 2013. Any tax  
146 credits which have been authorized on or before August 28, 2013, but not issued, may be issued,  
147 subject to the limitations provided under this subsection, until all such authorized tax credits  
148 have been issued.

149 8. Upon issuance of any tax credits pursuant to this section, the department shall report  
150 to the municipal authority the applicant's name and address, the parcel numbers of the eligible  
151 parcels for which the tax credits were issued, the itemized acquisition costs and interest costs for  
152 which tax credits were issued, and the total value of the tax credits issued. The municipal  
153 authority and the state shall not consider the amount of the tax credits as an applicant's cost, but  
154 shall include the tax credits in any sources and uses and cost benefit analysis reviewed or created  
155 for the purpose of awarding other economic incentives. The amount of the tax credits shall not  
156 be considered an applicant's cost in the evaluation of the amount of any award of any other  
157 economic incentives, but shall be considered in measuring the reasonableness of the rate of  
158 return to the applicant with respect to such award of other economic incentives. The municipal  
159 authority shall provide the report to any relevant commission, board, or entity responsible for the  
160 evaluation and recommendation or approval of other economic incentives to assist in the  
161 redevelopment of the eligible project area. Tax credits authorized under this section shall  
162 constitute redevelopment tax credits, as such term is defined under section 135.800, and shall

163 be subject to all provisions applicable to redevelopment tax credits provided under sections  
164 135.800 to 135.830.

165 9. The department may promulgate rules to implement the provisions of this section.  
166 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
167 authority delegated in this section shall become effective only if it complies with and is subject  
168 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
169 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
170 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
171 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
172 or adopted after August 28, 2007, shall be invalid and void.

173 **10. Under section 23.253 of the Missouri sunset act:**

174 **(1) The provisions of the distressed areas land assemblage tax credit act shall**  
175 **automatically sunset on December thirty-first three years after the effective date of this**  
176 **section unless reauthorized by an act of the general assembly;**

177 **(2) If such program is reauthorized, the program authorized under this section**  
178 **shall automatically sunset on December thirty-first three years after the effective date of**  
179 **the reauthorization of this section;**

180 **(3) This section shall terminate on September first of the calendar year immediately**  
181 **following the calendar year in which the program authorized under this section is sunset;**  
182 **and**

183 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
184 **before this section is sunset.**

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

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

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

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

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

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

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

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

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

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

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

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

- 63 (1) For no less than seventy-five percent of the par value of such credits; and  
64 (2) In an amount not to exceed one hundred percent of annual earned credits.

65

66 The taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection,  
67 may use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise  
68 imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261,  
69 chapter 147, or chapter 148. Unused credits in the hands of the assignee may be carried forward  
70 for up to five years, provided all such credits shall be claimed within ten years following the tax  
71 years in which the contribution was made. The assignor shall enter into a written agreement with  
72 the assignee establishing the terms and conditions of the agreement and shall perfect such  
73 transfer by notifying the board in writing within thirty calendar days following the effective day  
74 of the transfer and shall provide any information as may be required by the board to administer  
75 and carry out the provisions of this section. Notwithstanding any other provision of law to the  
76 contrary, the amount received by the assignor of such tax credit shall be taxable as income of the  
77 assignor, and the excess of the par value of such credit over the amount paid by the assignee for  
78 such credit shall be taxable as income of the assignee.

79 8. Provisions of subsections 1 to 7 of this section to the contrary notwithstanding, no  
80 more than ten million dollars in tax credits provided under this section, may be authorized or  
81 approved annually. The limitation on tax credit authorization and approval provided under this  
82 subsection may be exceeded only upon mutual agreement, evidenced by a signed and properly  
83 notarized letter, by the commissioner of the office of administration, the director of the  
84 department of economic development, and the director of the department of revenue that such  
85 action is essential to ensure retention or attraction of investment in Missouri provided, however,  
86 that in no case shall more than twenty-five million dollars in tax credits be authorized or

87 approved during such year. Taxpayers shall file, with the board, an application for tax credits  
88 authorized under this section on a form provided by the board. The provisions of this subsection  
89 shall not be construed to limit or in any way impair the ability of the board to authorize tax  
90 credits for issuance for projects authorized or approved, by a vote of the board, on or before the  
91 thirtieth day following the effective date of this act, or a taxpayer's ability to redeem such tax  
92 credits.

93 **9. Under section 23.253 of the Missouri sunset act:**

94 **(1) The provisions authorizing a tax credit under subsection 6 of this section shall**  
95 **automatically sunset on December thirty-first three years after the effective date of this**  
96 **section unless reauthorized by an act of the general assembly;**

97 **(2) If such credit is reauthorized, the credit authorized under this section shall**  
98 **automatically sunset on December thirty-first three years after the effective date of the**  
99 **reauthorization of this section;**

100 **(3) The tax credit provisions shall terminate on September first of the calendar year**  
101 **immediately following the calendar year in which the credit authorized under this section**  
102 **is sunset; and**

103 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
104 **before this section is sunset.**

100.297. 1. The board may authorize a tax credit, as described in this section, to the  
2 owner of any revenue bonds or notes issued by the board pursuant to the provisions of sections  
3 100.250 to 100.297, for infrastructure facilities as defined in subdivision (9) of section 100.255,  
4 if, prior to the issuance of such bonds or notes, the board determines that:

5 (1) The availability of such tax credit is a material inducement to the undertaking of the  
6 project in the state of Missouri and to the sale of the bonds or notes;

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

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

19 thereof. Once an owner is entitled to a claim, any such tax credits shall be transferable as  
20 provided in subsection 7 of section 100.286. Notwithstanding any provision of Missouri law to  
21 the contrary, any portion of the tax credit to which any owner of a revenue bond or note is  
22 entitled pursuant to this section which exceeds the total income tax liability of such owner of a  
23 revenue bond or note shall be carried forward and allowed as a credit against any future taxes  
24 imposed on such owner within the next ten years pursuant to the provisions of chapter 143,  
25 excluding withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter 148.  
26 The eligibility of the owner of any revenue bond or note issued pursuant to the provisions of  
27 sections 100.250 to 100.297 for the tax credit provided by this section shall be expressly stated  
28 on the face of each such bond or note. The tax credit allowed pursuant to this section shall also  
29 be available to any financial institution or guarantor which executes any credit facility as security  
30 for bonds issued pursuant to this section to the same extent as if such financial institution or  
31 guarantor was an owner of the bonds or notes, provided however, in such case the tax credits  
32 provided by this section shall be available immediately following any default of the loan by the  
33 borrower with respect to the project. In addition to reimbursing the financial institution or  
34 guarantor for claims relating to unpaid principal and interest, such claim may include payment  
35 of any unpaid fees imposed by such financial institution or guarantor for use of the credit facility.

36       3. The aggregate principal amount of revenue bonds or notes outstanding at any time  
37 with respect to which the tax credit provided in this section shall be available shall not exceed  
38 fifty million dollars.

39       **4. Under section 23.253 of the Missouri sunset act:**

40       **(1) The provisions of the new program authorized under this section shall**  
41 **automatically sunset on December thirty-first three years after the effective date of this**  
42 **section unless reauthorized by an act of the general assembly;**

43       **(2) If such program is reauthorized, the program authorized under this section**  
44 **shall automatically sunset on December thirty-first three years after the effective date of**  
45 **the reauthorization of this section;**

46       **(3) This section shall terminate on September first of the calendar year immediately**  
47 **following the calendar year in which the program authorized under this section is sunset;**  
48 **and**

49       **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
50 **before this section is sunset.**

100.850. 1. The approved company shall remit to the board a job development  
2 assessment fee, not to exceed five percent of the gross wages of each eligible employee whose  
3 job was created as a result of the economic development project, or not to exceed ten percent if

4 the economic development project is located within a distressed community as defined in section  
5 135.530, for the purpose of retiring bonds which fund the economic development project.

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

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

12 4. Any approved company which has paid an assessment for debt reduction shall be  
13 allowed a tax credit equal to the amount of the assessment. The tax credit may be claimed  
14 against taxes otherwise imposed by chapters 143 and 148, except withholding taxes imposed  
15 under the provisions of sections 143.191 to 143.265, which were incurred during the tax period  
16 in which the assessment was made.

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

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

27 **7. Under section 23.253 of the Missouri sunset act:**

28 **(1) The provisions of the tax credit authorized under subsection 4 of this section**  
29 **shall automatically sunset on December thirty-first three years after the effective date of**  
30 **this section unless reauthorized by an act of the general assembly;**

31 **(2) If such credit is reauthorized, the credit authorized under this section shall**  
32 **automatically sunset on December thirty-first three years after the effective date of the**  
33 **reauthorization of this section;**

34 **(3) The provisions of the tax credit shall terminate on September first of the**  
35 **calendar year immediately following the calendar year in which the credit authorized**  
36 **under this section is sunset; and**

37 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
38 **before this section is sunset.**

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

**2. Under section 23.253 of the Missouri sunset act:**

**(1) The provisions of the new program authorized under this section shall automatically sunset on December thirty-first four years after the effective date of this section unless reauthorized by an act of the general assembly;**

**(2) If such program is reauthorized, the program authorized under this section shall automatically sunset on December thirty-first four years after the effective date of the reauthorization of this section;**

**(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset; and**

**(4) Nothing in this subsection shall prohibit the redemption of tax credits issued before this section is sunset.**

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



22 must be filed with the department of economic development no later than fifteen days prior to  
23 the commencement of commercial operations at the new business facility. The initial application  
24 for claiming tax credits must be made in the taxpayer's tax period immediately following the tax  
25 period in which commencement of commercial operations began at the new business facility.  
26 This provision shall have effect on all initial applications filed on or after August 28, 1992. No  
27 credit shall be allowed pursuant to this section unless the number of new business facility  
28 employees engaged or maintained in employment at the new business facility for the ~~taxable~~  
29 **tax** year for which the credit is claimed equals or exceeds two; except that the number of new  
30 business facility employees engaged or maintained in employment by a revenue-producing  
31 enterprise other than a revenue-producing enterprise defined in paragraphs (a) to (g) and (i) to  
32 (l) of subdivision (11) of section 135.100 which establishes an office as defined in subdivision  
33 (8) of section 135.100 shall equal or exceed twenty-five.

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

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

43 (2) Up to fifty percent or, in the case of an economic development project located within  
44 a distressed community as defined in section 135.530, seventy-five percent of the business  
45 income tax otherwise imposed by chapter 143, excluding withholding tax imposed by sections  
46 143.191 to 143.265, or in the case of an insurance company, the tax on the direct premiums, as  
47 defined in chapter 148, and in the case of an insurance company exempt from the thirty percent  
48 employee requirement of section 135.230, against any obligation imposed pursuant to section  
49 375.916 if the business operates no other facilities in Missouri. In the case of an existing  
50 business facility operating more than one facility in Missouri, the credit allowed in subsection  
51 1 of this section shall offset up to the greater of the portion prescribed in subdivision (1) of this  
52 subsection or twenty-five percent or, in the case of an economic development project located  
53 within a distressed community as defined in section 135.530, thirty-five percent of the business'  
54 tax, except that no taxpayer operating more than one facility in Missouri shall be allowed to  
55 offset more than twenty-five percent or, in the case of an economic development project located  
56 within a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's  
57 business income tax in any tax period under the method prescribed in this subdivision. Such

58 credit shall be an amount equal to the sum of one hundred dollars or, in the case of an economic  
59 development project located within a distressed community as defined in section 135.530, one  
60 hundred fifty dollars for each new business facility employee plus one hundred dollars or, in the  
61 case of an economic development project located within a distressed community as defined in  
62 section 135.530, one hundred fifty dollars for each one hundred thousand dollars, or major  
63 fraction thereof (which shall be deemed to be fifty-one percent or more) in new business facility  
64 investment. For the purpose of this section, tax credits earned by a taxpayer, who establishes a  
65 new business facility because it satisfies the requirements of paragraph (c) of subdivision (4) of  
66 section 135.100, shall offset the greater of the portion prescribed in subdivision (1) of this  
67 subsection or up to fifty percent or, in the case of an economic development project located  
68 within a distressed community as defined in section 135.530, seventy-five percent of the  
69 business' tax provided the business operates no other facilities in Missouri. In the case of a  
70 business operating more than one facility in Missouri, the credit allowed in subsection 1 of this  
71 section shall offset up to the greater of the portion prescribed in subdivision (1) of this subsection  
72 or twenty-five percent or, in the case of an economic development project located within a  
73 distressed community as defined in section 135.530, thirty-five percent of the business' tax,  
74 except that no taxpayer operating more than one facility in Missouri shall be allowed to offset  
75 more than twenty-five percent or, in the case of an economic development project located within  
76 a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's  
77 business income tax in any tax period under the method prescribed in this subdivision.

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

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

87 (2) Up to one hundred percent of the business income tax otherwise imposed by chapter  
88 143, excluding withholding tax imposed by sections 143.191 to 143.265, or in the case of an  
89 insurance company, the tax on the direct premiums, as defined in chapter 148, and in the case  
90 of an insurance company exempt from the thirty percent employee requirement of section  
91 135.230, against any obligation imposed pursuant to section 375.916 if the business has no other  
92 facilities operating in Missouri. In the case of a taxpayer not operating an existing business and  
93 operating more than one facility in Missouri, the credit allowed by subsection 1 of this section

94 shall offset up to the greater of the portion prescribed in subdivision (1) of this subsection or  
95 twenty-five percent or, in the case of an economic development project located within a  
96 distressed community as defined in section 135.530, thirty-five percent of the business' tax,  
97 except that no taxpayer operating more than one facility in Missouri shall be allowed to offset  
98 more than twenty-five percent or, in the case of an economic development project located within  
99 a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's  
100 business income tax in any tax period under the method prescribed in this subdivision. Such  
101 credit shall be an amount equal to the sum of seventy-five dollars or, in the case of an economic  
102 development project located within a distressed community as defined in section 135.530, one  
103 hundred twenty-five dollars for each new business facility employee plus seventy-five dollars  
104 or, in the case of an economic development project located within a distressed community as  
105 defined in section 135.530, one hundred twenty-five dollars for each one hundred thousand  
106 dollars, or major fraction thereof (which shall be deemed to be fifty-one percent or more) in new  
107 business facility investment.

108         4. The number of new business facility employees during any ~~taxable~~ tax year shall be  
109 determined by dividing by twelve the sum of the number of individuals employed on the last  
110 business day of each month of such ~~taxable~~ tax year. If the new business facility is in operation  
111 for less than the entire ~~taxable~~ tax year, the number of new business facility employees shall  
112 be determined by dividing the sum of the number of individuals employed on the last business  
113 day of each full calendar month during the portion of such ~~taxable~~ tax year during which the  
114 new business facility was in operation by the number of full calendar months during such period.  
115 For the purpose of computing the credit allowed by this section in the case of a facility which  
116 qualifies as a new business facility because it qualifies as a separate facility pursuant to  
117 subsection 6 of this section, and, in the case of a new business facility which satisfies the  
118 requirements of paragraph (c) of subdivision (4) of section 135.100, or subdivision (10) of  
119 section 135.100, the number of new business facility employees at such facility shall be reduced  
120 by the average number of individuals employed, computed as provided in this subsection, at the  
121 facility during the ~~taxable~~ tax year immediately preceding the ~~taxable~~ tax year in which such  
122 expansion, acquisition, or replacement occurred and shall further be reduced by the number of  
123 individuals employed by the taxpayer or related taxpayer that was subsequently transferred to the  
124 new business facility from another Missouri facility and for which credits authorized in this  
125 section are not being earned, whether such credits are earned because of an expansion,  
126 acquisition, relocation or the establishment of a new facility.

127         5. For the purpose of computing the credit allowed by this section in the case of a facility  
128 which qualifies as a new business facility because it qualifies as a separate facility pursuant to  
129 subsection 6 of this section, and, in the case of a new business facility which satisfies the

130 requirements of paragraph (c) of subdivision (4) of section 135.100 or subdivision (10) of section  
131 135.100, the amount of the taxpayer's new business facility investment in such facility shall be  
132 reduced by the average amount, computed as provided in subdivision (7) of section 135.100 for  
133 new business facility investment, of the investment of the taxpayer, or related taxpayer  
134 immediately preceding such expansion or replacement or at the time of acquisition.  
135 Furthermore, the amount of the taxpayer's new business facility investment shall also be reduced  
136 by the amount of investment employed by the taxpayer or related taxpayer which was  
137 subsequently transferred to the new business facility from another Missouri facility and for which  
138 credits authorized in this section are not being earned, whether such credits are earned because  
139 of an expansion, acquisition, relocation or the establishment of a new facility.

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

143         (1) The taxpayer's new business facility investment in the expansion during the tax  
144 period in which the credits allowed in this section are claimed exceeds one hundred thousand  
145 dollars, or, if less, one hundred percent of the investment in the original facility prior to  
146 expansion and if the number of new business facility employees engaged or maintained in  
147 employment at the expansion facility for the ~~taxable~~ tax year for which credit is claimed equals  
148 or exceeds two, except that the number of new business facility employees engaged or  
149 maintained in employment at the expansion facility for the ~~taxable~~ tax year for which the credit  
150 is claimed equals or exceeds twenty-five if an office as defined in subdivision (8) of section  
151 135.100 is established by a revenue-producing enterprise other than a revenue-producing  
152 enterprise defined in paragraphs (a) to (g) and (i) to (l) of subdivision (11) of section 135.100 and  
153 the total number of employees at the facility after the expansion is at least two greater than the  
154 total number of employees before the expansion, except that the total number of employees at  
155 the facility after the expansion is at least greater than the number of employees before the  
156 expansion by twenty-five, if an office as defined in subdivision (8) of section 135.100 is  
157 established by a revenue-producing enterprise other than a revenue-producing enterprise defined  
158 in paragraphs (a) to (g) and (i) to (l) of subdivision (11) of section 135.100; and

159         (2) The expansion otherwise constitutes a new business facility. The taxpayer's  
160 investment in the expansion and in the original facility prior to expansion shall be determined  
161 in the manner provided in subdivision (7) of section 135.100.

162         7. No credit shall be allowed pursuant to this section to a public utility, as such term is  
163 defined in section 386.020. Notwithstanding any provision of this subsection to the contrary,  
164 motor carriers, barge lines or railroads engaged in transporting property for hire, or any  
165 interexchange telecommunications company or local exchange telecommunications company

166 that establishes a new business facility shall be eligible to qualify for credits allowed in this  
167 section.

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

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

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

175 9. Notwithstanding any provision of law to the contrary, any employee-owned  
176 engineering firm classified as SIC 8711, architectural firm as classified SIC 8712, or accounting  
177 firm classified SIC 8721 establishing a new business facility because it qualifies as a  
178 headquarters as defined in subsection 10 of this section, shall be allowed the credits described  
179 in subsection 11 of this section under the same terms and conditions prescribed in sections  
180 135.100 to 135.150; provided:

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

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

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

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

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

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

194 (2) "Headquarters" means:

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

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

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

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

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

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

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

220 14. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,  
221 exchange, convey or otherwise transfer tax credits allowed in subsection 9 of this section under  
222 the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer,  
223 referred to as the assignor for the purpose of this subsection, may sell, assign, exchange or  
224 otherwise transfer earned tax credits:

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

226 (2) In an amount not to exceed one hundred percent of such earned credits. The taxpayer  
227 acquiring the earned credits referred to as the assignee for the purpose of this subsection may use  
228 the acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed  
229 by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261, or chapter  
230 148, or in the case of an insurance company exempt from the thirty percent employee  
231 requirement of section 135.230, against any obligation imposed pursuant to section 375.916.  
232 Unused credits in the hands of the assignee may be carried forward for up to five tax periods,  
233 provided all such credits shall be claimed within ten tax periods following the tax period in  
234 which commencement of commercial operations occurred at the new business facility. The  
235 assignor shall enter into a written agreement with the assignee establishing the terms and  
236 conditions of the agreement and shall perfect such transfer by notifying the director in writing  
237 within thirty calendar days following the effective date of the transfer and shall provide any

238 information as may be required by the director to administer and carry out the provisions of this  
239 subsection. Notwithstanding any other provision of law to the contrary, the amount received by  
240 the assignor of such tax credit shall be taxable as income of the assignor, and the difference  
241 between the amount paid by the assignee and the par value of the credits shall be taxable as  
242 income of the assignee.

243 **15. Under section 23.253 of the Missouri sunset act:**

244 **(1) The provisions of the new program authorized under this section shall**  
245 **automatically sunset on December thirty-first three years after the effective date of this**  
246 **section unless reauthorized by an act of the general assembly;**

247 **(2) If such program is reauthorized, the program authorized under this section**  
248 **shall automatically sunset on December thirty-first three years after the effective date of**  
249 **the reauthorization of this section;**

250 **(3) This section shall terminate on September first of the calendar year immediately**  
251 **following the calendar year in which the program authorized under this section is sunset;**  
252 **and**

253 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
254 **before this section is sunset.**

135.225. 1. The credits otherwise provided by sections 135.100 to 135.150 shall upon  
2 proper application be granted to any taxpayer who shall establish and operate a new business  
3 facility located within an enterprise zone, except one designated pursuant to subsection 5 of  
4 section 135.230, on the same terms and conditions specified in those sections, except that:

5 (1) The credit otherwise allowed for each new business facility employee employed  
6 within an enterprise zone shall be four hundred dollars;

7 (2) An additional credit of four hundred dollars shall be granted for each twelve-month  
8 period that a new business facility employee is a resident of an enterprise zone;

9 (3) An additional credit of four hundred dollars shall be granted for each twelve-month  
10 period that the person employed as a new business facility employee is a person who, at the time  
11 of such employment by the new business facility, met the criteria as set forth in section 135.240;

12 (4) The credit otherwise allowed for new business facility investment shall be equal to  
13 the sum of ten percent of the first ten thousand dollars of such qualifying investment, plus five  
14 percent of the next ninety thousand dollars of such qualifying investment, plus two percent of  
15 all remaining qualifying investments within an enterprise zone;

16 (5) In the case of a small corporation described in section 143.471 or a partnership, the  
17 credits granted by this section shall be apportioned in proportion to the share of ownership of the  
18 taxpayer on the last day of the taxpayer's tax period for which such tax credits are being claimed,  
19 to the following:

- 20 (a) The shareholders of a small corporation described in section 143.471;
- 21 (b) The partners in a partnership;
- 22 (6) In the case of financial institutions described pursuant to the provisions of chapter  
23 148, the credits allowed in subdivisions (1), (2), (3) and (4) of this subsection and the credit  
24 allowed in section 135.235 may be used to offset the tax imposed by chapter 148 and, in the case  
25 of an insurance company exempt from the thirty-percent employee requirement of section  
26 135.230, any obligations imposed pursuant to section 375.916 subject to the same method of  
27 apportionment as prescribed for taxes imposed by chapter 143 and as provided in subdivision  
28 (6) of section 135.100 and subsections 2 and 3 of section 135.110;
- 29 (7) If a facility within an enterprise zone, which does not constitute a new business  
30 facility, is expanded or improved by the taxpayer within the enterprise zone, the expansion or  
31 improvement shall be considered a separate facility eligible for the credits allowed in this section  
32 and section 135.235, and the exemption allowed in section 135.220, if:
- 33 (a) The new business facility investment in the expansion or improvement during the tax  
34 period in which such credits and the exemption are claimed exceeds one hundred thousand  
35 dollars or, if less than one hundred thousand dollars, is twenty-five percent of the investment in  
36 the original facility prior to expansion or improvement; and
- 37 (b) The expansion or improvement otherwise constitutes a new business facility; and
- 38 (c) The number of new business facility employees engaged or maintained in  
39 employment at the expanded or improved facility for the ~~taxable~~ tax year for which the credit  
40 is claimed equals or exceeds two and the total number of employees at the facility after  
41 expansion or improvement is at least two greater than the total number of employees before  
42 expansion or improvement. The taxpayer's investment in the expansion or improvement and in  
43 the original facility prior to expansion or improvement shall be determined in the manner  
44 provided in subdivision (7) of section 135.100;
- 45 (8) For the purpose of sections 135.200 to 135.256, an office as defined in subdivision  
46 (8) of section 135.100, when established, must create and maintain at least two new business  
47 facility employees as defined in subdivision (5) of section 135.100;
- 48 (9) In the case where a person employed by the new business facility is a resident of the  
49 enterprise zone for less than a twelve-month period, or in the case where a person employed as  
50 a new business facility employee is a person who, at the time of such employment by the new  
51 business facility, met the criteria as set forth in section 135.240, is employed for less than a  
52 twelve-month period, the credits allowed by subdivisions (2) and (3) of this subsection shall be  
53 determined by multiplying four hundred dollars by a fraction, the numerator of which is the  
54 number of calendar days during the taxpayer's tax year for which such credits are claimed, in  
55 which the person met the requirements prescribed in subdivision (2) or (3) of this subsection, and



56 the denominator of which is three hundred and sixty-five, except that such credit shall not exceed  
57 four hundred dollars per employee in any one ~~taxable~~ tax year;

58 (10) The deferment of tax credit authorized in section 135.120 shall not be available to  
59 taxpayers establishing a new business facility in an enterprise zone;

60 (11) The allowance for additional ten-year periods to certain new business facilities as  
61 prescribed in subsection 1 of section 135.110 shall not be available to taxpayers expanding a new  
62 business facility in an enterprise zone, except that any taxpayer who has been eligible to earn  
63 enterprise zone tax benefits for ten tax periods, or until the expiration of the fifteen-year period  
64 as prescribed in subsection 1 of section 135.230, or for the maximum period otherwise allowed  
65 by law, may qualify for the tax credits allowed in section 135.110 if otherwise eligible, pursuant  
66 to the same terms and conditions prescribed in sections 135.100 to 135.150;

67 (12) Taxpayers who establish a new business facility by operating a revenue-producing  
68 enterprise as defined in paragraph (d) of subdivision (6) of section 135.200 shall not be required  
69 to create and maintain new business facility employees.

70 2. The tax credits described in subdivisions (1), (2), (3) and (4) of subsection 1 of this  
71 section, the training credit allowed in section 135.235, and the income exemption allowed in  
72 section 135.220, shall be allowed to any taxpayer, under the same terms and conditions specified  
73 in such sections, who establishes a new business facility in an enterprise zone designated  
74 pursuant to subsection 5 of section 135.230, except that all such tax benefits shall be removed  
75 not later than seven years after the enterprise zone is designated as such.

76 3. Notwithstanding any provision of law to the contrary, any taxpayer who establishes  
77 a new business facility in an enterprise zone, may elect to forfeit the tax credits otherwise  
78 allowed in section 135.235 and this section and the exemptions otherwise allowed in sections  
79 135.215 and 135.220 and the refund otherwise allowed in section 135.245, and in lieu thereof,  
80 claim the tax credits allowed in section 135.110, pursuant to the same terms and conditions  
81 prescribed in sections 135.100 to 135.150. To perfect the election, the taxpayer shall attach  
82 written notification of such election to the taxpayer's initial application for claiming tax credits.  
83 The election shall be irreversible once perfected.

84 4. The right to receive the income exemption described in section 135.220, the tax  
85 credits described in subsection 1 of this section and the training credit allowed in section 135.235  
86 shall vest in the taxpayer upon commencement of operations of the revenue-producing  
87 enterprise, but such vested right shall be waived by the taxpayer for any given year in which the  
88 terms and conditions of sections 135.100 to 135.268 are not met. Representations made by the  
89 department and relied upon in good faith by the taxpayer shall be binding upon the state of  
90 Missouri insofar as they are consistent with the provisions of this chapter. The provisions of this  
91 subsection shall apply to all revenue-producing enterprises which are eligible for incentives

92 pursuant to this subsection and which commenced operation on or after January 1, 1996, to the  
93 extent such incentives do not exceed the fifteen-year limitation pursuant to subsection 1 of  
94 section 135.230 or the seven-year limitation pursuant to subsection 5 of section 135.230. The  
95 provisions of this subsection shall apply to all revenue-producing enterprises which are eligible  
96 for the incentives set forth in this subsection, and which began operation after January 1, 1996,  
97 to the extent such incentives do not exceed the fifteen-year limitation set forth in subsection 1  
98 of section 135.230, or the seven-year limit set forth in subsection 5 of section 135.230.

99 **5. Under section 23.253 of the Missouri sunset act:**

100 **(1) The provisions of the new program authorized under this section shall**  
101 **automatically sunset on December thirty-first three years after the effective date of this**  
102 **section unless reauthorized by an act of the general assembly;**

103 **(2) If such program is reauthorized, the program authorized under this section**  
104 **shall automatically sunset on December thirty-first three years after the effective date of**  
105 **the reauthorization of this section;**

106 **(3) This section shall terminate on September first of the calendar year immediately**  
107 **following the calendar year in which the program authorized under this section is sunset;**  
108 **and**

109 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
110 **before this section is sunset.**

135.235. 1. To the extent that expenses incurred by a new business facility in an  
2 enterprise zone for the training of persons employed in the operation of the new business facility  
3 is not covered by an existing federal, state or local program, such new business facility shall be  
4 eligible for a full tax credit equal to eighty percent of that portion of such training expenses  
5 which are in excess of four hundred dollars for each trainee who is a resident of the enterprise  
6 zone or who was at the time of such employment at the new business facility unemployable or  
7 difficult to employ as defined in section 135.240, provided such credit shall not exceed four  
8 hundred dollars for each employee trained. In the case of a small corporation described in  
9 section 143.471 or a partnership, all credits allowed by this section shall be apportioned in  
10 proportion to the share of ownership of the business to the following:

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

12 (2) The partners in a partnership.

13 **2. Under section 23.253 of the Missouri sunset act:**

14 **(1) The provisions of the new program authorized under this section shall**  
15 **automatically sunset on December thirty-first three years after the effective date of this**  
16 **section unless reauthorized by an act of the general assembly;**

17           **(2) If such program is reauthorized, the program authorized under this section**  
18 **shall automatically sunset on December thirty-first three years after the effective date of**  
19 **the reauthorization of this section;**

20           **(3) This section shall terminate on September first of the calendar year immediately**  
21 **following the calendar year in which the program authorized under this section is sunset;**  
22 **and**

23           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
24 **before this section is sunset.**

135.279. 1. Any taxpayer that operates an approved retained business facility in an  
2 enterprise zone may be allowed a credit, each year for ten years, in an amount determined  
3 pursuant to subsection 2 or 3 of this section, whichever is applicable, against the tax imposed by  
4 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, as follows:

5           (1) The credit allowed for each retained business facility employee shall be four hundred  
6 dollars, except that for each retained business facility employee that exceeds the level of  
7 employment set forth in paragraph (b) of subdivision (7) of section 135.276, the credit shall be  
8 five hundred dollars. Transfers from another facility operated by the taxpayer in the state will  
9 not count as retained business facility employees;

10           (2) An additional credit of four hundred dollars shall be granted for each twelve-month  
11 period that a retained business facility employee is a resident of an enterprise zone;

12           (3) An additional credit of four hundred dollars shall be granted for each twelve-month  
13 period that the person employed as a retained business facility employee is a person who, at the  
14 time of such employment by the new business facility, met the criteria as set forth in section  
15 135.240;

16           (4) To the extent that expenses incurred by a retained business facility in an enterprise  
17 zone for the training of persons employed in the operation of the retained business facility is not  
18 covered by an existing federal, state, or local program, such retained business facility shall be  
19 eligible for a full tax credit equal to eighty percent of that portion of such training expenses  
20 which are in excess of four hundred dollars for each trainee who is a resident of an enterprise  
21 zone or who was at the time of such employment at the retained business facility unemployable  
22 or difficult to employ as defined in section 135.240, provided such credit shall not exceed four  
23 hundred dollars for each employee trained;

24           (5) The credit allowed for retained business facility investment shall be equal to the sum  
25 of ten percent of the first ten thousand dollars of such qualifying investment, plus five percent  
26 of the next ninety thousand dollars of such qualifying investment, plus two percent of all  
27 remaining qualifying investments within an enterprise zone. The taxpayer's retained business  
28 facility investment shall be reduced by the amount of investment made by the taxpayer or related

29 taxpayer which was subsequently transferred to the retained business facility from another  
30 Missouri facility and for which credits authorized in this section are not being earned.

31 2. The credits allowed by subsection 1 of this section shall offset the greater of:

32 (1) Some portion of the income tax otherwise imposed by chapter 143, excluding  
33 withholding tax imposed by sections 143.191 to 143.265, with respect to such taxpayer's retained  
34 business facility income for the ~~taxable~~ tax year for which such credit is allowed; or

35 (2) If the taxpayer operates no other facility in Missouri, the credits allowed in  
36 subsection 1 of this section shall offset up to fifty percent or, in the case of an economic  
37 development project located within a distressed community as defined in section 135.530,  
38 seventy-five percent of the business income tax otherwise imposed by chapter 143, excluding  
39 withholding tax imposed by sections 143.191 to 143.265, if the business operates no other  
40 facilities in Missouri;

41 (3) If the taxpayer operates more than one facility in Missouri, the credits allowed in  
42 subsection 1 of this section shall offset up to the greater of the portion prescribed in subdivision  
43 (1) of this subsection or twenty-five percent or, in the case of an economic development project  
44 located within a distressed community as defined in section 135.530, thirty-five percent of the  
45 business' tax, except that no taxpayer operating more than one facility in Missouri shall be  
46 allowed to offset more than twenty-five percent or, in the case of an economic development  
47 project located within a distressed community as defined in section 135.530, thirty-five percent  
48 of the taxpayer's business income tax in any tax period under the method prescribed in this  
49 subdivision.

50 3. In the case where a person employed by the retained business facility is a resident of  
51 the enterprise zone for less than a twelve-month period, or in the case where a person employed  
52 as a retained business facility employee is a person who, at the time of such employment by the  
53 retained business facility, met the criteria as set forth in section 135.240, is employed for less  
54 than a twelve-month period, the credits allowed by subdivisions (2) and (3) of subsection 1 of  
55 this section shall be determined by multiplying the dollar amount of the credit by a fraction, the  
56 numerator of which is the number of calendar days during the taxpayer's tax year for which such  
57 credits are claimed, in which the person met the requirements prescribed in subdivision (2) or  
58 (3) of this subsection, and the denominator of which is three hundred sixty-five.

59 4. Notwithstanding any provision of law to the contrary, any taxpayer who claims the  
60 exemption and credits allowed in sections 135.276 to 135.283 shall not be eligible to receive the  
61 exemption allowed in section 135.220, the credits allowed in sections 135.225 and 135.235, and  
62 the refund authorized by section 135.245 or the tax credits allowed in section 135.110. The  
63 taxpayer must elect among the options. To perfect the election, the taxpayer shall attach written

64 notification of such election to the taxpayer's initial application for claiming tax credits. The  
65 election shall be irreversible once perfected.

66 5. A taxpayer shall not receive the income exemption described in section 135.276 and  
67 the tax credits described in subsection 1 of this section for any year in which the terms and  
68 conditions of sections 135.276 to 135.283 are not met. Such incentives shall not exceed the  
69 fifteen-year limitation pursuant to subsection 1 of section 135.230 or the seven-year limitation  
70 pursuant to subsection 5 of section 135.230.

71 6. The initial application for claiming tax credits must be made in the taxpayer's tax  
72 period immediately following the tax period in which commencement of commercial operations  
73 began at the new business facility.

74 7. Credits may not be carried forward but shall be claimed for the ~~[taxable]~~ tax year  
75 during which continuation of commercial operations occurs at such retained business facility,  
76 and for each of the nine succeeding ~~[taxable]~~ tax years.

77 **8. Under section 23.253 of the Missouri sunset act:**

78 **(1) The provisions of the new program authorized under this section shall**  
79 **automatically sunset on December thirty-first three years after the effective date of this**  
80 **section unless reauthorized by an act of the general assembly;**

81 **(2) If such program is reauthorized, the program authorized under this section**  
82 **shall automatically sunset on December thirty-first three years after the effective date of**  
83 **the reauthorization of this section;**

84 **(3) This section shall terminate on September first of the calendar year immediately**  
85 **following the calendar year in which the program authorized under this section is sunset;**  
86 **and**

87 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
88 **before this section is sunset.**

135.327. 1. Any person residing in this state who legally adopts a special needs child  
2 on or after January 1, 1988, and before January 1, 2000, shall be eligible to receive a tax credit  
3 of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may  
4 be applied to taxes due under chapter 143. Any business entity providing funds to an employee  
5 to enable that employee to legally adopt a special needs child shall be eligible to receive a tax  
6 credit of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted  
7 that may be applied to taxes due under such business entity's state tax liability, except that only  
8 one ten thousand dollar credit is available for each special needs child that is adopted.

9 2. Any person residing in this state who proceeds in good faith with the adoption of a  
10 special needs child on or after January 1, 2000, shall be eligible to receive a tax credit of up to  
11 ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to

12 taxes due under chapter 143; provided, however, that beginning on March 29, 2013, the tax  
13 credits shall only be allocated for the adoption of special needs children who are residents or  
14 wards of residents of this state at the time the adoption is initiated. Any business entity  
15 providing funds to an employee to enable that employee to proceed in good faith with the  
16 adoption of a special needs child shall be eligible to receive a tax credit of up to ten thousand  
17 dollars for nonrecurring adoption expenses for each child that may be applied to taxes due under  
18 such business entity's state tax liability, except that only one ten thousand dollar credit is  
19 available for each special needs child that is adopted.

20 3. Individuals and business entities may claim a tax credit for their total nonrecurring  
21 adoption expenses in each year that the expenses are incurred. A claim for fifty percent of the  
22 credit shall be allowed when the child is placed in the home. A claim for the remaining fifty  
23 percent shall be allowed when the adoption is final. The total of these tax credits shall not  
24 exceed the maximum limit of ten thousand dollars per child. The cumulative amount of tax  
25 credits which may be claimed by taxpayers claiming the credit for nonrecurring adoption  
26 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million dollars. The  
27 cumulative amount of tax credits that may be claimed by taxpayers claiming the credit for  
28 nonrecurring adoption expenses shall not be more than two million dollars but may be increased  
29 by appropriation in any fiscal year beginning on or after July 1, 2004. For all fiscal years  
30 beginning on or after July 1, 2006, applications to claim the adoption tax credit for special needs  
31 children who are residents or wards of residents of this state at the time the adoption is initiated  
32 shall be filed between July first and April fifteenth of each fiscal year.

33 4. Notwithstanding any provision of law to the contrary, any individual or business entity  
34 may assign, transfer or sell tax credits allowed in this section. Any sale of tax credits claimed  
35 pursuant to this section shall be at a discount rate of seventy-five percent or greater of the amount  
36 sold.

37 **5. Under section 23.253 of the Missouri sunset act:**

38 **(1) The provisions of the new program authorized under this section shall**  
39 **automatically sunset on December thirty-first four years after the effective date of this**  
40 **section unless reauthorized by an act of the general assembly;**

41 **(2) If such program is reauthorized, the program authorized under this section**  
42 **shall automatically sunset on December thirty-first four years after the effective date of the**  
43 **reauthorization of this section;**

44 **(3) This section shall terminate on September first of the calendar year immediately**  
45 **following the calendar year in which the program authorized under this section is sunset;**  
46 **and**

47           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
48 **before this section is sunset.**

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

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

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

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

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

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

30           7. The director of the department may promulgate rules and regulations necessary to  
31 administer the provisions of this section. No rule or portion of a rule promulgated pursuant to  
32 the authority of this section shall become effective unless it has been promulgated pursuant to  
33 the provisions of section 536.024.

34           **8. Under section 23.253 of the Missouri sunset act:**

35           **(1) The provisions of the new program authorized under this section shall**  
36 **automatically sunset on December thirty-first three years after the effective date of this**  
37 **section unless reauthorized by an act of the general assembly;**

38           **(2) If such program is reauthorized, the program authorized under this section**  
39 **shall automatically sunset on December thirty-first three years after the effective date of**  
40 **the reauthorization of this section;**

41           **(3) This section shall terminate on September first of the calendar year immediately**  
42 **following the calendar year in which the program authorized under this section is sunset;**  
43 **and**

44           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
45 **before this section is sunset.**

135.403. 1. Any investor who makes a qualified investment in a Missouri small business  
2 shall be entitled to receive a tax credit equal to forty percent of the amount of the investment or,  
3 in the case of a qualified investment in a Missouri small business in a distressed community as  
4 defined by section 135.530, a credit equal to sixty percent of the amount of the investment, and  
5 any investor who makes a qualified investment in a community bank or a community  
6 development corporation shall be entitled to receive a tax credit equal to fifty percent of the  
7 amount of the investment if the investment is made in a community bank or community  
8 development corporation for direct investment. The total amount of tax credits available for  
9 qualified investments in Missouri small businesses shall not exceed thirteen million dollars and  
10 at least four million dollars of the amount authorized by this section and certified by the  
11 department of economic development shall be for investment in Missouri small businesses in  
12 distressed communities. Authorization for all or any part of this four-million-dollar amount shall  
13 in no way restrict the eligibility of Missouri small businesses in distressed communities, as  
14 defined in section 135.530, for the remaining amounts authorized within this section. No more  
15 than twenty percent of the tax credits available each year for investments in community banks  
16 or community development corporations for direct investment shall be certified for any one  
17 project, as defined in section 135.400. The tax credit shall be evidenced by a tax credit  
18 certificate in accordance with the provisions of sections 135.400 to 135.430 and may be used to  
19 satisfy the state tax liability of the owner of the certificate that becomes due in the tax year in  
20 which the qualified investment is made, or in any of the ten tax years thereafter. When the  
21 qualified small business is in a distressed community, as defined in section 135.530, the tax  
22 credit may also be used to satisfy the state tax liability of the owner of the certificate that was due  
23 during each of the previous three years in addition to the year in which the investment is made  
24 and any of the ten years thereafter. No investor may receive a tax credit pursuant to sections  
25 135.400 to 135.430 unless that person presents a tax credit certificate to the department of



26 revenue for payment of such state tax liability. The department of revenue shall grant tax credits  
27 in the same order as established by subsection 1 of section 32.115. Subject to the provisions of  
28 sections 135.400 to 135.430, certificates of tax credit issued in accordance with these sections  
29 may be transferred, sold or assigned by notarized endorsement thereof which names the  
30 transferee.

31         2. Five hundred thousand dollars in tax credits shall be available annually from the total  
32 amount of tax credits authorized by section 32.110 and subdivision (4) of subsection 2 of section  
33 32.115 as a result of investments in community banks or community development corporations.  
34 Aggregate investments eligible for tax credits in any one Missouri small business shall not be  
35 more than one million dollars. Aggregate investments eligible for tax credits in any one Missouri  
36 small business shall not be less than five thousand dollars as of the date of issuance of the first  
37 tax credit certificate for investment in that business.

38         3. This section and section 620.1039 shall become effective January 1, 2001.

39         **4. Under section 23.253 of the Missouri sunset act:**

40         **(1) The provisions of the new program authorized under this section shall**  
41 **automatically sunset on December thirty-first three years after the effective date of this**  
42 **section unless reauthorized by an act of the general assembly;**

43         **(2) If such program is reauthorized, the program authorized under this section**  
44 **shall automatically sunset on December thirty-first three years after the effective date of**  
45 **the reauthorization of this section;**

46         **(3) This section shall terminate on September first of the calendar year immediately**  
47 **following the calendar year in which the program authorized under this section is sunset;**  
48 **and**

49         **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
50 **before this section is sunset.**

135.460. 1. This section and sections 620.1100 and 620.1103 shall be known and may  
2 be cited as the "Youth Opportunities and Violence Prevention Act".

3         2. As used in this section, the term "taxpayer" shall include corporations as defined in  
4 section 143.441 or 143.471, any charitable organization which is exempt from federal income  
5 tax and whose Missouri unrelated business ~~taxable~~ tax income, if any, would be subject to the  
6 state income tax imposed under chapter 143, and individuals, individual proprietorships and  
7 partnerships.

8         3. A taxpayer shall be allowed a tax credit against the tax otherwise due pursuant to  
9 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, chapter 147,  
10 chapter 148, or chapter 153 in an amount equal to thirty percent for property contributions and  
11 fifty percent for monetary contributions of the amount such taxpayer contributed to the programs

12 described in subsection 5 of this section, not to exceed two hundred thousand dollars per  
13 [taxable] tax year, per taxpayer; except as otherwise provided in subdivision (5) of subsection  
14 5 of this section. The department of economic development shall prescribe the method for  
15 claiming the tax credits allowed in this section. No rule or portion of a rule promulgated under  
16 the authority of this section shall become effective unless it has been promulgated pursuant to  
17 the provisions of chapter 536. All rulemaking authority delegated prior to June 27, 1997, is of  
18 no force and effect and repealed; however, nothing in this section shall be interpreted to repeal  
19 or affect the validity of any rule filed or adopted prior to June 27, 1997, if such rule complied  
20 with the provisions of chapter 536. The provisions of this section and chapter 536 are  
21 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536,  
22 including the ability to review, to delay the effective date, or to disapprove and annul a rule or  
23 portion of a rule, are subsequently held unconstitutional, then the purported grant of rulemaking  
24 authority and any rule so proposed and contained in the order of rulemaking shall be invalid and  
25 void.

26 4. The tax credits allowed by this section shall be claimed by the taxpayer to offset the  
27 taxes that become due in the taxpayer's tax period in which the contribution was made. Any tax  
28 credit not used in such tax period may be carried over the next five succeeding tax periods.

29 5. The tax credit allowed by this section may only be claimed for monetary or property  
30 contributions to public or private programs authorized to participate pursuant to this section by  
31 the department of economic development and may be claimed for the development,  
32 establishment, implementation, operation, and expansion of the following activities and  
33 programs:

34 (1) An adopt-a-school program. Components of the adopt-a-school program shall  
35 include donations for school activities, seminars, and functions; school-business employment  
36 programs; and the donation of property and equipment of the corporation to the school;

37 (2) Expansion of programs to encourage school dropouts to reenter and complete high  
38 school or to complete a graduate equivalency degree program;

39 (3) Employment programs. Such programs shall initially, but not exclusively, target  
40 unemployed youth living in poverty and youth living in areas with a high incidence of crime;

41 (4) New or existing youth clubs or associations;

42 (5) Employment/internship/apprenticeship programs in business or trades for persons  
43 less than twenty years of age, in which case the tax credit claimed pursuant to this section shall  
44 be equal to one-half of the amount paid to the intern or apprentice in that tax year, except that  
45 such credit shall not exceed ten thousand dollars per person;

46 (6) Mentor and role model programs;

47 (7) Drug and alcohol abuse prevention training programs for youth;

48 (8) Donation of property or equipment of the taxpayer to schools, including schools  
49 which primarily educate children who have been expelled from other schools, or donation of the  
50 same to municipalities, or not-for-profit corporations or other not-for-profit organizations which  
51 offer programs dedicated to youth violence prevention as authorized by the department;

52 (9) Not-for-profit, private or public youth activity centers;

53 (10) Nonviolent conflict resolution and mediation programs;

54 (11) Youth outreach and counseling programs.

55 6. Any program authorized in subsection 5 of this section shall, at least annually, submit  
56 a report to the department of economic development outlining the purpose and objectives of such  
57 program, the number of youth served, the specific activities provided pursuant to such program,  
58 the duration of such program and recorded youth attendance where applicable.

59 7. The department of economic development shall, at least annually submit a report to  
60 the Missouri general assembly listing the organizations participating, services offered and the  
61 number of youth served as the result of the implementation of this section.

62 8. The tax credit allowed by this section shall apply to all ~~taxable~~ tax years beginning  
63 after December 31, 1995.

64 9. For the purposes of the credits described in this section, in the case of a corporation  
65 described in section 143.471, partnership, limited liability company described in section 347.015,  
66 cooperative, marketing enterprise, or partnership, in computing Missouri's tax liability, such  
67 credits shall be allowed to the following:

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

69 (2) The partners of the partnership;

70 (3) The members of the limited liability company; and

71 (4) Individual members of the cooperative or marketing enterprise.

72

73 Such credits shall be apportioned to the entities described in subdivisions (1) and (2) of this  
74 subsection in proportion to their share of ownership on the last day of the taxpayer's tax period.

75 **10. Under section 23.253 of the Missouri sunset act:**

76 **(1) The provisions of the new program authorized under this section shall**  
77 **automatically sunset on December thirty-first four years after the effective date of this**  
78 **section unless reauthorized by an act of the general assembly;**

79 **(2) If such program is reauthorized, the program authorized under this section**  
80 **shall automatically sunset on December thirty-first four years after the effective date of the**  
81 **reauthorization of this section;**

82           **(3) This section shall terminate on September first of the calendar year immediately**  
83 **following the calendar year in which the program authorized under this section is sunset;**  
84 **and**

85           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
86 **before this section is sunset.**

135.481. 1. (1) Any taxpayer who incurs eligible costs for a new residence located in  
2 a distressed community or within a census block group as described in subdivision (10) of  
3 section 135.478, or for a multiple unit condominium described in subdivision (2) of this  
4 subsection, shall receive a tax credit equal to fifteen percent of such costs against his or her tax  
5 liability. The tax credit shall not exceed forty thousand dollars per new residence in any ten-year  
6 period.

7           (2) For the purposes of this section, a "multiple unit condominium" is one that is  
8 intended to be owner occupied, which is constructed on property subject to an industrial  
9 development contract as defined in section 100.310 and which lies within an area with a city  
10 zoning classification of urban redevelopment district established after January 1, 2000, and  
11 before December 31, 2001, and which is constructed in connection with the qualified  
12 rehabilitation of a structure more than ninety years old eligible for the historic structures  
13 rehabilitation tax credit described in sections 253.545 to 253.559, and is under way by January  
14 1, 2000, and completed by January 1, 2002.

15           2. Any taxpayer who incurs eligible costs for a new residence located within a census  
16 block as described in subdivision (6) of section 135.478 shall receive a tax credit equal to fifteen  
17 percent of such costs against his or her tax liability. The tax credit shall not exceed twenty-five  
18 thousand dollars per new residence in any ten-year period.

19           3. Any taxpayer who is not performing substantial rehabilitation and who incurs eligible  
20 costs for rehabilitation of an eligible residence or a qualifying residence shall receive a tax credit  
21 equal to twenty-five percent of such costs against his or her tax liability. The minimum eligible  
22 costs for rehabilitation of an eligible residence shall be ten thousand dollars. The minimum  
23 eligible costs for rehabilitation of a qualifying residence shall be five thousand dollars. The tax  
24 credit shall not exceed twenty-five thousand dollars in any ten-year period.

25           4. Any taxpayer who incurs eligible costs for substantial rehabilitation of a qualifying  
26 residence shall receive a tax credit equal to thirty-five percent of such costs against his or her tax  
27 liability. The minimum eligible costs for substantial rehabilitation of a qualifying residence shall  
28 be ten thousand dollars. The tax credit shall not exceed seventy thousand dollars in any ten-year  
29 period.

30           5. A taxpayer shall be eligible to receive tax credits for new construction or rehabilitation  
31 pursuant to only one subsection of this section.

32 6. No tax credit shall be issued pursuant to this section for any structure which is in  
33 violation of any municipal or county property, maintenance or zoning code.

34 7. No tax credit shall be issued pursuant to sections 135.475 to 135.487 for the  
35 construction or rehabilitation of rental property.

36 **8. Under section 23.253 of the Missouri sunset act:**

37 **(1) The provisions of the new program authorized under this section shall**  
38 **automatically sunset on December thirty-first three years after the effective date of this**  
39 **section unless reauthorized by an act of the general assembly;**

40 **(2) If such program is reauthorized, the program authorized under this section**  
41 **shall automatically sunset on December thirty-first three years after the effective date of**  
42 **the reauthorization of this section;**

43 **(3) This section shall terminate on September first of the calendar year immediately**  
44 **following the calendar year in which the program authorized under this section is sunset;**  
45 **and**

46 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
47 **before this section is sunset.**

135.490. 1. In order to encourage and foster community improvement, an eligible small  
2 business, as defined in Section 44 of the Internal Revenue Code, shall be allowed a credit not to  
3 exceed five thousand dollars against the tax otherwise due pursuant to chapter 143, not including  
4 sections 143.191 to 143.265, in an amount equal to fifty percent of all eligible access  
5 expenditures exceeding the monetary cap provided by Section 44 of the Internal Revenue Code.  
6 For purposes of this section, "eligible access expenditures" means amounts paid or incurred by  
7 the taxpayer in order to comply with applicable access requirements provided by the Americans  
8 With Disabilities Act of 1990, as further defined in Section 44 of the Internal Revenue Code and  
9 federal rulings interpreting Section 44 of the Internal Revenue Code.

10 2. The tax credit allowed by this section shall be claimed by the taxpayer at the time such  
11 taxpayer files a return. Any amount of tax credit which exceeds the tax due shall be carried over  
12 to any subsequent ~~taxable~~ tax year, but shall not be refunded and shall not be transferable.

13 3. The director of the department of economic development and the director of the  
14 department of revenue shall jointly administer the tax credit authorized by this section. Both the  
15 director of the department of economic development and the director of the department of  
16 revenue are authorized to promulgate rules and regulations necessary to administer the provisions  
17 of this section. No rule or portion of a rule promulgated pursuant to the authority of this section  
18 shall become effective unless it has been promulgated pursuant to the provisions of chapter 536.

19 4. The provisions of this section shall become effective on January 1, 2000, and shall  
20 apply to all ~~taxable~~ tax years beginning after December 31, 1999.

21 **5. Under section 23.253 of the Missouri sunset act:**

22 **(1) The provisions of the new program authorized under this section shall**  
23 **automatically sunset on December thirty-first four years after the effective date of this**  
24 **section unless reauthorized by an act of the general assembly;**

25 **(2) If such program is reauthorized, the program authorized under this section**  
26 **shall automatically sunset on December thirty-first four years after the effective date of the**  
27 **reauthorization of this section;**

28 **(3) This section shall terminate on September first of the calendar year immediately**  
29 **following the calendar year in which the program authorized under this section is sunset;**  
30 **and**

31 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
32 **before this section is sunset.**

135.503. 1. Any investor that makes an investment of certified capital shall, in the year  
2 of investment, earn a vested credit against state premium tax liability equal to the applicable  
3 percentage of the investor's investment of certified capital. An investor shall be entitled to take  
4 up to ten percent of the vested credit in any ~~taxable~~ tax year of the investor. Any time after  
5 three years after August 28, 1996, the director, with the approval of the commissioner of  
6 administration, may reduce the applicable percentage on a prospective basis. Any such reduction  
7 in the applicable percentage by the director shall not have any effect on credits against state  
8 premium tax liability which have been claimed or will be claimed by any investor with respect  
9 to credits which have been earned and vested pursuant to an investment of certified capital prior  
10 to the effective date of any such change.

11 2. An insurance company claiming a state premium tax credit earned through an  
12 investment in a certified capital company shall not be required to pay any additional retaliatory  
13 tax levied pursuant to section 375.916 as a result of claiming such credit.

14 3. The credit against state premium tax liability which is described in subsection 1 of this  
15 section may not exceed the state premium tax liability of the investor for any ~~taxable~~ tax year.  
16 All such credits against state premium tax liability may be carried forward indefinitely until the  
17 credits are utilized. The maximum amount of certified capital in one or more certified capital  
18 companies for which earned and vested tax credits will be allowed in any year to any one  
19 investor or its affiliates shall be limited to ten million dollars.

20 4. Except as provided in subsection 5 of this section, the aggregate amount of certified  
21 capital for which earned and vested credits against state premium tax liability are allowed for all  
22 persons pursuant to sections 135.500 to 135.529 shall not exceed the following amounts: for  
23 calendar year 1996, \$0.00; for calendar year 1997, an amount which would entitle all Missouri  
24 certified capital company investors to take aggregate credits of five million dollars; and for any

25 year thereafter, an additional amount to be determined by the director but not to exceed aggregate  
26 credits of ten million dollars for any year with the approval of the commissioner of  
27 administration and reported to the general assembly as provided in subsection 2 of section  
28 33.282, provided that the amount so determined shall not impair the ability of an investor with  
29 earned and vested credits which have been allowed in previous years to take them, pursuant to  
30 subsection 1 of this section. During any calendar year in which the limitation described in this  
31 subsection will limit the amount of certified capital for which earned and vested credits against  
32 state premium tax liability are allowed, certified capital for which credits are allowed will be  
33 allocated in order of priority based upon the date of filing of information described in subdivision  
34 (1) of subsection 5 of section 135.516. Certified capital limited in any calendar year by the  
35 application of the provisions of this subsection shall be allowed and allocated in the immediately  
36 succeeding calendar year in the order of priority set forth in this subsection. The department  
37 shall make separate allocations of certified capital for which credits are allowed under the  
38 limitations described in this subsection and under the limitations described in subsection 5 of this  
39 section.

40 5. In addition to the maximum amount pursuant to subsection 4 of this section, the  
41 aggregate amount of certified capital for which earned and vested credits against state premium  
42 tax liability are allowed for persons pursuant to sections 135.500 to 135.529 shall be the  
43 following: for calendar year 1999 and for any year thereafter, an amount to be determined by the  
44 director which would entitle all Missouri certified capital company investors to take aggregate  
45 credits not to exceed four million dollars for any year with the approval of the commissioner of  
46 administration and reported to the general assembly as provided in subsection 2 of section  
47 33.282, provided that the amount so determined shall not impair the ability of an investor with  
48 earned and vested credits which have been allowed in previous years or pursuant to the  
49 provisions of subsection 4 of this section to take them, pursuant to subsection 1 of this section.  
50 For purposes of any requirement regarding the schedule of qualified investments for certified  
51 capital for which earned and vested credits against state premium tax liability are allowed  
52 pursuant to this subsection only, the definition of a "qualified Missouri business" as set forth in  
53 subdivision (14) of subsection 2 of section 135.500 means a Missouri business that is located in  
54 a distressed community as defined in section 135.530, and meets all of the requirements of  
55 subdivision (14) of subsection 2 of section 135.500. During any calendar year in which the  
56 limitation described in this subsection limits the amount of additional certified capital for which  
57 earned and vested credits against state premium tax liability are allowed, additional certified  
58 capital for which credits are allowed shall be allocated in order of priority based upon the date  
59 of filing of information described in subdivision (1) of subsection 5 of section 135.516 with  
60 respect to such additional certified capital. The department shall make separate allocations of

61 certified capital for which credits are allowed under the limitations described in this subsection  
62 and under the limitations described in subsection 4 of this section. No limitation applicable to  
63 any certified capital company with respect to certified capital for which credits are allowed  
64 pursuant to subsection 4 of this section shall limit the amount of certified capital for which  
65 credits are allowed pursuant to this subsection. No limitation applicable to any certified capital  
66 company with respect to certified capital for which credits are allowed pursuant to this  
67 subsection shall limit the amount of certified capital for which credits are allowed pursuant to  
68 subsection 4 of this section.

69         6. The department shall advise any Missouri certified capital company, in writing, within  
70 fifteen days after receiving the filing described in subdivision (1) of subsection 5 of section  
71 135.516 whether the limitations of subsection 3 of this section then in effect will be applicable  
72 with respect to the investments and credits described in such filing with the department.

73         **7. Under section 23.253 of the Missouri sunset act:**

74         **(1) The provisions of the new program authorized under this section shall**  
75 **automatically sunset on December thirty-first three years after the effective date of this**  
76 **section unless reauthorized by an act of the general assembly;**

77         **(2) If such program is reauthorized, the program authorized under this section**  
78 **shall automatically sunset on December thirty-first three years after the effective date of**  
79 **the reauthorization of this section;**

80         **(3) This section shall terminate on September first of the calendar year immediately**  
81 **following the calendar year in which the program authorized under this section is sunset;**  
82 **and**

83         **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
84 **before this section is sunset.**

135.535. 1. A corporation, limited liability corporation, partnership or sole  
2 proprietorship, which moves its operations from outside Missouri or outside a distressed  
3 community into a distressed community, or which commences operations in a distressed  
4 community on or after January 1, 1999, and in either case has more than seventy-five percent of  
5 its employees at the facility in the distressed community, and which has fewer than one hundred  
6 employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical  
7 devices, scientific research, animal research, computer software design or development,  
8 computer programming, including internet, web hosting, and other information technology,  
9 wireless or wired or other telecommunications or a professional firm shall receive a forty percent  
10 credit against income taxes owed pursuant to chapter 143, 147 or 148, other than taxes withheld  
11 pursuant to sections 143.191 to 143.265, for each of the three years after such move, if approved  
12 by the department of economic development, which shall issue a certificate of eligibility if the



13 department determines that the taxpayer is eligible for such credit. The maximum amount of  
14 credits per taxpayer set forth in this subsection shall not exceed one hundred twenty-five  
15 thousand dollars for each of the three years for which the credit is claimed. The department of  
16 economic development, by means of rule or regulation promulgated pursuant to the provisions  
17 of chapter 536, shall assign appropriate North American Industry Classification System numbers  
18 to the companies which are eligible for the tax credits provided for in this section. Such  
19 three-year credits shall be awarded only one time to any company which moves its operations  
20 from outside of Missouri or outside of a distressed community into a distressed community or  
21 to a company which commences operations within a distressed community. A taxpayer shall file  
22 an application for certification of the tax credits for the first year in which credits are claimed and  
23 for each of the two succeeding ~~taxable~~ tax years for which credits are claimed.

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

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

42         4. A corporation, partnership or sole partnership, which has no more than one hundred  
43 employees for whom payroll taxes are paid, which is already located in a distressed community  
44 and which expends funds for such equipment pursuant to subsection 3 of this section in an  
45 amount exceeding its average of the prior two years for such equipment, shall be eligible to  
46 receive a tax credit against income taxes owed pursuant to chapters 143, 147 and 148 in an  
47 amount equal to the lesser of seventy-five thousand dollars or twenty-five percent of the funds  
48 expended for such additional equipment per such entity. Tax credits allowed pursuant to this

49 subsection or subsection 1 of this section may be carried back to any of the three prior tax years  
50 and carried forward to any of the next five tax years.

51           5. An existing corporation, partnership or sole proprietorship that is located within a  
52 distressed community and that relocates employees from another facility outside of the distressed  
53 community to its facility within the distressed community, and an existing business located  
54 within a distressed community that hires new employees for that facility may both be eligible for  
55 the tax credits allowed by subsections 1 and 3 of this section. To be eligible for such tax credits,  
56 such a business, during one of its tax years, shall employ within a distressed community at least  
57 twice as many employees as were employed at the beginning of that tax year. A business hiring  
58 employees shall have no more than one hundred employees before the addition of the new  
59 employees. This subsection shall only apply to a business which is a manufacturing, biomedical,  
60 medical devices, scientific research, animal research, computer software design or development,  
61 computer programming or telecommunications business, or a professional firm.

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

66           7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section shall  
67 be for an amount of no more than ten million dollars for each year beginning in 1999. The total  
68 maximum credit for all entities already located in distressed communities and claiming credits  
69 pursuant to subsection 4 of this section shall be seven hundred and fifty thousand dollars. The  
70 department of economic development in approving taxpayers for the credit as provided for in  
71 subsection 6 of this section shall use information provided by the department of revenue  
72 regarding taxes paid in the previous year, or projected taxes for those entities newly established  
73 in the state, as the method of determining when this maximum will be reached and shall maintain  
74 a record of the order of approval. Any tax credit not used in the period for which the credit was  
75 approved may be carried over until the full credit has been allowed.

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

82           9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax  
83 credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the

84 tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and  
85 135.245, respectively, for the same business for the same tax period.

86 **10. Under section 23.253 of the Missouri sunset act:**

87 **(1) The provisions of the new program authorized under this section shall**  
88 **automatically sunset on December thirty-first three years after the effective date of this**  
89 **section unless reauthorized by an act of the general assembly;**

90 **(2) If such program is reauthorized, the program authorized under this section**  
91 **shall automatically sunset on December thirty-first three years after the effective date of**  
92 **the reauthorization of this section;**

93 **(3) This section shall terminate on September first of the calendar year immediately**  
94 **following the calendar year in which the program authorized under this section is sunset;**  
95 **and**

96 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
97 **before this section is sunset.**

135.545. **1.** A taxpayer shall be allowed a credit for taxes paid pursuant to chapter 143,  
2 147 or 148 in an amount equal to fifty percent of a qualified investment in transportation  
3 development for aviation, mass transportation, including parking facilities for users of mass  
4 transportation, railroads, ports, including parking facilities and limited access roads within ports,  
5 waterborne transportation, bicycle and pedestrian paths, or rolling stock located in a distressed  
6 community as defined in section 135.530, and which are part of a development plan approved  
7 by the appropriate local agency. If the department of economic development determines the  
8 investment has been so approved, the department shall grant the tax credit in order of date  
9 received.

10 **2.** A taxpayer may carry forward any unused tax credit for up to ten years and may carry  
11 it back for the previous three years until such credit has been fully claimed.

12 **3.** Certificates of tax credit issued in accordance with this section may be transferred,  
13 sold or assigned by notarized endorsement which names the transferee.

14 **4.** The tax credits allowed pursuant to this section shall be for an amount of no more than  
15 ten million dollars for each year. This credit shall apply to returns filed for all ~~taxable~~ tax years  
16 beginning on or after January 1, 1999. Any unused portion of the tax credit authorized pursuant  
17 to this section shall be available for use in the future by those entities until fully claimed.

18 **5.** For purposes of this section, a "taxpayer" shall include any charitable organization that  
19 is exempt from federal income tax and whose Missouri unrelated business taxable income, if  
20 any, would be subject to the state income tax imposed under chapter 143.

21 **6. Under section 23.253 of the Missouri sunset act:**

22           **(1) The provisions of the new program authorized under this section shall**  
23 **automatically sunset on December thirty-first three years after the effective date of this**  
24 **section unless reauthorized by an act of the general assembly;**

25           **(2) If such program is reauthorized, the program authorized under this section**  
26 **shall automatically sunset on December thirty-first three years after the effective date of**  
27 **the reauthorization of this section;**

28           **(3) This section shall terminate on September first of the calendar year immediately**  
29 **following the calendar year in which the program authorized under this section is sunset;**  
30 **and**

31           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
32 **before this section is sunset.**

135.550. 1. As used in this section, the following terms shall mean:

2           (1) "Contribution", a donation of cash, stock, bonds or other marketable securities, or  
3 real property;

4           (2) "Shelter for victims of domestic violence", a facility located in this state which meets  
5 the definition of a shelter for victims of domestic violence pursuant to section 455.200 and which  
6 meets the requirements of section 455.220;

7           (3) "State tax liability", in the case of a business taxpayer, any liability incurred by such  
8 taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153,  
9 exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191  
10 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability incurred  
11 by such taxpayer pursuant to the provisions of chapter 143;

12           (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a shareholder in an S  
13 corporation doing business in the state of Missouri and subject to the state income tax imposed  
14 by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax  
15 imposed by the provisions of chapter 147, including any charitable organization which is exempt  
16 from federal income tax and whose Missouri unrelated business taxable income, if any, would  
17 be subject to the state income tax imposed under chapter 143, or an insurance company paying  
18 an annual tax on its gross premium receipts in this state, or other financial institution paying  
19 taxes to the state of Missouri or any political subdivision of this state pursuant to the provisions  
20 of chapter 148, or an express company which pays an annual tax on its gross receipts in this state  
21 pursuant to chapter 153, or an individual subject to the state income tax imposed by the  
22 provisions of chapter 143.

23           2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax  
24 liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a shelter  
25 for victims of domestic violence.

26           3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's  
27 state tax liability for the [taxable] tax year that the credit is claimed, and such taxpayer shall not  
28 be allowed to claim a tax credit in excess of fifty thousand dollars per [taxable] tax year.  
29 However, any tax credit that cannot be claimed in the [taxable] tax year the contribution was  
30 made may be carried over to the next four succeeding [taxable] tax years until the full credit has  
31 been claimed.

32           4. Except for any excess credit which is carried over pursuant to subsection 3 of this  
33 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such  
34 taxpayer's contribution or contributions to a shelter or shelters for victims of domestic violence  
35 in such taxpayer's [taxable] tax year has a value of at least one hundred dollars.

36           5. The director of the department of social services shall determine, at least annually,  
37 which facilities in this state may be classified as shelters for victims of domestic violence. The  
38 director of the department of social services may require of a facility seeking to be classified as  
39 a shelter for victims of domestic violence whatever information is reasonably necessary to make  
40 such a determination. The director of the department of social services shall classify a facility  
41 as a shelter for victims of domestic violence if such facility meets the definition set forth in  
42 subsection 1 of this section.

43           6. The director of the department of social services shall establish a procedure by which  
44 a taxpayer can determine if a facility has been classified as a shelter for victims of domestic  
45 violence, and by which such taxpayer can then contribute to such shelter for victims of domestic  
46 violence and claim a tax credit. Shelters for victims of domestic violence shall be permitted to  
47 decline a contribution from a taxpayer. The cumulative amount of tax credits which may be  
48 claimed by all the taxpayers contributing to shelters for victims of domestic violence in any one  
49 fiscal year shall not exceed two million dollars.

50           7. The director of the department of social services shall establish a procedure by which,  
51 from the beginning of the fiscal year until some point in time later in the fiscal year to be  
52 determined by the director of the department of social services, the cumulative amount of tax  
53 credits are equally apportioned among all facilities classified as shelters for victims of domestic  
54 violence. If a shelter for victims of domestic violence fails to use all, or some percentage to be  
55 determined by the director of the department of social services, of its apportioned tax credits  
56 during this predetermined period of time, the director of the department of social services may  
57 reapportion these unused tax credits to those shelters for victims of domestic violence that have  
58 used all, or some percentage to be determined by the director of the department of social  
59 services, of their apportioned tax credits during this predetermined period of time. The director  
60 of the department of social services may establish more than one period of time and reapportion  
61 more than once during each fiscal year. To the maximum extent possible, the director of the

62 department of social services shall establish the procedure described in this subsection in such  
63 a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative  
64 amount of tax credits available for the fiscal year.

65 8. This section shall become effective January 1, 2000, and shall apply to all tax years  
66 after December 31, 1999.

67 **9. Under section 23.253 of the Missouri sunset act:**

68 **(1) The provisions of the new program authorized under this section shall**  
69 **automatically sunset on December thirty-first four years after the effective date of this**  
70 **section unless reauthorized by an act of the general assembly;**

71 **(2) If such program is reauthorized, the program authorized under this section**  
72 **shall automatically sunset on December thirty-first four years after the effective date of the**  
73 **reauthorization of this section;**

74 **(3) This section shall terminate on September first of the calendar year immediately**  
75 **following the calendar year in which the program authorized under this section is sunset;**  
76 **and**

77 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
78 **before this section is sunset.**

135.700. 1. For all tax years beginning on or after January 1, 1999, a grape grower or  
2 wine producer shall be allowed a tax credit against the state tax liability incurred pursuant to  
3 chapter 143, exclusive of the provisions relating to the withholding of tax as provided in sections  
4 143.191 to 143.265, in an amount equal to twenty-five percent of the purchase price of all new  
5 equipment and materials used directly in the growing of grapes or the production of wine in the  
6 state. Each grower or producer shall apply to the department of economic development and  
7 specify the total amount of such new equipment and materials purchased during the calendar  
8 year. The department of economic development shall certify to the department of revenue the  
9 amount of such tax credit to which a grape grower or wine producer is entitled pursuant to this  
10 section. The provisions of this section notwithstanding, a grower or producer may only apply  
11 for and receive the credit authorized by this section for five tax periods.

12 **2. Under section 23.253 of the Missouri sunset act:**

13 **(1) The provisions of the new program authorized under this section shall**  
14 **automatically sunset on December thirty-first three years after the effective date of this**  
15 **section unless reauthorized by an act of the general assembly;**

16 **(2) If such program is reauthorized, the program authorized under this section**  
17 **shall automatically sunset on December thirty-first three years after the effective date of**  
18 **the reauthorization of this section;**

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;**  
21 **and**

22           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
23 **before this section is sunset.**

135.766. 1. An eligible small business, as defined in Section 44 of the Internal Revenue  
2 Code, shall be allowed a credit against the tax otherwise due pursuant to chapter 143, not  
3 including sections 143.191 to 143.265, in an amount equal to any amount paid by the eligible  
4 small business to the United States Small Business Administration as a guaranty fee pursuant to  
5 obtaining Small Business Administration guaranteed financing and to programs administered by  
6 the United States Department of Agriculture for rural development or farm service agencies.

7           2. No tax credits provided under this section shall be authorized on or after the thirtieth  
8 day following the effective date of this act. The provisions of this subsection shall not be  
9 construed to limit or in any way impair the department's ability to issue tax credits authorized  
10 prior to the thirtieth day following the effective date of this act, or a taxpayer's ability to redeem  
11 such tax credits.

12           **3. Under section 23.253 of the Missouri sunset act:**

13           **(1) The provisions of the new program authorized under this section shall**  
14 **automatically sunset on December thirty-first three years after the effective date of this**  
15 **section unless reauthorized by an act of the general assembly;**

16           **(2) If such program is reauthorized, the program authorized under this section**  
17 **shall automatically sunset on December thirty-first three years after the effective date of**  
18 **the reauthorization of this section;**

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;**  
21 **and**

22           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
23 **before this section is sunset.**

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

6           2. Notwithstanding any provision of law to the contrary, any taxpayer who establishes  
7 a new business facility in an enhanced enterprise zone and is awarded state tax credits under this  
8 section may not also receive tax credits under sections 135.100 to 135.150, sections 135.200 to

9 135.286, or section 135.535, and may not simultaneously receive tax credits under sections  
10 620.1875 to 620.1890 at the same facility.

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

12 (1) The number of new business facility employees engaged or maintained in  
13 employment at the new business facility for the ~~taxable~~ tax year for which the credit is claimed  
14 equals or exceeds two; and

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

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

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

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

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

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

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

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

32 5. Prior to January 1, 2007, in no event shall the department authorize more than four  
33 million dollars annually to be issued for all enhanced business enterprises. After December 31,  
34 2006, in no event shall the department authorize more than twenty-four million dollars annually  
35 to be issued for all enhanced business enterprises.

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

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



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

46           7. The number of new business facility employees during any ~~taxable~~ tax year shall be  
47 determined by dividing by twelve the sum of the number of individuals employed on the last  
48 business day of each month of such ~~taxable~~ tax year. If the new business facility is in operation  
49 for less than the entire ~~taxable~~ tax year, the number of new business facility employees shall  
50 be determined by dividing the sum of the number of individuals employed on the last business  
51 day of each full calendar month during the portion of such ~~taxable~~ tax year during which the  
52 new business facility was in operation by the number of full calendar months during such period.  
53 For the purpose of computing the credit allowed by this section in the case of a facility which  
54 qualifies as a new business facility under subsection 6 of this section, and in the case of a new  
55 business facility which satisfies the requirements of paragraph (c) of subdivision (17) of section  
56 135.950, or subdivision (25) of section 135.950, the number of new business facility employees  
57 at such facility shall be reduced by the average number of individuals employed, computed as  
58 provided in this subsection, at the facility during the ~~taxable~~ tax year immediately preceding  
59 the ~~taxable~~ tax year in which such expansion, acquisition, or replacement occurred and shall  
60 further be reduced by the number of individuals employed by the taxpayer or related taxpayer  
61 that was subsequently transferred to the new business facility from another Missouri facility and  
62 for which credits authorized in this section are not being earned, whether such credits are earned  
63 because of an expansion, acquisition, relocation, or the establishment of a new facility.

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

71           9. For the purpose of computing the credit allowed by this section in the case of a facility  
72 which qualifies as a new business facility pursuant to subsection 6 of this section, and in the case  
73 of a new business facility which satisfies the requirements of paragraph (c) of subdivision (17)  
74 of section 135.950 or subdivision (25) of section 135.950, the amount of the taxpayer's new  
75 business facility investment in such facility shall be reduced by the average amount, computed  
76 as provided in subdivision (19) of section 135.950 for new business facility investment, of the  
77 investment of the taxpayer, or related taxpayer immediately preceding such expansion or  
78 replacement or at the time of acquisition. Furthermore, the amount of the taxpayer's new  
79 business facility investment shall also be reduced by the amount of investment employed by the

80 taxpayer or related taxpayer which was subsequently transferred to the new business facility from  
81 another Missouri facility and for which credits authorized in this section are not being earned,  
82 whether such credits are earned because of an expansion, acquisition, relocation, or the  
83 establishment of a new facility.

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

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

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

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

97 14. Prior to the issuance of tax credits, the department shall verify through the  
98 department of revenue, or any other state department, that the tax credit applicant does not owe  
99 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent  
100 fees or assessments levied by any state department and through the department of insurance,  
101 financial institutions and professional registration that the applicant does not owe any delinquent  
102 insurance taxes. Such delinquency shall not affect the authorization of the application for such  
103 tax credits, except that the amount of credits issued shall be reduced by the applicant's tax  
104 delinquency. If the department of revenue or the department of insurance, financial institutions  
105 and professional registration, or any other state department, concludes that a taxpayer is  
106 delinquent after June fifteenth but before July first of any year and the application of tax credits  
107 to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer  
108 shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions  
109 to tax shall be tolled. After applying all available credits toward a tax delinquency, the  
110 administering agency shall notify the appropriate department, and that department shall update  
111 the amount of outstanding delinquent tax owed by the applicant. If any credits remain after  
112 satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be  
113 issued to the applicant, subject to the restrictions of other provisions of law.

114 **15. Under section 23.253 of the Missouri sunset act:**

115           **(1) The provisions of the new program authorized under this section shall**  
116 **automatically sunset on December thirty-first three years after the effective date of this**  
117 **section unless reauthorized by an act of the general assembly;**

118           **(2) If such program is reauthorized, the program authorized under this section**  
119 **shall automatically sunset on December thirty-first three years after the effective date of**  
120 **the reauthorization of this section;**

121           **(3) This section shall terminate on September first of the calendar year immediately**  
122 **following the calendar year in which the program authorized under this section is sunset;**  
123 **and**

124           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
125 **before this section is sunset.**

135.968. 1. A taxpayer who establishes a megaproject, approved by the department,  
2 within an enhanced enterprise zone shall, in exchange for the consideration provided by new tax  
3 revenues and other economic stimuli that will be generated from the new jobs created by the  
4 megaproject, be allowed an income tax credit equal to the percentage of actual new annual  
5 payroll of the taxpayer attributable to employees directly related to the manufacturing and  
6 assembly process and administration, as provided under subsection 4 of this section. A taxpayer  
7 seeking approval of a megaproject shall submit an application to the department. The  
8 department shall not approve any megaproject after December 31, 2008. The department shall  
9 not approve any credits for megaprojects to be issued prior to January 1, 2013, and in no event  
10 shall the department authorize more than forty million dollars to be issued annually for all  
11 megaprojects. The total amount of credits issued under this section shall not exceed two hundred  
12 forty million dollars.

13           2. In considering applications for approval of megaprojects, the department may approve  
14 an application if:

15           (1) The taxpayer's project is financially sound and the taxpayer has adequately  
16 demonstrated an ability to successfully undertake and complete the megaproject. This  
17 determination shall be supported by a professional third-party market feasibility analysis  
18 conducted on behalf of the state by a firm with direct experience with the industry of the  
19 proposed megaproject, and by a professional third-party financial analysis of the taxpayer's  
20 ability to complete the project;

21           (2) The taxpayer's plan of repayment to the state of the amount of tax credits provided  
22 is reasonable and sound;

23           (3) The taxpayer's megaproject will create new jobs that were not jobs previously  
24 performed by employees of the taxpayer or a related taxpayer in Missouri;

25 (4) Local taxing entities are providing a significant level of incentives for the  
26 megaproject relative to the projected new local tax revenues created by the megaproject;

27 (5) There is at least one other state or foreign country that the taxpayer verifies is being  
28 considered for the project, and receiving megaproject tax credits is a major factor in the  
29 taxpayer's decision to go forward with the project and not receiving the credit will result in the  
30 taxpayer not creating new jobs in Missouri;

31 (6) The megaproject will be located in an enhanced enterprise zone which constitutes  
32 an economic or social liability and a detriment to the public health, safety, morals, or welfare in  
33 its present condition and use;

34 (7) The completion of the megaproject will serve an essential public municipal purpose  
35 by creating a substantial number of new jobs for citizens, increasing their purchasing power,  
36 improving their living conditions, and relieving the demand for unemployment and welfare  
37 assistance thereby promoting the economic development of the enhanced enterprise zone, the  
38 municipality, and the state; and

39 (8) The creation of new jobs will assist the state in providing the services needed to  
40 protect the health, safety, and social and economic well-being of the citizens of the state.

41 3. Prior to final approval of an application, a binding contract shall be executed between  
42 the taxpayer and the department of economic development which shall include, but not be  
43 limited to:

44 (1) A repayment plan providing for cash payment to the state general revenue fund which  
45 shall result in a positive internal rate of return to the state and fully comply with the provisions  
46 of the World Trade Organization Agreement on Subsidies and Countervailing Measures. The  
47 rate of return shall be commercially reasonable and, over the life of the project, exceed one  
48 hundred and fifty percent of the state's borrowing costs based on the AAA-rated twenty-year  
49 tax-exempt bond rate average over a twenty-year borrowing period. The rate shall be verified  
50 by a professional third-party financial analysis;

51 (2) The taxpayer's obligation to construct a facility of at least one million square feet  
52 within five years from the date of approval;

53 (3) A requirement that the issuance of tax credits authorized under this section shall  
54 cease and the taxpayer shall immediately submit payment, to the state general revenue fund, in  
55 an amount equal to all credits previously issued less any amounts previously repaid, increased  
56 by an additional amount that shall provide the state a reasonable rate of return, in the event the  
57 taxpayer:

58 (a) Fails to construct a facility of at least one million square feet within five years of the  
59 date of approval;

60 (b) Fails to make a scheduled payment as required by the repayment plan; or

61 (c) Fails to compensate new jobs at rate equal to or in excess of the county average wage  
62 or fails to offer health insurance to all such new jobs and pay at least eighty percent of such  
63 premiums; and

64 (4) A requirement that the department shall suspend issuance of tax credits authorized  
65 under this section if, at any point, the total amount of tax credits issued less the total amount of  
66 repayments received equals one hundred and fifty-five million dollars.

67 4. Upon approval of an application by the department, tax credits shall be issued  
68 annually for a period not to exceed eight years from the commencement of commercial  
69 operations of the megaproject. The eight-year period for the issuance of megaproject tax credits  
70 may extend beyond the expiration of the enhanced enterprise zone. The maximum percentage  
71 of the annual payroll of the taxpayer for new jobs located at the megaproject which may be  
72 approved or issued by the department for tax credits shall not exceed:

73 (1) Eighty percent for the first three years that tax credits will be issued for the  
74 megaproject;

75 (2) Sixty percent for the next two subsequent years;

76 (3) Fifty percent for the next two subsequent years; and

77 (4) Thirty percent for the remaining year.

78

79 In no event shall the department issue more than forty million dollars annually in megaproject  
80 tax credits to any taxpayer. In any given year, the amount of tax credits issued shall be the lesser  
81 of forty million dollars, the applicable annual payroll percentage, or the amount of tax credits  
82 remaining unissued under the two hundred forty million dollar limitation on megaproject tax  
83 credit issuance provided under subsection 1 of this section.

84 5. Tax credits issued under this section may be claimed against the tax imposed by  
85 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265. For taxpayers  
86 with flow-through tax treatment of its members, partners, or shareholders, the credit shall be  
87 allowed to members, partners, or shareholders in proportion to their share of ownership on the  
88 last day of the taxpayer's tax period. The director of revenue shall issue a refund to a taxpayer  
89 to the extent the amount of credits allowed in this section exceeds the amount of the taxpayer's  
90 income tax liability in the year redemption is authorized. An owner of tax credits issued under  
91 this section shall not be required to have any Missouri income tax liability in order to redeem  
92 such tax credits and receive a refund. The director of revenue shall prepare a form to permit the  
93 owner of such tax credits to obtain a refund.

94 6. Certificates of tax credits authorized under this section may be transferred, sold, or  
95 assigned by filing a notarized endorsement thereof with the department that names the transferee,  
96 the amount of tax credit transferred, and the value received for the credit, as well as any other

97 information reasonably requested by the department. Upon such transfer, sale, or assignment,  
98 the transferee shall be the owner of such tax credits entitled to claim the tax credits or any  
99 refunds with respect thereto issued to the taxpayer. Tax credits may not be carried forward past  
100 the year of issuance. Tax credits authorized by this section may not be pledged or used to secure  
101 any bonds or other indebtedness issued by the state or any political subdivision of the state.  
102 Once such tax credits have been issued, nothing shall prohibit the owner of the tax credits from  
103 pledging the tax credits to any lender or other third party.

104 7. Any taxpayer issued tax credits under this section shall provide an annual report to the  
105 department and the house and senate appropriations committees of the number of new jobs  
106 located at the megaproject, the new annual payroll of such new jobs, and such other information  
107 as may be required by the department to document the basis for benefits under this section. The  
108 department may withhold the approval of the annual issuance of any tax credits until it is  
109 satisfied that proper documentation has been provided, and shall reduce the tax credits to reflect  
110 any reduction in new payroll. If the department determines the average wage is below the county  
111 average wage, or the taxpayer has not maintained employee health insurance as required, the  
112 taxpayer shall not receive tax credits for that year.

113 8. Notwithstanding any provision of law to the contrary, any taxpayer who is awarded  
114 tax credits under this section shall not also receive tax credits under sections 135.100 to 135.150,  
115 sections 135.200 to 135.286, section 135.535, or sections 620.1875 to 620.1890.

116 9. Any action brought in any court contesting the approval of a megaproject and the  
117 issuance of the tax credits, or any other action undertaken pursuant to this section related to such  
118 megaproject, shall be filed within ninety days following approval of the megaproject by the  
119 department.

120 10. Records and documents relating to a proposed megaproject shall be deemed closed  
121 records until such time as the application has been approved. Provisions of this subsection to  
122 the contrary notwithstanding, records containing business plan information which may endanger  
123 the competitiveness of the business shall remain closed.

124 11. Notwithstanding any provision of this section to the contrary, no taxpayer who  
125 receives megaproject tax credits authorized under this section or any related taxpayer shall  
126 employ, prior to January 1, 2022, directly:

127 (1) Any elected public official of this state holding office as of January 1, 2008;

128 (2) Any director, deputy director, division director, or employee directly involved in  
129 negotiations between the department of economic development and a taxpayer relative to the  
130 megaproject who was employed as of January 1, 2008, by the department.

131 **12. Under section 23.253 of the Missouri sunset act:**

132           **(1) The provisions of the new program authorized under this section shall**  
133 **automatically sunset on December thirty-first three years after the effective date of this**  
134 **section unless reauthorized by an act of the general assembly;**

135           **(2) If such program is reauthorized, the program authorized under this section**  
136 **shall automatically sunset on December thirty-first three years after the effective date of**  
137 **the reauthorization of this section;**

138           **(3) This section shall terminate on September first of the calendar year immediately**  
139 **following the calendar year in which the program authorized under this section is sunset;**  
140 **and**

141           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
142 **before this section is sunset.**

135.1150. 1. This section shall be known and may be cited as the "Residential  
2 Treatment Agency Tax Credit Act".

3           2. As used in this section, the following terms mean:

4           (1) "Certificate", a tax credit certificate issued under this section;

5           (2) "Department", the Missouri department of social services;

6           (3) "Eligible donation", donations received from a taxpayer by an agency that are used  
7 solely to provide direct care services to children who are residents of this state. Eligible  
8 donations may include cash, publicly traded stocks and bonds, and real estate that will be valued  
9 and documented according to rules promulgated by the department of social services. For  
10 purposes of this section, "direct care services" include but are not limited to increasing the  
11 quality of care and service for children through improved employee compensation and training;

12           (4) "Qualified residential treatment agency" or "agency", a residential care facility that  
13 is licensed under section 210.484, accredited by the Council on Accreditation (COA), the Joint  
14 Commission on Accreditation of Healthcare Organizations (JCAHO), or the Commission on  
15 Accreditation of Rehabilitation Facilities (CARF), and is under contract with the Missouri  
16 department of social services to provide treatment services for children who are residents or  
17 wards of residents of this state, and that receives eligible donations. Any agency that operates  
18 more than one facility or at more than one location shall be eligible for the tax credit under this  
19 section only for any eligible donation made to facilities or locations of the agency which are  
20 licensed and accredited;

21           (5) "Taxpayer", any of the following individuals or entities who make an eligible  
22 donation to an agency:

23           (a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation  
24 doing business in the state of Missouri and subject to the state income tax imposed in chapter  
25 143;

26 (b) A corporation subject to the annual corporation franchise tax imposed in chapter 147;  
27 (c) An insurance company paying an annual tax on its gross premium receipts in this  
28 state;

29 (d) Any other financial institution paying taxes to the state of Missouri or any political  
30 subdivision of this state under chapter 148;

31 (e) An individual subject to the state income tax imposed in chapter 143;

32 (f) Any charitable organization which is exempt from federal income tax and whose  
33 Missouri unrelated business taxable income, if any, would be subject to the state income tax  
34 imposed under chapter 143.

35 3. For all ~~taxable~~ tax years beginning on or after January 1, 2007, any taxpayer shall  
36 be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148, excluding  
37 withholding tax imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of  
38 the amount of an eligible donation, subject to the restrictions in this section. The amount of the  
39 tax credit claimed shall not exceed the amount of the taxpayer's state income tax liability in the  
40 tax year for which the credit is claimed. Any amount of credit that the taxpayer is prohibited by  
41 this section from claiming in a tax year shall not be refundable, but may be carried forward to  
42 any of the taxpayer's four subsequent ~~taxable~~ tax years.

43 4. To claim the credit authorized in this section, an agency may submit to the department  
44 an application for the tax credit authorized by this section on behalf of taxpayers. The  
45 department shall verify that the agency has submitted the following items accurately and  
46 completely:

47 (1) A valid application in the form and format required by the department;

48 (2) A statement attesting to the eligible donation received, which shall include the name  
49 and taxpayer identification number of the individual making the eligible donation, the amount  
50 of the eligible donation, and the date the eligible donation was received by the agency; and

51 (3) Payment from the agency equal to the value of the tax credit for which application  
52 is made.

53

54 If the agency applying for the tax credit meets all criteria required by this subsection, the  
55 department shall issue a certificate in the appropriate amount.

56 5. An agency may apply for tax credits in an aggregate amount that does not exceed the  
57 payments made by the department to the agency in the preceding twelve months.

58 6. Tax credits issued under this section may be assigned, transferred, sold, or otherwise  
59 conveyed, and the new owner of the tax credit shall have the same rights in the credit as the  
60 taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a



61 notarized endorsement shall be filed with the department specifying the name and address of the  
62 new owner of the tax credit or the value of the credit.

63 7. The department shall promulgate rules to implement the provisions of this section.  
64 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
65 authority delegated in this section shall become effective only if it complies with and is subject  
66 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
67 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
68 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
69 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
70 or adopted after August 28, 2006, shall be invalid and void.

71 **8. Under section 23.253 of the Missouri sunset act:**

72 **(1) The provisions of the new program authorized under this section shall**  
73 **automatically sunset on December thirty-first four years after the effective date of this**  
74 **section unless reauthorized by an act of the general assembly;**

75 **(2) If such program is reauthorized, the program authorized under this section**  
76 **shall automatically sunset on December thirty-first four years after the effective date of the**  
77 **reauthorization of this section;**

78 **(3) This section shall terminate on September first of the calendar year immediately**  
79 **following the calendar year in which the program authorized under this section is sunset;**  
80 **and**

81 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
82 **before this section is sunset.**

135.1180. 1. This section shall be known and may be cited as the "Developmental  
2 Disability Care Provider Tax Credit Program".

3 2. As used in this section, the following terms mean:

4 (1) "Certificate", a tax credit certificate issued under this section;

5 (2) "Department", the Missouri department of social services;

6 (3) "Eligible donation", donations received by a provider from a taxpayer that are used  
7 solely to provide direct care services to persons with developmental disabilities who are residents  
8 of this state. Eligible donations may include cash, publicly traded stocks and bonds, and real  
9 estate that will be valued and documented according to rules promulgated by the department of  
10 social services. For purposes of this section, "direct care services" include, but are not limited  
11 to, increasing the quality of care and service for persons with developmental disabilities through  
12 improved employee compensation and training;

13 (4) "Qualified developmental disability care provider" or "provider", a care provider that  
14 provides assistance to persons with developmental disabilities, and is accredited by the Council

15 on Accreditation (COA), the Joint Commission on Accreditation of Healthcare Organizations  
16 (JCAHO), or the Commission on Accreditation of Rehabilitation Facilities (CARF), or is under  
17 contract with the Missouri department of social services or department of mental health to  
18 provide treatment services for such persons, and that receives eligible donations. Any provider  
19 that operates more than one facility or at more than one location shall be eligible for the tax  
20 credit under this section only for any eligible donation made to facilities or locations of the  
21 provider which are licensed or accredited;

22 (5) "Taxpayer", any of the following individuals or entities who make an eligible  
23 donation to a provider:

24 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation  
25 doing business in the state of Missouri and subject to the state income tax imposed in chapter  
26 143;

27 (b) A corporation subject to the annual corporation franchise tax imposed in chapter 147;

28 (c) An insurance company paying an annual tax on its gross premium receipts in this  
29 state;

30 (d) Any other financial institution paying taxes to the state of Missouri or any political  
31 subdivision of this state under chapter 148;

32 (e) An individual subject to the state income tax imposed in chapter 143;

33 (f) Any charitable organization which is exempt from federal income tax and whose  
34 Missouri unrelated business taxable income, if any, would be subject to the state income tax  
35 imposed under chapter 143.

36 3. For all ~~taxable~~ tax years beginning on or after January 1, 2012, any taxpayer shall  
37 be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148 excluding  
38 withholding tax imposed by sections 143.191 to 143.265 in an amount equal to fifty percent of  
39 the amount of an eligible donation, subject to the restrictions in this section. The amount of the  
40 tax credit claimed shall not exceed the amount of the taxpayer's state income tax liability in the  
41 tax year for which the credit is claimed. Any amount of credit that the taxpayer is prohibited by  
42 this section from claiming in a tax year shall not be refundable, but may be carried forward to  
43 any of the taxpayer's four subsequent ~~taxable~~ tax years.

44 4. To claim the credit authorized in this section, a provider may submit to the department  
45 an application for the tax credit authorized by this section on behalf of taxpayers. The  
46 department shall verify that the provider has submitted the following items accurately and  
47 completely:

48 (1) A valid application in the form and format required by the department;

49 (2) A statement attesting to the eligible donation received, which shall include the name  
50 and taxpayer identification number of the individual making the eligible donation, the amount  
51 of the eligible donation, and the date the eligible donation was received by the provider; and

52 (3) Payment from the provider equal to the value of the tax credit for which application  
53 is made.

54

55 If the provider applying for the tax credit meets all criteria required by this subsection, the  
56 department shall issue a certificate in the appropriate amount.

57 5. Tax credits issued under this section may be assigned, transferred, sold, or otherwise  
58 conveyed, and the new owner of the tax credit shall have the same rights in the credit as the  
59 taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a  
60 notarized endorsement shall be filed with the department specifying the name and address of the  
61 new owner of the tax credit or the value of the credit.

62 6. The department shall promulgate rules to implement the provisions of this section.  
63 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
64 authority delegated in this section shall become effective only if it complies with and is subject  
65 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
66 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
67 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
68 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
69 or adopted after August 28, 2012, shall be invalid and void.

70 **7. Under section 23.253 of the Missouri sunset act:**

71 **(1) The provisions of the new program authorized under this section shall**  
72 **automatically sunset on December thirty-first four years after the effective date of this**  
73 **section unless reauthorized by an act of the general assembly;**

74 **(2) If such program is reauthorized, the program authorized under this section**  
75 **shall automatically sunset on December thirty-first four years after the effective date of the**  
76 **reauthorization of this section;**

77 **(3) This section shall terminate on September first of the calendar year immediately**  
78 **following the calendar year in which the program authorized under this section is sunset;**  
79 **and**

80 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
81 **before this section is sunset.**

143.119. 1. A self-employed taxpayer, as such term is used in the federal internal  
2 revenue code, who is otherwise ineligible for the federal income tax health insurance deduction  
3 under Section 162 of the federal internal revenue code shall be entitled to a credit against the tax

4 otherwise due under this chapter, excluding withholding tax imposed by sections 143.191 to  
5 143.265, in an amount equal to the portion of such taxpayer's federal tax liability incurred due  
6 to such taxpayer's inclusion of such payments in federal adjusted gross income. The tax credits  
7 authorized under this section shall be nontransferable. To the extent tax credit issued under this  
8 section exceeds a taxpayer's state income tax liability, such excess shall be considered an  
9 overpayment of tax and shall be refunded to the taxpayer.

10       2. The director of the department of revenue shall promulgate rules and regulations to  
11 administer the provisions of this section. Any rule or portion of a rule, as that term is defined  
12 in section 536.010, that is created under the authority delegated in this section shall become  
13 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if  
14 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the  
15 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective  
16 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
17 rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid  
18 and void.

19       **3. Under section 23.253 of the Missouri sunset act:**

20       **(1) The provisions of the new program authorized under this section shall**  
21 **automatically sunset on December thirty-first two years after the effective date of this**  
22 **section unless reauthorized by an act of the general assembly;**

23       **(2) If such program is reauthorized, the program authorized under this section**  
24 **shall automatically sunset on December thirty-first two years after the effective date of the**  
25 **reauthorization of this section;**

26       **(3) This section shall terminate on September first of the calendar year immediately**  
27 **following the calendar year in which the program authorized under this section is sunset;**  
28 **and**

29       **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
30 **before this section is sunset.**

143.471. 1. An S corporation, as defined by Section 1361 (a)(1) of the Internal Revenue  
2 Code, shall not be subject to the taxes imposed by section 143.071, or other sections imposing  
3 income tax on corporations.

4       2. A shareholder of an S corporation shall determine such shareholder's S corporation  
5 modification and pro rata share, including its character, by applying the following:

6       (1) Any modification described in sections 143.121 and 143.141 which relates to an item  
7 of S corporation income, gain, loss, or deduction shall be made in accordance with the  
8 shareholder's pro rata share, for federal income tax purposes, of the item to which the  
9 modification relates. Where a shareholder's pro rata share of any such item is not required to be

10 taken into account separately for federal income tax purposes, the shareholder's pro rata share  
11 of such item shall be determined in accordance with his pro rata share, for federal income tax  
12 purposes, of S corporation taxable income or loss generally;

13 (2) Each item of S corporation income, gain, loss, or deduction shall have the same  
14 character for a shareholder pursuant to sections 143.005 to 143.998 as it has for federal income  
15 tax purposes. Where an item is not characterized for federal income tax purposes, it shall have  
16 the same character for a shareholder as if realized directly from the source from which realized  
17 by the S corporation or incurred in the same manner as incurred by the S corporation.

18 3. A nonresident shareholder of an S corporation shall determine such shareholder's  
19 Missouri nonresident adjusted gross income and his or her nonresident shareholder modification  
20 by applying the provisions of this subsection. Items shall be determined to be from sources  
21 within this state pursuant to regulations of the director of revenue in a manner consistent with  
22 the division of income provisions of section 143.451, section 143.461, or section 32.200  
23 (Multistate Tax Compact). In determining the adjusted gross income of a nonresident  
24 shareholder of any S corporation, there shall be included only that part derived from or connected  
25 with sources in this state of the shareholder's pro rata share of items of S corporation income,  
26 gain, loss or deduction entering into shareholder's federal adjusted gross income, as such part is  
27 determined pursuant to regulations prescribed by the director of revenue in accordance with the  
28 general rules in section 143.181. Any modification described in subsections 2 and 3 of section  
29 143.121 and in section 143.141, which relates to an item of S corporation income, gain, loss, or  
30 deduction shall be made in accordance with the shareholder's pro rata share, for federal income  
31 tax purposes, of the item to which the modification relates, but limited to the portion of such item  
32 derived from or connected with sources in this state.

33 4. The director of revenue shall permit S corporations to file composite returns and to  
34 make composite payments of tax on behalf of its nonresident shareholders not otherwise required  
35 to file a return. If the nonresident shareholder's filing requirements result solely from one or  
36 more interests in any other partnerships or subchapter S corporations, that nonresident  
37 shareholder may be included in the composite return.

38 5. If an S corporation pays or credits amounts to any of its nonresident individual  
39 shareholders as dividends or as their share of the S corporation's undistributed taxable income  
40 for the ~~taxable~~ tax year, the S corporation shall either timely file with the department of  
41 revenue an agreement as provided in subsection 6 of this section or withhold Missouri income  
42 tax as provided in subsection 7 of this section. An S corporation that timely files an agreement  
43 as provided in subsection 6 of this section with respect to a nonresident shareholder for a  
44 ~~taxable~~ tax year shall be considered to have timely filed such an agreement for each subsequent  
45 ~~taxable~~ tax year. An S corporation that does not timely file such an agreement for a ~~taxable~~

46 **tax** year shall not be precluded from timely filing such an agreement for subsequent **[taxable] tax**  
47 years. An S corporation is not required to deduct and withhold Missouri income tax for a  
48 nonresident shareholder if:

49 (1) The nonresident shareholder not otherwise required to file a return agrees to have the  
50 Missouri income tax due paid as part of the S corporation's composite return;

51 (2) The nonresident shareholder not otherwise required to file a return had Missouri  
52 assignable federal adjusted gross income from the S corporation of less than twelve hundred  
53 dollars;

54 (3) The S corporation is liquidated or terminated;

55 (4) Income was generated by a transaction related to termination or liquidation; or

56 (5) No cash or other property was distributed in the current and prior **[taxable] tax** year.

57 6. The agreement referred to in subdivision (1) of subsection 5 of this section is an  
58 agreement of a nonresident shareholder of the S corporation to:

59 (1) File a return in accordance with the provisions of section 143.481 and to make timely  
60 payment of all taxes imposed on the shareholder by this state with respect to income of the S  
61 corporation; and

62 (2) Be subject to personal jurisdiction in this state for purposes of the collection of  
63 income taxes, together with related interest and penalties, imposed on the shareholder by this  
64 state with respect to the income of the S corporation.

65

66 The agreement will be considered timely filed for a **[taxable] tax** year, and for all subsequent  
67 **[taxable] tax** years, if it is filed at or before the time the annual return for such **[taxable] tax** year  
68 is required to be filed pursuant to section 143.511.

69 7. The amount of Missouri income tax to be withheld is determined by multiplying the  
70 amount of dividends or undistributed income allocable to Missouri that is paid or credited to a  
71 nonresident shareholder during the **[taxable] tax** year by the highest rate used to determine a  
72 Missouri income tax liability for an individual, except that the amount of the tax withheld may  
73 be determined based on withholding tables provided by the director of revenue if the shareholder  
74 submits a Missouri withholding allowance certificate.

75 8. An S corporation shall be entitled to recover for a shareholder on whose behalf a tax  
76 payment was made pursuant to this section, if such shareholder has no tax liability.

77 9. With respect to S corporations that are banks or bank holding companies, a pro rata  
78 share of the tax credit for the tax payable pursuant to chapter 148 shall be allowed against each  
79 S corporation shareholders' state income tax as follows, provided the bank otherwise complies  
80 with section 148.112:

81 (1) The credit allowed by this subsection shall be equal to the bank tax calculated  
82 pursuant to chapter 148 based on bank income in 1999 and after, on a bank that makes an  
83 election pursuant to 26 U.S.C. Section 1362, and such credit shall be allocated to the qualifying  
84 shareholder according to stock ownership, determined by multiplying a fraction, where the  
85 numerator is the shareholder's stock, and the denominator is the total stock issued by such bank  
86 or bank holding company;

87 (2) The tax credit authorized in this subsection shall be permitted only to the  
88 shareholders that qualify as S corporation shareholders, provided the stock at all times during the  
89 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such  
90 stock is held by the shareholder during the taxable period. The credit created by this section on  
91 a yearly basis is available to each qualifying shareholder, including shareholders filing joint  
92 returns. A bank holding company is not allowed this credit, except that, such credit shall flow  
93 through to such bank holding company's qualified shareholders, and be allocated to such  
94 shareholders under the same conditions; and

95 (3) In the event such shareholder cannot use all or part of the tax credit in the taxable  
96 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser  
97 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri  
98 taxable income.

99 10. With respect to S corporations that are associations, a pro rata share of the tax credit  
100 for the tax payable under chapter 148 shall be allowed against each S corporation shareholders'  
101 state income tax as follows, provided the association otherwise complies with section 148.655:

102 (1) The credit allowed by this subsection shall be equal to the savings and loan  
103 association tax calculated under chapter 148 based on the computations provided in section  
104 148.630 on an association that makes an election under 26 U.S.C. Section 1362, and such credit  
105 shall be allocated to the qualifying shareholder according to stock ownership, determined by  
106 multiplying a fraction, where the numerator is the shareholder's stock, and the denominator is  
107 the total stock issued by the association;

108 (2) The tax credit authorized in this subsection shall be permitted only to the  
109 shareholders that qualify as S corporation shareholders, provided the stock at all times during the  
110 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such  
111 stock is held by the shareholder during the taxable period. The credit created by this section on  
112 a yearly basis is available to each qualifying shareholder, including shareholders filing joint  
113 returns. A savings and loan association holding company is not allowed this credit, except that,  
114 such credit shall flow through to such savings and loan association holding company's qualified  
115 shareholders, and be allocated to such shareholders under the same conditions; and

116 (3) In the event such shareholder cannot use all or part of the tax credit in the taxable  
117 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser  
118 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri  
119 taxable income.

120 11. With respect to S corporations that are credit institutions, a pro rata share of the tax  
121 credit for the tax payable under chapter 148 shall be allowed against each S corporation  
122 shareholders' state income tax as follows, provided the credit institution otherwise complies with  
123 section 148.657:

124 (1) The credit allowed by this subsection shall be equal to the credit institution tax  
125 calculated under chapter 148 based on the computations provided in section 148.150 on a credit  
126 institution that makes an election under 26 U.S.C. Section 1362, and such credit shall be  
127 allocated to the qualifying shareholder according to stock ownership, determined by multiplying  
128 a fraction, where the numerator is the shareholder's stock, and the denominator is the total stock  
129 issued by such credit institution;

130 (2) The tax credit authorized in this subsection shall be permitted only to the  
131 shareholders that qualify as S corporation shareholders, provided the stock at all times during the  
132 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such  
133 stock is held by the shareholder during the taxable period. The credit created by this section on  
134 a yearly basis is available to each qualifying shareholder, including shareholders filing joint  
135 returns. A credit institution holding company is not allowed this credit, except that, such credit  
136 shall flow through to such credit institution holding company's qualified shareholders, and be  
137 allocated to such shareholders under the same conditions; and

138 (3) In the event such shareholder cannot use all or part of the tax credit in the taxable  
139 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser  
140 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri  
141 taxable income.

142 **12. Under section 23.253 of the Missouri sunset act:**

143 **(1) The provisions of the tax credit authorized under subsection 9 of this section**  
144 **shall automatically sunset on December thirty-first two years after the effective date of this**  
145 **section unless reauthorized by an act of the general assembly;**

146 **(2) If such credit is reauthorized, the credit authorized under this section shall**  
147 **automatically sunset on December thirty-first two years after the effective date of the**  
148 **reauthorization of this section;**

149 **(3) The provisions of the tax credit shall terminate on September first of the**  
150 **calendar year immediately following the calendar year in which the credit authorized**  
151 **under this section is sunset; and**



152           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
153 **before this section is sunset.**

148.064. 1. Notwithstanding any law to the contrary, this section shall determine the  
2 ordering and limit reductions for certain taxes and tax credits which may be used as credits  
3 against various taxes paid or payable by banking institutions. Except as adjusted in subsections  
4 2, 3 and 6 of this section, such credits shall be applied in the following order until used against:

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

7           (2) The tax on banks determined under subdivision (1) of subsection 2 of section  
8 148.030;

9           (3) The state income tax in section 143.071.

10           2. The tax credits permitted against taxes payable pursuant to subdivision (2) of  
11 subsection 2 of section 148.030 shall be utilized first and include taxes referenced in  
12 subdivisions (2) and (3) of subsection 1 of this section, which shall be determined without  
13 reduction for any tax credits identified in subsection 5 of this section which are used to reduce  
14 such taxes. Where a banking institution subject to this section joins in the filing of a  
15 consolidated state income tax return under chapter 143, the credit allowed under this section for  
16 state income taxes payable under chapter 143 shall be determined based upon the consolidated  
17 state income tax liability of the group and allocated to a banking institution, without reduction  
18 for any tax credits identified in subsection 5 of this section which are used to reduce such  
19 consolidated taxes as provided in chapter 143.

20           3. The taxes referenced in subdivisions (2) and (3) of subsection 1 of this section may  
21 be reduced by the tax credits in subsection 5 of this section without regard to any adjustments  
22 in subsection 2 of this section.

23           4. To the extent that certain tax credits which the taxpayer is entitled to claim are  
24 transferable, such transferability may include transfers among such taxpayers who are members  
25 of a single consolidated income tax return, and this subsection shall not impact other tax credit  
26 transferability.

27           5. For the purpose of this section, the tax credits referred to in subsections 2 and 3 shall  
28 include tax credits available for economic development, low-income housing and neighborhood  
29 assistance which the taxpayer is entitled to claim for the year, including by way of example and  
30 not of limitation, tax credits pursuant to the following sections: section 32.115, section 100.286,  
31 and sections 135.110, 135.225, 135.352 and 135.403.

32           6. For tax returns filed on or after January 1, 2001, including returns based on income  
33 in the year 2000, and after, a banking institution shall be entitled to an annual tax credit equal  
34 to one-sixtieth of one percent of its outstanding shares and surplus employed in this state if the

35 outstanding shares and surplus exceed one million dollars, determined in the same manner as in  
36 section 147.010. This tax credit shall be taken as a dollar-for-dollar credit against the bank tax  
37 provided for in subdivision (2) of subsection 2 of section 148.030; if such bank tax was already  
38 reduced to zero by other credits, then against the corporate income tax provided for in chapter  
39 143.

40 7. In the event the corporation franchise tax in chapter 147 is repealed by the general  
41 assembly, there shall also be a reduction in the taxation of banks as follows: in lieu of the loss  
42 of the corporation franchise tax credit reduction in subdivision (1) of subsection 2 of section  
43 148.030, the bank shall receive a tax credit equal to one and one-half percent of net income as  
44 determined in this chapter. This subsection shall take effect at the same time the corporation  
45 franchise tax in chapter 147 is repealed.

46 8. An S corporation bank or bank holding company that otherwise qualifies to distribute  
47 tax credits to its shareholders shall pass through any tax credits referred to in subsection 5 of this  
48 section to its shareholders as otherwise provided for in subsection 9 of section 143.471 with no  
49 reductions or limitations resulting from the transfer through such S corporation, and on the same  
50 terms originally made available to the original taxpayer, subject to any original dollar or  
51 percentage limitations on such credits, and when such S corporation is the original taxpayer,  
52 treating such S corporation as having not elected Subchapter S status.

53 9. Notwithstanding any law to the contrary, in the event the corporation franchise tax in  
54 chapter 147 is repealed by the general assembly, after such repeal all Missouri taxes of any nature  
55 and type imposed directly or used as a tax credit against the bank's taxes shall be passed through  
56 to the S corporation bank or bank holding company shareholder in the form otherwise permitted  
57 by law, except for the following:

58 (1) Credits for taxes on real estate and tangible personal property owned by the bank and  
59 held for lease or rental to others;

60 (2) Contributions paid pursuant to the unemployment compensation tax law of Missouri;  
61 or

62 (3) State and local sales and use taxes collected by the bank on its sales of tangible  
63 personal property and the services enumerated in chapter 144.

64 **10. Under section 23.253 of the Missouri sunset act:**

65 **(1) The provisions of the new program authorized under this section shall**  
66 **automatically sunset on December thirty-first two years after the effective date of this**  
67 **section unless reauthorized by an act of the general assembly;**

68 **(2) If such program is reauthorized, the program authorized under this section**  
69 **shall automatically sunset on December thirty-first two years after the effective date of the**  
70 **reauthorization of this section;**

71           **(3) This section shall terminate on September first of the calendar year immediately**  
72 **following the calendar year in which the program authorized under this section is sunset;**  
73 **and**

74           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
75 **before this section is sunset.**

148.620. 1. Every taxpayer shall be subject to an annual tax for the privilege of  
2 exercising its corporate franchises within the state according to and measured by its net income  
3 for the preceding year.

4           2. The rate of tax for each [~~taxable~~] tax year shall be seven percent of such net income.

5           3. The tax imposed on the net income by this law shall be exclusive and in lieu of all  
6 other state and local taxes against and upon credit unions and associations, their capital, or  
7 income, except taxes on all property, contributions paid pursuant to the unemployment  
8 compensation law of Missouri, Social Security taxes, sales and use taxes.

9           4. Each taxpayer shall be entitled to credits against the tax imposed by this law for all  
10 taxes paid to the state of Missouri or any political subdivision thereof during the relevant income  
11 period, except taxes on real estate and tangible personal property owned by the taxpayer and held  
12 for lease or rental to others, contributions paid pursuant to the unemployment compensation law  
13 of Missouri, Social Security taxes, sales and use taxes, and taxes imposed by this law.

14           **5. Under section 23.253 of the Missouri sunset act:**

15           **(1) The provisions of the tax credit authorized under subsection 4 of this section**  
16 **shall automatically sunset on December thirty-first two years after the effective date of this**  
17 **section unless reauthorized by an act of the general assembly;**

18           **(2) If such credit is reauthorized, the credit authorized under this section shall**  
19 **automatically sunset on December thirty-first two years after the effective date of the**  
20 **reauthorization of this section;**

21           **(3) The provisions of the tax credit shall terminate on September first of the**  
22 **calendar year immediately following the calendar year in which the credit authorized**  
23 **under this section is sunset; and**

24           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
25 **before this section is sunset.**

148.655. 1. Subchapter S corporation shareholders of an association required to pay  
2 franchise taxes under section 148.620 may take a tax credit against such shareholder's state  
3 income tax return, as provided in section 143.471. Such tax credit shall be the taxpayer's pro rata  
4 share of the franchise tax paid by the association as provided in this chapter.

5           **2. Under section 23.253 of the Missouri sunset act:**

6           **(1) The provisions of the new program authorized under this section shall**  
7 **automatically sunset on December thirty-first two years after the effective date of this**  
8 **section unless reauthorized by an act of the general assembly;**

9           **(2) If such program is reauthorized, the program authorized under this section**  
10 **shall automatically sunset on December thirty-first two years after the effective date of the**  
11 **reauthorization of this section;**

12           **(3) This section shall terminate on September first of the calendar year immediately**  
13 **following the calendar year in which the program authorized under this section is sunset;**  
14 **and**

15           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
16 **before this section is sunset.**

148.657. 1. Subchapter S corporation shareholders of a credit institution required to pay  
2 franchise taxes under section 148.140 may take a tax credit against such shareholder's state  
3 income tax return, as provided in section 143.471. Such tax credit shall be the taxpayer's pro rata  
4 share of the franchise tax paid by the credit institution as provided in this chapter.

5           **2. Under section 23.253 of the Missouri sunset act:**

6           **(1) The provisions of the new program authorized under this section shall**  
7 **automatically sunset on December thirty-first two years after the effective date of this**  
8 **section unless reauthorized by an act of the general assembly;**

9           **(2) If such program is reauthorized, the program authorized under this section**  
10 **shall automatically sunset on December thirty-first two years after the effective date of the**  
11 **reauthorization of this section;**

12           **(3) This section shall terminate on September first of the calendar year immediately**  
13 **following the calendar year in which the program authorized under this section is sunset;**  
14 **and**

15           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
16 **before this section is sunset.**

191.1056. 1. There is hereby created in the state treasury the "Missouri Health Care  
2 Access Fund", which shall consist of gifts, grants, and devises deposited into the fund with  
3 approval of the oversight committee created in section 208.955. The state treasurer shall be  
4 custodian of the fund and may disburse moneys from the fund in accordance with sections  
5 30.170 and 30.180. Disbursements from the fund shall be subject to appropriations and the  
6 director shall approve disbursements from the fund consistent with such appropriations to any  
7 eligible facility to attract and recruit health care professionals and other necessary personnel, to  
8 purchase or rent facilities, to pay for facility expansion or renovation, to purchase office and

9 medical equipment, to pay personnel salaries, or to pay any other costs associated with providing  
10 primary health care services to the population in the facility's area of defined need.

11 2. The state of Missouri shall provide matching moneys from the general revenue fund  
12 equaling one-half of the amount deposited into the fund. The total annual amount available to  
13 the fund from state sources under such a match program shall be five hundred thousand dollars  
14 for fiscal year 2008, one million five hundred thousand dollars for fiscal year 2009, and one  
15 million dollars annually thereafter.

16 3. The maximum annual donation that any one individual or corporation may make is  
17 fifty thousand dollars. Any individual or corporation, excluding nonprofit corporations, that  
18 make a contribution to the fund totaling one hundred dollars or more shall receive a tax credit  
19 for one-half of all donations made annually under section 135.575. In addition, any office or  
20 medical equipment donated to any eligible facility shall be an eligible donation for purposes of  
21 receipt of a tax credit under section 135.575 but shall not be eligible for any matching funds  
22 under subsection 2 of this section.

23 4. If any clinic or facility has received money from the fund closes or significantly  
24 decreases its operations, as determined by the department, within one year of receiving such  
25 money, the amount of such money received and the amount of the match provided from the  
26 general revenue fund shall be refunded to each appropriate source.

27 5. Notwithstanding the provisions of section 33.080 to the contrary, any moneys  
28 remaining in the fund at the end of the biennium shall not revert to the credit of the general  
29 revenue fund.

30 6. The state treasurer shall invest moneys in the fund in the same manner as other funds  
31 are invested. Any interest and moneys earned on such investments shall be credited to the fund.

32 **7. Under section 23.253 of the Missouri sunset act:**

33 **(1) The provisions of the tax credit authorized under subsection 3 of this section**  
34 **shall automatically sunset on December thirty-first four years after the effective date of this**  
35 **section unless reauthorized by an act of the general assembly;**

36 **(2) If such credit is reauthorized, the credit authorized under this section shall**  
37 **automatically sunset on December thirty-first four years after the effective date of the**  
38 **reauthorization of this section;**

39 **(3) The provisions of the tax credit shall terminate on September first of the**  
40 **calendar year immediately following the calendar year in which the credit authorized**  
41 **under this section is sunset; and**

42 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
43 **before this section is sunset.**

192.2015. 1. Any registered caregiver who meets the requirements of this section shall  
2 be eligible for a shared care tax credit in an amount not to exceed five hundred dollars to defray  
3 the cost of caring for an elderly person. In order to be eligible for a shared care tax credit, a  
4 registered caregiver shall:

5 (1) Care for an elderly person, age sixty or older, who:

6 (a) Is physically or mentally incapable of living alone, as determined and certified by his  
7 or her physician licensed pursuant to chapter 334, or by the department staff when an assessment  
8 has been completed for the purpose of qualification for other services; and

9 (b) Requires assistance with activities of daily living to the extent that without care and  
10 oversight at home would require placement in a facility licensed pursuant to chapter 198; and

11 (c) Under no circumstances, is able or allowed to operate a motor vehicle; and

12 (d) Does not receive funding or services through Medicaid or social services block grant  
13 funding;

14 (2) Live in the same residence to give protective oversight for the elderly person meeting  
15 the requirements described in subdivision (1) of this subsection for an aggregate of more than  
16 six months per tax year;

17 (3) Not receive monetary compensation for providing care for the elderly person meeting  
18 the requirements described in subdivision (1) of this subsection; and

19 (4) File the original completed and signed physician certification for shared care tax  
20 credit form or the original completed and signed department certification for shared care tax  
21 credit form provided for in subsection 2 of section 192.2010 along with such caregiver's Missouri  
22 individual income tax return to the department of revenue.

23 2. The tax credit allowed by this section shall apply to any year beginning after  
24 December 31, 1999.

25 3. Any rule or portion of a rule, as that term is defined in section 536.010, that is created  
26 under the authority delegated in sections 192.2000 to 192.2020 shall become effective only if it  
27 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section  
28 536.028. All rulemaking authority delegated prior to August 28, 1999, is of no force and effect  
29 and repealed. Nothing in this section shall be interpreted to repeal or affect the validity of any  
30 rule filed or adopted prior to August 28, 1999, if it fully complied with all applicable provisions  
31 of law. This section and chapter 536 are nonseverable and if any of the powers vested with the  
32 general assembly pursuant to chapter 536 to review, to delay the effective date or to disapprove  
33 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority  
34 and any rule proposed or adopted after August 28, 1999, shall be invalid and void.

35 4. Any person who knowingly falsifies any document required for the shared care tax  
36 credit shall be subject to the same penalties for falsifying other tax documents as provided in  
37 chapter 143.

38 **5. Under section 23.253 of the Missouri sunset act:**

39 **(1) The provisions of the new program authorized under this section shall**  
40 **automatically sunset on December thirty-first four years after the effective date of this**  
41 **section unless reauthorized by an act of the general assembly;**

42 **(2) If such program is reauthorized, the program authorized under this section**  
43 **shall automatically sunset on December thirty-first four years after the effective date of the**  
44 **reauthorization of this section;**

45 **(3) This section shall terminate on September first of the calendar year immediately**  
46 **following the calendar year in which the program authorized under this section is sunset;**  
47 **and**

48 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
49 **before this section is sunset.**

208.770. 1. Moneys deposited in or withdrawn pursuant to subsection 1 of section  
2 208.760 from a family development account by an account holder are exempted from taxation  
3 pursuant to chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, and  
4 chapter 147, 148 or 153 provided, however, that any money withdrawn for an unapproved use  
5 should be subject to tax as required by law.

6 2. Interest earned by a family development account is exempted from taxation pursuant  
7 to chapter 143.

8 3. Any funds in a family development account, including accrued interest, shall be  
9 disregarded when determining eligibility to receive, or the amount of, any public assistance or  
10 benefits.

11 4. A program contributor shall be allowed a credit against the tax imposed by chapter  
12 143, excluding withholding tax imposed by sections 143.191 to 143.265, and chapter 147, 148  
13 or 153, pursuant to sections 208.750 to 208.775. Contributions up to fifty thousand dollars per  
14 program contributor are eligible for the tax credit which shall not exceed fifty percent of the  
15 contribution amount.

16 5. The department of economic development shall verify all tax credit claims by  
17 contributors. The administrator of the community-based organization, with the cooperation of  
18 the participating financial institutions, shall submit the names of contributors and the total  
19 amount each contributor contributes to a family development account reserve fund for the  
20 calendar year. The director shall determine the date by which such information shall be

21 submitted to the department by the local administrator. The department shall submit verification  
22 of qualified tax credits pursuant to sections 208.750 to 208.775 to the department of revenue.

23 6. For all fiscal years ending on or before June 30, 2010, the total tax credits authorized  
24 pursuant to sections 208.750 to 208.775 shall not exceed four million dollars in any fiscal year.  
25 For all fiscal years beginning on or after July 1, 2010, the total tax credits authorized under  
26 sections 208.750 to 208.775 shall not exceed three hundred thousand dollars in any fiscal year.

27 **7. Under section 23.253 of the Missouri sunset act:**

28 **(1) The provisions of the tax credit authorized under subsection 4 of this section**  
29 **shall automatically sunset on December thirty-first four years after the effective date of this**  
30 **section unless reauthorized by an act of the general assembly;**

31 **(2) If such credit is reauthorized, the credit authorized under this section shall**  
32 **automatically sunset on December thirty-first four years after the effective date of the**  
33 **reauthorization of this section;**

34 **(3) The provisions of the tax credit shall terminate on September first of the**  
35 **calendar year immediately following the calendar year in which the credit authorized**  
36 **under this section is sunset; and**

37 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
38 **before this section is sunset.**

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

13 2. During the period beginning on January 1, 2010, but ending on or after June 30, 2010,  
14 the department of economic development shall not approve applications for tax credits under the  
15 provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed seventy  
16 million dollars, increased by any amount of tax credits for which approval shall be rescinded  
17 under the provisions of section 253.559. For each fiscal year beginning on or after July 1, 2010,  
18 the department of economic development shall not approve applications for tax credits under the



19 provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed one  
20 hundred forty million dollars, increased by any amount of tax credits for which approval shall  
21 be rescinded under the provisions of section 253.559. The limitations provided under this  
22 subsection shall not apply to applications approved under the provisions of subsection 3 of  
23 section 253.559 for projects to receive less than two hundred seventy-five thousand dollars in  
24 tax credits.

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

30         4. The limitations on tax credit authorization provided under the provisions of  
31 subsections 2 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  
35 before January 1, 2010, has filed an application with the department evidencing that such  
36 taxpayer:

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

40                 (b) Has received certification, by the state historic preservation officer, that the  
41 rehabilitation plan meets the standards consistent with the standards of the Secretary of the  
42 United States Department of the Interior, and the rehabilitation costs and expenses associated  
43 with such rehabilitation shall exceed fifty percent of the total basis in the property.

44         **5. Under section 23.253 of the Missouri sunset act:**

45             **(1) The provisions of the new program authorized under this section shall**  
46 **automatically sunset on December thirty-first three years after the effective date of this**  
47 **section unless reauthorized by an act of the general assembly;**

48             **(2) If such program is reauthorized, the program authorized under this section**  
49 **shall automatically sunset on December thirty-first three years after the effective date of**  
50 **the reauthorization of this section;**

51             **(3) This section shall terminate on September first of the calendar year immediately**  
52 **following the calendar year in which the program authorized under this section is sunset;**  
53 **and**

54           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
55 **before this section is sunset.**

348.302. 1. Any person who makes a qualified contribution to a qualified fund shall be  
2 entitled to receive a tax credit equal to fifty percent of the amount of the qualified contribution.  
3 The tax credit shall be evidenced by a tax credit certificate in accordance with the provisions of  
4 sections 348.300 to 348.318 and may be used to satisfy the state tax liability of the owner of such  
5 certificate that becomes due in the tax year in which the qualified contribution is made, or in any  
6 of the ten tax years thereafter. No person may receive a tax credit pursuant to sections 348.300  
7 to 348.318 unless that person presents a tax credit certificate to the department of revenue for  
8 payment of such state tax liability.

9           2. The amount of such qualified contributions which can be made is limited so that the  
10 aggregate of all tax credits authorized under the provisions of sections 348.300 to 348.318 shall  
11 not exceed nine million dollars. All tax credits authorized under the provisions of this section  
12 may be transferred, sold, or assigned.

13           **3. Under section 23.253 of the Missouri sunset act:**

14           **(1) The provisions of the new program authorized under this section shall**  
15 **automatically sunset on December thirty-first three years after the effective date of this**  
16 **section unless reauthorized by an act of the general assembly;**

17           **(2) If such program is reauthorized, the program authorized under this section**  
18 **shall automatically sunset on December thirty-first three years after the effective date of**  
19 **the reauthorization of this section;**

20           **(3) This section shall terminate on September first of the calendar year immediately**  
21 **following the calendar year in which the program authorized under this section is sunset;**  
22 **and**

23           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
24 **before this section is sunset.**

348.430. 1. The tax credit created in this section shall be known as the “Agricultural  
2 Product Utilization Contributor Tax Credit”.

3           2. As used in this section, the following terms mean:

4           (1) “Authority”, the agriculture and small business development authority as provided  
5 in this chapter;

6           (2) “Contributor”, an individual, partnership, corporation, trust, limited liability  
7 company, entity or person that contributes cash funds to the authority;

8           (3) “Development facility”, a facility producing either a good derived from an  
9 agricultural commodity or using a process to produce a good derived from an agricultural  
10 product;

11 (4) “Eligible new generation cooperative”, a nonprofit cooperative association formed  
12 pursuant to chapter 274, or incorporated pursuant to chapter 357, for the purpose of operating  
13 within this state a development facility or a renewable fuel production facility;

14 (5) “Eligible new generation processing entity”, a partnership, corporation, cooperative,  
15 or limited liability company organized or incorporated pursuant to the laws of this state  
16 consisting of not less than twelve members, approved by the authority, for the purpose of owning  
17 or operating within this state a development facility or a renewable fuel production facility in  
18 which producer members:

19 (a) Hold a majority of the governance or voting rights of the entity and any governing  
20 committee;

21 (b) Control the hiring and firing of management; and

22 (c) Deliver agricultural commodities or products to the entity for processing, unless  
23 processing is required by multiple entities;

24 (6) “Renewable fuel production facility”, a facility producing an energy source which  
25 is derived from a renewable, domestically grown, organic compound capable of powering  
26 machinery, including an engine or power plant, and any by-product derived from such energy  
27 source.

28 3. For all tax years beginning on or after January 1, 1999, a contributor who contributes  
29 funds to the authority may receive a credit against the tax or estimated quarterly tax otherwise  
30 due pursuant to chapter 143, other than taxes withheld pursuant to sections 143.191 to 143.265,  
31 chapter 148 chapter 147, in an amount of up to one hundred percent of such contribution. Tax  
32 credits claimed in a [taxable] tax year may be done so on a quarterly basis and applied to the  
33 estimated quarterly tax pursuant to this subsection. If a quarterly tax credit claim or series of  
34 claims contributes to causing an overpayment of taxes for a [taxable] tax year, such overpayment  
35 shall not be refunded but shall be applied to the next [taxable] tax year. The awarding of such  
36 credit shall be at the approval of the authority, based on the least amount of credits necessary to  
37 provide incentive for the contributions. A contributor that receives tax credits for a contribution  
38 to the authority shall receive no other consideration or compensation for such contribution, other  
39 than a federal tax deduction, if applicable, and goodwill.

40 4. A contributor shall submit to the authority an application for the tax credit authorized  
41 by this section on a form provided by the authority. If the contributor meets all criteria  
42 prescribed by this section and the authority, the authority shall issue a tax credit certificate in the  
43 appropriate amount. Tax credits issued pursuant to this section may be claimed in the [taxable]  
44 tax year in which the contributor contributes funds to the authority. For all fiscal years  
45 beginning on or after July 1, 2004, tax credits allowed pursuant to this section may be carried  
46 forward to any of the contributor’s four subsequent [taxable] tax years. Tax credits issued

47 pursuant to this section may be assigned, transferred or sold and the new owner of the tax credit  
48 shall have the same rights in the credit as the contributor. Whenever a certificate of tax credit  
49 is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall be filed with  
50 the authority specifying the name and address of the new owner of the tax credit or the value of  
51 the credit.

52         5. The funds derived from contributions in this section shall be used for financial  
53 assistance or technical assistance for the purposes provided in section 348.407 to rural  
54 agricultural business concepts as approved by the authority. The authority may provide or  
55 facilitate loans, equity investments, or guaranteed loans for rural agricultural business concepts,  
56 but limited to two million dollars per project or the net state economic impact, whichever is less.  
57 Loans, equity investments or guaranteed loans may only be provided to feasible projects, and for  
58 an amount that is the least amount necessary to cause the project to occur, as determined by the  
59 authority. The authority may structure the loans, equity investments or guaranteed loans in a way  
60 that facilitates the project, but also provides for a compensatory return on investment or loan  
61 payment to the authority, based on the risk of the project.

62         6. In any given year, at least ten percent of the funds granted to rural agricultural business  
63 concepts shall be awarded to grant requests of twenty-five thousand dollars or less. No single  
64 rural agricultural business concept shall receive more than two hundred thousand dollars in grant  
65 awards from the authority. Agricultural businesses owned by minority members or women shall  
66 be given consideration in the allocation of funds.

67         7. The authority shall, at least annually, submit a report to the Missouri general assembly  
68 reviewing the costs and benefits of the program established under this section.

69         **8. Under section 23.253 of the Missouri sunset act:**

70         **(1) The provisions of the new program authorized under this section shall**  
71 **automatically sunset on December thirty-first two years after the effective date of this**  
72 **section unless reauthorized by an act of the general assembly;**

73         **(2) If such program is reauthorized, the program authorized under this section**  
74 **shall automatically sunset on December thirty-first two years after the effective date of the**  
75 **reauthorization of this section;**

76         **(3) This section shall terminate on September first of the calendar year immediately**  
77 **following the calendar year in which the program authorized under this section is sunset;**  
78 **and**

79         **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
80 **before this section is sunset.**

348.432. 1. The tax credit created in this section shall be known as the “New Generation  
2 Cooperative Incentive Tax Credit”.

3           2. As used in this section, the following terms mean:

4           (1) “Authority”, the agriculture and small business development authority as provided  
5 in this chapter;

6           (2) “Development facility”, a facility producing either a good derived from an  
7 agricultural commodity or using a process to produce a good derived from an agricultural  
8 product;

9           (3) “Eligible new generation cooperative”, a nonprofit cooperative association formed  
10 pursuant to chapter 274 or incorporated pursuant to chapter 357 for the purpose of operating  
11 within this state a development facility or a renewable fuel production facility and approved by  
12 the authority;

13           (4) “Eligible new generation processing entity”, a partnership, corporation, cooperative,  
14 or limited liability company organized or incorporated pursuant to the laws of this state  
15 consisting of not less than twelve members, approved by the authority, for the purpose of owning  
16 or operating within this state a development facility or a renewable fuel production facility in  
17 which producer members:

18           (a) Hold a majority of the governance or voting rights of the entity and any governing  
19 committee;

20           (b) Control the hiring and firing of management; and

21           (c) Deliver agricultural commodities or products to the entity for processing, unless  
22 processing is required by multiple entities;

23           (5) “Employee-qualified capital project”, an eligible new generation cooperative with  
24 capital costs greater than fifteen million dollars which will employ at least sixty employees;

25           (6) “Large capital project”, an eligible new generation cooperative with capital costs  
26 greater than one million dollars;

27           (7) “Producer member”, a person, partnership, corporation, trust or limited liability  
28 company whose main purpose is agricultural production that invests cash funds to an eligible  
29 new generation cooperative or eligible new generation processing entity;

30           (8) “Renewable fuel production facility”, a facility producing an energy source which  
31 is derived from a renewable, domestically grown, organic compound capable of powering  
32 machinery, including an engine or power plant, and any by-product derived from such energy  
33 source;

34           (9) “Small capital project”, an eligible new generation cooperative with capital costs of  
35 no more than one million dollars.

36           3. Beginning tax year 1999, and ending December 31, 2002, any producer member who  
37 invests cash funds in an eligible new generation cooperative or eligible new generation  
38 processing entity may receive a credit against the tax or estimated quarterly tax otherwise due

39 pursuant to chapter 143, other than taxes withheld pursuant to sections 143.191 to 143.265 or  
40 chapter 148, chapter 147, in an amount equal to the lesser of fifty percent of such producer  
41 member's investment or fifteen thousand dollars.

42 4. For all tax years beginning on or after January 1, 2003, any producer member who  
43 invests cash funds in an eligible new generation cooperative or eligible new generation  
44 processing entity may receive a credit against the tax or estimated quarterly tax otherwise due  
45 pursuant to chapter 143, other than taxes withheld pursuant to sections 143.191 to 143.265,  
46 chapter 147 or chapter 148, in an amount equal to the lesser of fifty percent of such producer  
47 member's investment or fifteen thousand dollars. Tax credits claimed in a ~~taxable~~ tax year  
48 may be done so on a quarterly basis and applied to the estimated quarterly tax pursuant to  
49 subsection 3 of this section. If a quarterly tax credit claim or series of claims contributes to  
50 causing an overpayment of taxes for a ~~taxable~~ tax year, such overpayment shall not be refunded  
51 but shall be applied to the next ~~taxable~~ tax year.

52 5. A producer member shall submit to the authority an application for the tax credit  
53 authorized by this section on a form provided by the authority. If the producer member meets  
54 all criteria prescribed by this section and is approved by the authority, the authority shall issue  
55 a tax credit certificate in the appropriate amount. Tax credits issued pursuant to this section may  
56 be carried forward to any of the producer member's four subsequent ~~taxable~~ tax years  
57 regardless of the type of tax liability to which such credits are applied as authorized pursuant to  
58 subsection 3 of this section. Tax credits issued pursuant to this section may be assigned,  
59 transferred, sold or otherwise conveyed and the new owner of the tax credit shall have the same  
60 rights in the credit as the producer member. Whenever a certificate of tax credit is assigned,  
61 transferred, sold or otherwise conveyed, a notarized endorsement shall be filed with the authority  
62 specifying the name and address of the new owner of the tax credit or the value of the credit.

63 6. Ten percent of the tax credits authorized pursuant to this section initially shall be  
64 offered in any fiscal year to small capital projects. If any portion of the ten percent of tax credits  
65 offered to small capital costs projects is unused in any calendar year, then the unused portion of  
66 tax credits may be offered to employee-qualified capital projects and large capital projects. If  
67 the authority receives more applications for tax credits for small capital projects than tax credits  
68 are authorized therefor, then the authority, by rule, shall determine the method of distribution of  
69 tax credits authorized for small capital projects.

70 7. Ninety percent of the tax credits authorized pursuant to this section initially shall be  
71 offered in any fiscal year to employee-qualified capital projects and large capital projects. If any  
72 portion of the ninety percent of tax credits offered to employee-qualified capital projects and  
73 large capital costs projects is unused in any fiscal year, then the unused portion of tax credits may  
74 be offered to small capital projects. The maximum tax credit allowed per employee-qualified

75 capital project is three million dollars and the maximum tax credit allowed per large capital  
76 project is one million five hundred thousand dollars. If the authority approves the maximum tax  
77 credit allowed for any employee-qualified capital project or any large capital project, then the  
78 authority, by rule, shall determine the method of distribution of such maximum tax credit. In  
79 addition, if the authority receives more tax credit applications for employee-qualified capital  
80 projects and large capital projects than the amount of tax credits authorized therefor, then the  
81 authority, by rule, shall determine the method of distribution of tax credits authorized for  
82 employee-qualified capital projects and large capital projects.

83 8. The authority shall, at least annually, submit a report to the Missouri general assembly  
84 reviewing the costs and benefits of the program established under this section.

85 **9. Under section 23.253 of the Missouri sunset act:**

86 **(1) The provisions of the new program authorized under this section shall**  
87 **automatically sunset on December thirty-first two years after the effective date of this**  
88 **section unless reauthorized by an act of the general assembly;**

89 **(2) If such program is reauthorized, the program authorized under this section**  
90 **shall automatically sunset on December thirty-first two years after the effective date of the**  
91 **reauthorization of this section;**

92 **(3) This section shall terminate on September first of the calendar year immediately**  
93 **following the calendar year in which the program authorized under this section is sunset;**  
94 **and**

95 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
96 **before this section is sunset.**

348.505. 1. As used in this section, "state tax liability"[;] **means** any state tax liability  
2 incurred by a taxpayer under the provisions of chapters 143, 147, and 148, exclusive of the  
3 provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and  
4 related provisions.

5 2. Any eligible lender under the family farm livestock loan program under section  
6 348.500 shall be entitled to receive a tax credit equal to one hundred percent of the amount of  
7 interest waived by the lender under section 348.500 on a qualifying loan for the first year of the  
8 loan only. The tax credit shall be evidenced by a tax credit certificate issued by the agricultural  
9 and small business development authority and may be used to satisfy the state tax liability of the  
10 owner of such certificate that becomes due in the tax year in which the interest on a qualified  
11 loan is waived by the lender under section 348.500. No lender may receive a tax credit under  
12 this section unless such person presents a tax credit certificate to the department of revenue for  
13 payment of such state tax liability. The amount of the tax credits that may be issued to all

14 eligible lenders claiming tax credits authorized in this section in a fiscal year shall not exceed  
15 three hundred thousand dollars.

16           3. The agricultural and small business development authority shall be responsible for the  
17 administration and issuance of the certificate of tax credits authorized by this section. The  
18 authority shall issue a certificate of tax credit at the request of any lender. Each request shall  
19 include a true copy of the loan documents, the name of the lender who is to receive a certificate  
20 of tax credit, the type of state tax liability against which the tax credit is to be used, and the  
21 amount of the certificate of tax credit to be issued to the lender based on the interest waived by  
22 the lender under section 348.500 on the loan for the first year.

23           4. The Missouri department of revenue shall accept a certificate of tax credit in lieu of  
24 other payment in such amount as is equal to the lesser of the amount of the tax or the remaining  
25 unused amount of the credit as indicated on the certificate of tax credit, and shall indicate on the  
26 certificate of tax credit the amount of tax thereby paid and the date of such payment.

27           5. The following provisions shall apply to tax credits authorized under this section:

28           (1) Tax credits claimed in a [~~taxable~~] tax year may be claimed on a quarterly basis and  
29 applied to the estimated quarterly tax of the lender;

30           (2) Any amount of tax credit which exceeds the tax due, including any estimated  
31 quarterly taxes paid by the lender under subdivision (1) of this subsection which results in an  
32 overpayment of taxes for a [~~taxable~~] tax year, shall not be refunded but may be carried over to  
33 any subsequent [~~taxable~~] tax year, not to exceed a total of three years for which a tax credit may  
34 be taken for a qualified family farm livestock loan;

35           (3) Notwithstanding any provision of law to the contrary, a lender may assign, transfer  
36 or sell tax credits authorized under this section, with the new owner of the tax credit receiving  
37 the same rights in the tax credit as the lender. For any tax credits assigned, transferred, sold, or  
38 otherwise conveyed, a notarized endorsement shall be filed by the lender with the authority  
39 specifying the name and address of the new owner of the tax credit and the value of such tax  
40 credit; and

41           (4) Notwithstanding any other provision of this section to the contrary, any commercial  
42 bank may use tax credits created under this section as provided in section 148.064 and receive  
43 a net tax credit against taxes actually paid in the amount of the first year's interest on loans made  
44 under this section. If such first year tax credits reduce taxes due as provided in section 148.064  
45 to zero, the remaining tax credits may be carried over as otherwise provided in this section and  
46 utilized as provided in section 148.064 in subsequent years.

47           **6. Under section 23.253 of the Missouri sunset act:**



48           **(1) The provisions of the new program authorized under this section shall**  
49 **automatically sunset on December thirty-first two years after the effective date of this**  
50 **section unless reauthorized by an act of the general assembly;**

51           **(2) If such program is reauthorized, the program authorized under this section**  
52 **shall automatically sunset on December thirty-first two years after the effective date of the**  
53 **reauthorization of this section;**

54           **(3) This section shall terminate on September first of the calendar year immediately**  
55 **following the calendar year in which the program authorized under this section is sunset;**  
56 **and**

57           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
58 **before this section is sunset.**

375.774. 1. The association shall issue to each insurer paying an assessment under  
2 sections 375.771 to 375.779 a certificate of contribution, in appropriate form and terms as  
3 prescribed by the director, for the amount so paid. All outstanding certificates shall be of equal  
4 dignity and priority without reference to amounts or dates of issue.

5           2. A certificate of contribution may be shown by the insurer in its financial statements  
6 as an admitted asset for such amount and period of time, as follows:

7           (1) One hundred percent for the calendar year of issuance;

8           (2) Sixty-six and two-thirds percent for the first calendar year after the year of issuance;

9           (3) Thirty-three and one-third percent for the second year after the year of issuance which  
10 shall be the last year each such certificate shall be carried as an asset.

11           3. The insurer shall be entitled to a credit against the premium tax liability under sections  
12 148.310 to 148.461 for contributions paid to the association. This tax credit shall be taken over  
13 a period of the three successive tax years beginning after the year of contribution at the rate of  
14 thirty-three and one-third percent, per year, of the contribution paid to the association, and such  
15 credit shall not be subject to subsection 1 of section 375.916.

16           4. Any sums recovered by the association representing sums which have theretofore been  
17 written off by contributing insurers and offset against premium taxes as provided in subsection  
18 3 of this section shall be paid by the association to the director of revenue who shall handle such  
19 funds in the same manner as provided in section 148.380.

20           5. The association shall be exempt from payment of all fees and all capitation or poll and  
21 excise taxes levied by this state or any of its political subdivisions and the real and personal  
22 property of the association is hereby declared to be property actually and regularly used  
23 exclusively for purposes purely charitable and not held for private or corporate profit within the  
24 meaning of subdivision (5) of section 137.100, RSMo 1986.

25           **6. Under section 23.253 of the Missouri sunset act:**

26           **(1) The provisions of the tax credit authorized under subsection 3 of this section**  
27 **shall automatically sunset on December thirty-first two years after the effective date of this**  
28 **section unless reauthorized by an act of the general assembly;**

29           **(2) If such credit is reauthorized, the credit authorized under this section shall**  
30 **automatically sunset on December thirty-first two years after the effective date of the**  
31 **reauthorization of this section;**

32           **(3) The provisions of the tax credit shall terminate on September first of the**  
33 **calendar year immediately following the calendar year in which the credit authorized**  
34 **under this section is sunset; and**

35           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
36 **before this section is sunset.**

37           376.745. 1. A member insurer may offset against its premium tax liability to this state  
38 an assessment described in section 376.738 to the extent of twenty percent of the amount of such  
39 assessment for each of the five calendar years following the year in which such assessment was  
40 paid. In the event a member insurer should cease doing business, all uncredited assessments may  
41 be credited against its premium tax liability for the year it ceases doing business.

42           2. A member insurer exempt from chapter 148 may offset against its sales or use tax  
43 liability to this state an assessment described in section 376.738 to the extent of twenty percent  
44 of the amount of such assessment for each of the five calendar years following the year in which  
45 such assessment was paid. In the event a member insurer should cease doing business, all  
46 uncredited assessments may be credited against its sales or use tax liability for the year it ceases  
47 doing business.

48           3. Any sums which are acquired by refund, pursuant to the provisions of section 376.738,  
49 from the association by member insurers, and which have theretofore been offset against  
50 premium taxes as provided in subsection 1 of this section or have theretofore been offset against  
51 sales or use taxes as provided in subsection 2 of this section, shall be paid by such insurers to this  
52 state in such manner as the tax authorities may require. The association shall notify the director  
53 that such refunds have been made.

54           **4. Under section 23.253 of the Missouri sunset act:**

55           **(1) The provisions of the new program authorized under this section shall**  
56 **automatically sunset on December thirty-first two years after the effective date of this**  
57 **section unless reauthorized by an act of the general assembly;**

58           **(2) If such program is reauthorized, the program authorized under this section**  
59 **shall automatically sunset on December thirty-first two years after the effective date of the**  
60 **reauthorization of this section;**

25           **(3) This section shall terminate on September first of the calendar year immediately**  
26 **following the calendar year in which the program authorized under this section is sunset;**  
27 **and**

28           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
29 **before this section is sunset.**

376.975. 1. Each member's proportion of participation in the pool shall be determined  
2 annually by the board based on annual statements and other reports deemed necessary by the  
3 board and filed by the member with it. Any deficit incurred by the pool shall be recouped by  
4 assessments apportioned as provided in subsections 1, 2, and 3 of section 376.973 by the board  
5 among members. The amount of assessments incurred by each member of the pool shall be  
6 allowed as an offset against certain taxes, and shall be subject to certain limitations, as follows:  
7 Each pool member subject to chapter 148 may deduct from premium taxes payable for any  
8 calendar year to the state any and all assessments paid for the same year pursuant to sections  
9 376.960 to 376.989.

10           **2.** All assessments, for a fiscal year, shall not exceed the net premium tax due and  
11 payable by such member in the previous year. If the assessment exceeds any premium tax due  
12 or payable in such year, the excess shall be a credit or offset carried forward against any premium  
13 tax due or payable in succeeding years until the excess is exhausted.

14           **3. Under section 23.253 of the Missouri sunset act:**

15           **(1) The provisions of the new program authorized under this section shall**  
16 **automatically sunset on December thirty-first two years after the effective date of this**  
17 **section unless reauthorized by an act of the general assembly;**

18           **(2) If such program is reauthorized, the program authorized under this section**  
19 **shall automatically sunset on December thirty-first two years after the effective date of the**  
20 **reauthorization of this section;**

21           **(3) This section shall terminate on September first of the calendar year immediately**  
22 **following the calendar year in which the program authorized under this section is sunset;**  
23 **and**

24           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
25 **before this section is sunset.**

447.708. 1. For eligible projects, the director of the department of economic  
2 development, with notice to the directors of the departments of natural resources and revenue,  
3 and subject to the other provisions of sections 447.700 to 447.718, may not create a new  
4 enterprise zone but may decide that a prospective operator of a facility being remedied and  
5 renovated pursuant to sections 447.700 to 447.718 may receive the tax credits and exemptions  
6 pursuant to sections 135.100 to 135.150 and sections 135.200 to 135.257. The tax credits

7 allowed pursuant to this subsection shall be used to offset the tax imposed by chapter 143,  
8 excluding withholding tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed  
9 by chapter 147, or the tax otherwise imposed by chapter 148. For purposes of this subsection:

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

15 (2) For receipt of the income tax exemption pursuant to section 135.220 and tax credit  
16 for new or expanded business facilities pursuant to sections 135.100 to 135.150, and 135.225,  
17 the eligible project must create at least ten new jobs or retain businesses which supply at least  
18 twenty-five existing jobs, or combination thereof. For purposes of sections 447.700 to 447.718,  
19 the tax credits described in section 135.225 are modified as follows: the tax credit shall be four  
20 hundred dollars per employee per year, an additional four hundred dollars per year for each  
21 employee exceeding the minimum employment thresholds of ten and twenty-five jobs for new  
22 and existing businesses, respectively, an additional four hundred dollars per year for each person  
23 who is a person difficult to employ as defined by section 135.240, and investment tax credits at  
24 the same amounts and levels as provided in subdivision (4) of subsection 1 of section 135.225;

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

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

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

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

41 (7) For the purpose of meeting the new job requirement prescribed in subdivisions (1),  
42 (2) and (3) of this subsection, it shall be required that at least ten new jobs be created and

43 maintained during the taxpayer's tax period for which the credits are earned, in the case of an  
44 eligible project that does not replace a similar facility in Missouri. "New job" means a person  
45 who was not previously employed by the taxpayer or related taxpayer within the twelve-month  
46 period immediately preceding the time the person was employed by that taxpayer to work at, or  
47 in connection with, the eligible project on a full-time basis. "Full-time basis" means the  
48 employee works an average of at least thirty-five hours per week during the taxpayer's tax period  
49 for which the tax credits are earned. For the purposes of this section, "related taxpayer" has the  
50 same meaning as defined in subdivision (10) of section 135.100;

51 (8) For the purpose of meeting the existing job retention requirement, if the eligible  
52 project replaces a similar facility that closed elsewhere in Missouri prior to the end of the  
53 taxpayer's tax period in which the tax credits are earned, it shall be required that at least  
54 twenty-five existing jobs be retained at, and in connection with the eligible project, on a full-time  
55 basis during the taxpayer's tax period for which the credits are earned. "Retained job" means a  
56 person who was previously employed by the taxpayer or related taxpayer, at a facility similar to  
57 the eligible project that closed elsewhere in Missouri prior to the end of the taxpayer's tax period  
58 in which the tax credits are earned, within the tax period immediately preceding the time the  
59 person was employed by the taxpayer to work at, or in connection with, the eligible project on  
60 a full-time basis. "Full-time basis" means the employee works an average of at least thirty-five  
61 hours per week during the taxpayer's tax period for which the tax credits are earned;

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

73 (10) Notwithstanding any provision of law to the contrary, for the purpose of this  
74 section, the number of new jobs created and maintained, the number of existing jobs retained,  
75 and the value of new qualified investment used at the eligible project during any tax year shall  
76 be determined by dividing by twelve, in the case of jobs, the sum of the number of individuals  
77 employed at the eligible project, or in the case of new qualified investment, the value of new  
78 qualified investment used at the eligible project, on the last business day of each full calendar

79 month of the tax year. If the eligible project is in operation for less than the entire tax year, the  
80 number of new jobs created and maintained, the number of existing jobs retained, and the value  
81 of new qualified investment created at the eligible project during any tax year shall be  
82 determined by dividing the sum of the number of individuals employed at the eligible project,  
83 or in the case of new qualified investment, the value of new qualified investment used at the  
84 eligible project, on the last business day of each full calendar month during the portion of the tax  
85 year during which the eligible project was in operation, by the number of full calendar months  
86 during such period;

87 (11) For the purpose of this section, "new qualified investment" means new business  
88 facility investment as defined and as determined in subdivision (8) of section 135.100 which is  
89 used at and in connection with the eligible project. New qualified investment shall not include  
90 small tools, supplies and inventory. "Small tools" means tools that are portable and can be hand  
91 held.

92 2. The determination of the director of economic development pursuant to subsection  
93 1 of this section shall not affect requirements for the prospective purchaser to obtain the approval  
94 of the granting of real property tax abatement by the municipal or county government where the  
95 eligible project is located.

96 3. (1) The director of the department of economic development, with the approval of  
97 the director of the department of natural resources, may, in addition to the tax credits allowed  
98 in subsection 1 of this section, grant a remediation tax credit to the applicant for up to one  
99 hundred percent of the costs of materials, supplies, equipment, labor, professional engineering,  
100 consulting and architectural fees, permitting fees and expenses, demolition, asbestos abatement,  
101 and direct utility charges for performing the voluntary remediation activities for the preexisting  
102 hazardous substance contamination and releases, including, but not limited to, the costs of  
103 performing operation and maintenance of the remediation equipment at the property beyond the  
104 year in which the systems and equipment are built and installed at the eligible project and the  
105 costs of performing the voluntary remediation activities over a period not in excess of four tax  
106 years following the taxpayer's tax year in which the system and equipment were first put into use  
107 at the eligible project, provided the remediation activities are the subject of a plan submitted to,  
108 and approved by, the director of natural resources pursuant to sections 260.565 to 260.575. The  
109 tax credit may also include up to one hundred percent of the costs of demolition that are not  
110 directly part of the remediation activities, provided that the demolition is on the property where  
111 the voluntary remediation activities are occurring, the demolition is necessary to accomplish the  
112 planned use of the facility where the remediation activities are occurring, and the demolition is  
113 part of a redevelopment plan approved by the municipal or county government and the  
114 department of economic development. The demolition may occur on an adjacent property if the

115 project is located in a municipality which has a population less than twenty thousand and the  
116 above conditions are otherwise met. The adjacent property shall independently qualify as  
117 abandoned or underutilized. The amount of the credit available for demolition not associated  
118 with remediation cannot exceed the total amount of credits approved for remediation including  
119 demolition required for remediation.

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

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

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

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

144 4. In the exercise of the sound discretion of the director of the department of economic  
145 development or the director's designee, the tax credits and exemptions described in this section  
146 may be terminated, suspended or revoked if the eligible project fails to continue to meet the  
147 conditions set forth in this section. In making such a determination, the director shall consider  
148 the severity of the condition violation, actions taken to correct the violation, the frequency of any  
149 condition violations and whether the actions exhibit a pattern of conduct by the eligible facility  
150 owner and operator. The director shall also consider changes in general economic conditions and

151 the recommendation of the director of the department of natural resources, or his or her designee,  
152 concerning the severity, scope, nature, frequency and extent of any violations of the  
153 environmental compliance conditions. The taxpayer or person claiming the tax credits or  
154 exemptions may appeal the decision regarding termination, suspension or revocation of any tax  
155 credit or exemption in accordance with the procedures outlined in subsections 4 and 5 of section  
156 135.250. The director of the department of economic development shall notify the directors of  
157 the departments of natural resources and revenue of the termination, suspension or revocation  
158 of any tax credits as determined in this section or pursuant to the provisions of section 447.716.

159         5. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax  
160 credits, exemptions or refund otherwise allowed in subdivisions (2), (3) and (4) of subsection  
161 1 of this section and the tax credits otherwise allowed in section 135.110, or the tax credits,  
162 exemptions and refund otherwise allowed in sections 135.215, 135.220, 135.225 and 135.245,  
163 respectively, for the same facility for the same tax period.

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

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

167             (2) One hundred percent of the total business' income tax if the eligible facility does not  
168 replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax  
169 period in which the tax credits are earned, and further provided the taxpayer does not operate any  
170 other facilities besides the eligible project in Missouri; fifty percent of the total business' income  
171 tax if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the  
172 end of the taxpayer's tax period in which the credits are earned, and further provided the taxpayer  
173 does not operate any other facilities besides the eligible project in Missouri; or twenty-five  
174 percent of the total business income if the taxpayer operates, in addition to the eligible facility,  
175 any other facilities in Missouri. In no case shall a taxpayer operating more than one eligible  
176 project in Missouri be allowed to offset more than twenty-five percent of the taxpayer's business  
177 income in any tax period. That portion of the taxpayer's income attributed to the eligible project  
178 as referenced in subdivision (1) of this subsection, for which the credits allowed in sections  
179 135.110 and 135.225 and subsection 3 of this section may apply, shall be determined in the same  
180 manner as prescribed in subdivision (5) of section 135.100. That portion of the taxpayer's  
181 franchise tax attributed to the eligible project for which the remediation tax credit may offset,  
182 shall be determined in the same manner as prescribed in paragraph (a) of subdivision (5) of  
183 section 135.100.

184         7. Taxpayers claiming the state tax benefits allowed in subdivisions (2) and (3) of  
185 subsection 1 of this section shall be required to file all applicable tax credit applications, forms  
186 and schedules prescribed by the director during the taxpayer's tax period immediately after the



187 tax period in which the eligible project was first put into use. Otherwise, the taxpayer's right to  
188 claim such state tax benefits shall be forfeited. Unused business facility and enterprise zone tax  
189 credits shall not be carried forward but shall be initially claimed for the tax period during which  
190 the eligible project was first capable of being used, and during any applicable subsequent tax  
191 periods.

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

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

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

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

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

220 (2) The partners of the partnership.

221

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

225 12. Notwithstanding any provision of law to the contrary, in any county [~~of the first~~  
226 ~~classification~~] that has a charter form of government and that has a population of over nine  
227 hundred thousand inhabitants, all demolition costs incurred during the redevelopment of any  
228 former automobile manufacturing plant shall be allowable costs eligible for tax credits under  
229 sections 447.700 to 447.718 so long as the redevelopment of such former automobile  
230 manufacturing plant shall be projected to create at least two hundred fifty new jobs or at least  
231 three hundred retained jobs, or a combination thereof, as determined by the department of  
232 economic development. The amount of allowable costs eligible for tax credits shall be limited  
233 to the least amount necessary to cause the project to occur, as determined by the director of the  
234 department of economic development, provided that no tax credit shall be issued under this  
235 subsection until July 1, 2017. For purposes of this subsection, "former automobile  
236 manufacturing plant" means a redevelopment area that qualifies as an eligible project under  
237 section 447.700, that consists of at least one hundred acres, and that was used primarily for the  
238 manufacture of automobiles but, after 2007, ceased such manufacturing.

239 **13. Under section 23.253 of the Missouri sunset act:**

240 **(1) The provisions of the new program authorized under this section shall**  
241 **automatically sunset on December thirty-first three years after the effective date of this**  
242 **section unless reauthorized by an act of the general assembly;**

243 **(2) If such program is reauthorized, the program authorized under this section**  
244 **shall automatically sunset on December thirty-first three years after the effective date of**  
245 **the reauthorization of this section;**

246 **(3) This section shall terminate on September first of the calendar year immediately**  
247 **following the calendar year in which the program authorized under this section is sunset;**  
248 **and**

249 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
250 **before this section is sunset.**

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

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

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

5 (2) "Incubator", a program in which small units of space may be leased by a tenant and  
6 in which management maintains or provides access to business development services for use by

7 tenants or a program without infrastructure in which participants avail themselves of business  
8 development services to assist in the growth of their start-up small businesses;

9 (3) "Local sponsor" or "sponsor", an organization which enters into a written agreement  
10 with the department to establish, operate and administer a small business incubator program or  
11 to provide funding to an organization which operates such a program;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

39 (1) Loans awarded or guaranteed and grants awarded shall be used only for the  
40 acquisition and leasing of land and existing buildings, the rehabilitation of buildings or other  
41 facilities, construction of new facilities, the purchase of equipment and furnishings which are

42 necessary for the creation and operation of the incubator, and business development services  
43 including, but not limited to, business management advising and business education;

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

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

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

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

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

54 (3) Furnish and equip the program to provide business services to the tenants and  
55 participants;

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

57 (5) Provide financial consulting, marketing and management assistance services or  
58 arrange for the provision of these services for tenants and participants of the incubator, including  
59 assistance in accessing private financial markets;

60 (6) Set rental and service fees;

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

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

66 7. The department:

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

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

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

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

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

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

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

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

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

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

86           (5) The number of jobs provided by each incubator and tenants and participant of each  
87 incubator;

88           (6) The occupancy rate of each incubator;

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

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

100           11. For any ~~taxable~~ tax year beginning after December 31, 1989, a taxpayer, including  
101 any charitable organization which is exempt from federal income tax and whose Missouri  
102 unrelated business taxable income, if any, would be subject to the state income tax imposed  
103 under chapter 143, shall be entitled to a tax credit against any tax otherwise due under the  
104 provisions of chapter 143, or chapter 147, or chapter 148, excluding withholding tax imposed  
105 by sections 143.191 to 143.265, in the amount of fifty percent of any amount contributed by the  
106 taxpayer to the Missouri small business incubators fund during the taxpayer's tax year or any  
107 contribution by the taxpayer to a local sponsor after the local sponsor's application has been  
108 accepted and approved by the department. The tax credit allowed by this subsection shall be  
109 claimed by the taxpayer at the time he files his return and shall be applied against the income tax  
110 liability imposed by chapter 143, or chapter 147, or chapter 148, after all other credits provided  
111 by law have been applied. That portion of earned tax credits which exceeds the taxpayer's tax

112 liability may be carried forward for up to five years. The aggregate of all tax credits authorized  
113 under this section shall not exceed five hundred thousand dollars in any [taxable] tax year.

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

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

120 (2) In an amount not to exceed one hundred percent of annual earned credits.

121

122 The taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection,  
123 may use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise  
124 imposed by chapter 143, or chapter 147, or chapter 148 excluding withholding tax imposed by  
125 sections 143.191 to 143.265. Unused credits in the hands of the assignee may be carried forward  
126 for up to five years. The assignor shall enter into a written agreement with the assignee  
127 establishing the terms and conditions of the agreement and shall perfect such transfer by  
128 notifying the department of economic development in writing within thirty calendar days  
129 following the effective day of the transfer and shall provide any information as may be required  
130 by the department of economic development to administer and carry out the provisions of this  
131 section. The director of the department of economic development shall prescribe the method for  
132 submitting applications for claiming the tax credit allowed under subsection 11 of this section  
133 and shall, if the application is approved, certify to the director of revenue that the taxpayer  
134 claiming the credit has satisfied all the requirements specified in this section and is eligible to  
135 claim the credit.

136 **13. Under section 23.253 of the Missouri sunset act:**

137 **(1) The provisions of the tax credit authorized under subsection 11 of this section**  
138 **shall automatically sunset on December thirty-first three years after the effective date of**  
139 **this section unless reauthorized by an act of the general assembly;**

140 **(2) If such credit is reauthorized, the credit authorized under this section shall**  
141 **automatically sunset on December thirty-first three years after the effective date of the**  
142 **reauthorization of this section;**

143 **(3) The provisions of the tax credit shall terminate on September first of the**  
144 **calendar year immediately following the calendar year in which the credit authorized**  
145 **under this section is sunset; and**

146 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
147 **before this section is sunset.**

620.650. 1. The sole purpose of each qualified fund is to make investments. One hundred percent of investments made from qualified contributions shall be qualified investments.

2. Any person who makes a qualified contribution to a qualified fund shall receive a tax credit against the tax otherwise due pursuant to chapter 143, chapter 147, or chapter 148, other than taxes withheld pursuant to sections 143.191 to 143.265, in an amount equal to one hundred percent of such person's qualified contribution.

3. Such person shall submit to the department an application for the tax credit on a form provided by the department. The department shall award tax credits in the order the applications are received and based upon the strategy approved by the corporation. Tax credits issued pursuant to this section may be claimed for the tax year in which the qualified contribution is made or in any of the following ten years, and may be assigned, transferred or sold.

4. There is hereby imposed on each qualified fund a tax equal to fifteen percent of the qualified fund's uninvested capital at the close of such qualified fund's tax year. For purposes of tax computation, any distribution made by a qualified fund during a tax year is deemed made at the end of such tax year. Each tax year, every qualified fund shall remit the tax imposed by this section to the director of the department of revenue for deposit in the state treasury to the credit of the general revenue fund.

**5. Under section 23.253 of the Missouri sunset act:**

**(1) The provisions of the tax credit authorized under subsection 2 of this section shall automatically sunset on December thirty-first three years after the effective date of this section unless reauthorized by an act of the general assembly;**

**(2) If such credit is reauthorized, the credit authorized under this section shall automatically sunset on December thirty-first three years after the effective date of the reauthorization of this section;**

**(3) The provisions of the tax credit shall terminate on September first of the calendar year immediately following the calendar year in which the credit authorized under this section is sunset; and**

**(4) Nothing in this subsection shall prohibit the redemption of tax credits issued before this section is sunset.**

620.1881. 1. The department of economic development shall respond within thirty days to a company who provides a notice of intent with either an approval or a rejection of the notice of intent. The department shall give preference to qualified companies and projects targeted at an area of the state which has recently been classified as a disaster area by the federal government. Failure to respond on behalf of the department of economic development shall result in the notice of intent being deemed an approval for the purposes of this section. A qualified company who is provided an approval for a project shall be allowed a benefit as

8 provided in this program in the amount and duration provided in this section. A qualified  
9 company may receive additional periods for subsequent new jobs at the same facility after the  
10 full initial period if the minimum thresholds are met as set forth in sections 620.1875 to  
11 620.1890. There is no limit on the number of periods a qualified company may participate in the  
12 program, as long as the minimum thresholds are achieved and the qualified company provides  
13 the department with the required reporting and is in proper compliance for this program or other  
14 state programs. A qualified company may elect to file a notice of intent to start a new project  
15 period concurrent with an existing project period if the minimum thresholds are achieved and  
16 the qualified company provides the department with the required reporting and is in proper  
17 compliance for this program and other state programs; however, the qualified company may not  
18 receive any further benefit under the original approval for jobs created after the date of the new  
19 notice of intent, and any jobs created before the new notice of intent may not be included as new  
20 jobs for the purpose of benefit calculation in relation to the new approval. When a qualified  
21 company has filed and received approval of a notice of intent and subsequently files another  
22 notice of intent, the department shall apply the definition of project facility under subdivision  
23 (19) of section 620.1878 to the new notice of intent as well as all previously approved notices  
24 of intent and shall determine the application of the definitions of new job, new payroll, project  
25 facility base employment, and project facility base payroll accordingly.

26         2. Notwithstanding any provision of law to the contrary, any qualified company that is  
27 awarded benefits under this program may not simultaneously receive tax credits or exemptions  
28 under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections  
29 135.900 to 135.906 at the same project facility. The benefits available to the company under any  
30 other state programs for which the company is eligible and which utilize withholding tax from  
31 the new jobs of the company must first be credited to the other state program before the  
32 withholding retention level applicable under the Missouri quality jobs act will begin to accrue.  
33 These other state programs include, but are not limited to, the Missouri works jobs training  
34 program under sections 620.800 to 620.809, the real property tax increment allocation  
35 redevelopment act, sections 99.800 to 99.865, or the Missouri downtown and rural economic  
36 stimulus act under sections 99.915 to 99.980. If any qualified company also participates in the  
37 Missouri works jobs training program in sections 620.800 to 620.809, the company shall retain  
38 no withholding tax, but the department shall issue a refundable tax credit for the full amount of  
39 benefit allowed under this ~~[subdivision]~~ **subsection**. The calendar year annual maximum amount  
40 of tax credits which may be issued to a qualifying company that also participates in the new job  
41 training program shall be increased by an amount equivalent to the withholding tax retained by  
42 that company under the new jobs training program. However, if the combined benefits of the  
43 quality jobs program and the new jobs training program exceed the projected state benefit of the



44 project, as determined by the department of economic development through a cost-benefit  
45 analysis, the increase in the maximum tax credits shall be limited to the amount that would not  
46 cause the combined benefits to exceed the projected state benefit. Any taxpayer who is awarded  
47 benefits under this program who knowingly hires individuals who are not allowed to work  
48 legally in the United States shall immediately forfeit such benefits and shall repay the state an  
49 amount equal to any state tax credits already redeemed and any withholding taxes already  
50 retained.

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

52 (1) Small and expanding business projects: in exchange for the consideration provided  
53 by the new tax revenues and other economic stimuli that will be generated by the new jobs  
54 created by the program, a qualified company may retain an amount equal to the withholding tax  
55 as calculated under subdivision (33) of section 620.1878 from the new jobs that would otherwise  
56 be withheld and remitted by the qualified company under the provisions of sections 143.191 to  
57 143.265 for a period of three years from the date the required number of new jobs were created  
58 if the average wage of the new payroll equals or exceeds the county average wage or for a period  
59 of five years from the date the required number of new jobs were created if the average wage of  
60 the new payroll equals or exceeds one hundred twenty percent of the county average wage;

61 (2) Technology business projects: in exchange for the consideration provided by the new  
62 tax revenues and other economic stimuli that will be generated by the new jobs created by the  
63 program, a qualified company may retain an amount equal to a maximum of five percent of new  
64 payroll for a period of five years from the date the required number of jobs were created from  
65 the withholding tax of the new jobs that would otherwise be withheld and remitted by the  
66 qualified company under the provisions of sections 143.191 to 143.265 if the average wage of  
67 the new payroll equals or exceeds the county average wage. An additional one-half percent of  
68 new payroll may be added to the five percent maximum if the average wage of the new payroll  
69 in any year exceeds one hundred twenty percent of the county average wage in the county in  
70 which the project facility is located, plus an additional one-half percent of new payroll may be  
71 added if the average wage of the new payroll in any year exceeds one hundred forty percent of  
72 the average wage in the county in which the project facility is located. The department shall  
73 issue a refundable tax credit For any difference between the amount of benefit allowed under this  
74 subdivision and the amount of withholding tax retained by the company, in the event the  
75 withholding tax is not sufficient to provide the entire amount of benefit due to the qualified  
76 company under this subdivision;

77 (3) High impact projects: in exchange for the consideration provided by the new tax  
78 revenues and other economic stimuli that will be generated by the new jobs created by the  
79 program, a qualified company may retain an amount from the withholding tax of the new jobs

80 that would otherwise be withheld and remitted by the qualified company under the provisions  
81 of sections 143.191 to 143.265, equal to three percent of new payroll for a period of five years  
82 from the date the required number of jobs were created if the average wage of the new payroll  
83 equals or exceeds the county average wage of the county in which the project facility is located.  
84 For high-impact projects in a facility located within two adjacent counties, the new payroll shall  
85 equal or exceed the higher county average wage of the adjacent counties. The percentage of  
86 payroll allowed under this subdivision shall be three and one-half percent of new payroll if the  
87 average wage of the new payroll in any year exceeds one hundred twenty percent of the county  
88 average wage in the county in which the project facility is located. The percentage of payroll  
89 allowed under this subdivision shall be four percent of new payroll if the average wage of the  
90 new payroll in any year exceeds one hundred forty percent of the county average wage in the  
91 county in which the project facility is located. An additional one percent of new payroll may be  
92 added to these percentages if local incentives equal between ten percent and twenty-four percent  
93 of the new direct local revenue; an additional two percent of new payroll is added to these  
94 percentages if the local incentives equal between twenty-five percent and forty-nine percent of  
95 the new direct local revenue; or an additional three percent of payroll is added to these  
96 percentages if the local incentives equal fifty percent or more of the new direct local revenue.  
97 The department shall issue a refundable tax credit for any difference between the amount of  
98 benefit allowed under this subdivision and the amount of withholding tax retained by the  
99 company, in the event the withholding tax is not sufficient to provide the entire amount of benefit  
100 due to the qualified company under this subdivision;

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

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

108 (b) The qualified company retained at the project facility the level of full-time employees  
109 that existed in the ~~taxable~~ tax year immediately preceding the year in which application for the  
110 program is made;

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

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

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

123

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

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

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

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

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

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

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

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

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

160 (h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company  
161 cumulatively invests at least two million dollars in capital improvements in facilities and  
162 equipment located at such facilities that are not located within a five hundred year flood plain  
163 as designated by the Federal Emergency Management Agency, and amended from time to time.  
164 The amount of the small business job retention and flood survivor relief credit granted may be  
165 equal to up to one hundred percent of the amount of withholding tax generated by the full-time  
166 jobs at the project facility for a period of three years. The calendar year annual maximum  
167 amount of tax credit that may be issued to any qualified company for a small business job  
168 retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the  
169 maximum amount may be increased up to five hundred thousand dollars if such action is  
170 proposed by the department and approved by the quality jobs advisory task force established in  
171 section 620.1887. In considering such a request, the task force shall rely on economic modeling  
172 and other information supplied by the department when requesting an increase in the limit on  
173 behalf of the small business job retention and flood survivor relief project. In no event shall the  
174 total amount of all tax credits issued for the entire small business job retention and flood survivor  
175 relief program under this subdivision exceed five hundred thousand dollars annually.  
176 Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued  
177 for small business job retention and flood survivor relief projects approved by the department  
178 after August 30, 2010.

179 4. The qualified company shall provide an annual report of the number of jobs and such  
180 other information as may be required by the department to document the basis for the benefits  
181 of this program. The department may withhold the approval of any benefits until it is satisfied  
182 that proper documentation has been provided, and shall reduce the benefits to reflect any  
183 reduction in full-time employees or new payroll. Upon approval by the department, the qualified  
184 company may begin the retention of the withholding taxes when it reaches the minimum number  
185 of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be  
186 issued upon satisfaction by the department that the qualified company has exceeded the county

187 average wage and the minimum number of new jobs. In such annual report, if the average wage  
188 is below the county average wage, the qualified company has not maintained the employee  
189 insurance as required, or if the number of new jobs is below the minimum, the qualified  
190 company shall not receive tax credits or retain the withholding tax for the balance of the benefit  
191 period. In the case of a qualified company that initially filed a notice of intent and received an  
192 approval from the department for high-impact benefits and the minimum number of new jobs  
193 in an annual report is below the minimum for high-impact projects, the company shall not  
194 receive tax credits for the balance of the benefit period but may continue to retain the  
195 withholding taxes if it otherwise meets the requirements of a small and expanding business under  
196 this program.

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

203         6. The department shall allocate the annual tax credits based on the date of the approval,  
204 reserving such tax credits based on the department's best estimate of new jobs and new payroll  
205 of the project, and the other factors in the determination of benefits of this program. However,  
206 the annual issuance of tax credits is subject to the annual verification of the actual new payroll.  
207 The allocation of tax credits for the period assigned to a project shall expire if, within two years  
208 from the date of commencement of operations, or approval if applicable, the minimum  
209 thresholds have not been achieved. The qualified company may retain authorized amounts from  
210 the withholding tax under this section once the minimum new jobs thresholds are met for the  
211 duration of the project period. No benefits shall be provided under this program until the  
212 qualified company meets the minimum new jobs thresholds. In the event the qualified company  
213 does not meet the minimum new job threshold, the qualified company may submit a new notice  
214 of intent or the department may provide a new approval for a new project of the qualified  
215 company at the project facility or other facilities.

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

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

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

227 10. Prior to the issuance of tax credits, the department shall verify through the  
228 department of revenue, or any other state department, that the tax credit applicant does not owe  
229 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent  
230 fees or assessments levied by any state department and through the department of insurance,  
231 financial institutions and professional registration that the applicant does not owe any delinquent  
232 insurance taxes. Such delinquency shall not affect the authorization of the application for such  
233 tax credits, except that at issuance credits shall be first applied to the delinquency and any  
234 amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue  
235 or the department of insurance, financial institutions and professional registration, or any other  
236 state department, concludes that a taxpayer is delinquent after June fifteenth but before July first  
237 of any year and the application of tax credits to such delinquency causes a tax deficiency on  
238 behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the  
239 deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all  
240 available credits toward a tax delinquency, the administering agency shall notify the appropriate  
241 department and that department shall update the amount of outstanding delinquent tax owed by  
242 the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax  
243 delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions  
244 of other provisions of law.

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

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

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

255 **14. Under section 23.253 of the Missouri sunset act:**

256 **(1) The provisions of the tax credits authorized under this section shall**  
257 **automatically sunset on December thirty-first three years after the effective date of this**  
258 **section unless reauthorized by an act of the general assembly;**

259           **(2) If such credit is reauthorized, the program authorized under this section shall**  
260 **automatically sunset on December thirty-first three years after the effective date of the**  
261 **reauthorization of this section;**

262           **(3) The provisions of the tax credit shall terminate on September first of the**  
263 **calendar year immediately following the calendar year in which the credit authorized**  
264 **under this section is sunset; and**

265           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
266 **before this section is sunset.**

✓