

SECOND REGULAR SESSION

HOUSE BILL NO. 2417

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SWAN.

4895H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for contributions to organizations meeting hunger, health, and hygiene needs of schoolchildren.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be known as section 135.1910, to read as follows:

135.1910. 1. As used in this section, the following terms mean:

- (1) "Contribution", a donation of cash; stock, bonds, or other marketable securities; or real property;**
- (2) "Director", the director of the department of social services;**
- (3) "Qualified organization", an organization that provides funding for unmet health, hunger, and hygiene needs of children in school;**
- (4) "State tax liability", in the case of a business taxpayer, any liability incurred by such taxpayer under the provisions of chapters 143, 148, and 153, excluding sections 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability incurred by such taxpayer under the provisions of chapter 143, excluding sections 143.191 to 143.265 and related provisions;**
- (5) "Taxpayer", a person, firm, partner in a firm, corporation, or shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed under the provisions of chapter 143; an insurance company paying an annual tax on its gross premium receipts in this state, or other financial institution paying taxes to the state of Missouri or any political subdivision of this state under the provisions of chapter**

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.

17 **148; an express company that pays an annual tax on its gross receipts in this state under**
18 **chapter 153; an individual subject to the state income tax imposed under the provisions of**
19 **chapter 143; or any charitable organization that is exempt from federal income tax and**
20 **whose Missouri unrelated business taxable income, if any, would be subject to the state**
21 **income tax imposed under chapter 143.**

22 **2. For all tax years beginning on or after January 1, 2019, a taxpayer shall be**
23 **allowed to claim a tax credit against the taxpayer's state tax liability in an amount equal**
24 **to fifty percent of the taxpayer's contribution to a qualified organization. The qualified**
25 **organization shall use the taxpayer's contribution solely for the unmet health, hunger, and**
26 **hygiene needs of children in school.**

27 **3. The amount of the tax credit claimed shall not exceed the amount of the**
28 **taxpayer's state tax liability for the taxable year for which the credit is claimed, and such**
29 **taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand dollars per**
30 **taxable year. However, any tax credit that cannot be claimed in the taxable year in which**
31 **the contribution was made may be carried over to the next four succeeding taxable years**
32 **until the full credit has been claimed. No tax credit claimed under this section shall be**
33 **transferred, sold, or assigned.**

34 **4. Except for any excess credit that is carried over under subsection 3 of this**
35 **section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such**
36 **taxpayer's contribution or contributions to a qualified organization or organizations in**
37 **such taxpayer's taxable year has a value of at least one hundred dollars.**

38 **5. The director shall determine, at least annually, which organizations in this state**
39 **may be classified as qualified organizations. The director may require of an organization**
40 **seeking to be classified as a qualified organization whatever information that is reasonably**
41 **necessary to make such a determination. The director shall classify an organization as a**
42 **qualified organization if such organization meets the definition set forth in subsection 1 of**
43 **this section.**

44 **6. The director shall establish a procedure by which a taxpayer can determine if**
45 **an organization has been classified as a qualified organization. Qualified organizations**
46 **shall be permitted to decline a contribution from a taxpayer. To claim the tax credit**
47 **authorized in this section, a qualified organization shall submit to the department of social**
48 **services an application for the tax credit authorized by this section on behalf of taxpayers.**
49 **The department shall verify that the qualified organization has submitted the following**
50 **items accurately and completely:**

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

52 **(2) A statement attesting to the contribution received, which shall include the name**
53 **and taxpayer identification number of the individual making the contribution, the amount**
54 **of the contribution, and the date the contribution was received by the provider; and**

55 **(3) Payment from the qualified organization equal to the value of the tax credit for**
56 **which application is made.**

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

60 **7. Each qualified organization shall provide information to the director concerning**
61 **the identity of each taxpayer making a contribution to the qualified organization who is**
62 **claiming a tax credit under this section and the amount of the contribution. The director**
63 **shall provide the information to the director of revenue. The director shall be subject to**
64 **the confidentiality and penalty provisions of section 32.057 relating to the disclosure of tax**
65 **information.**

66 **8. The provisions of this section shall not be construed to limit or in any way impair**
67 **the ability to issue tax credits authorized on or before the date the program authorized**
68 **under this section sunsets or a taxpayer's ability to redeem such tax credits.**

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

70 **(1) The program established under this section shall automatically sunset on**
71 **December 31, 2024, unless reauthorized by an act of the general assembly;**

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

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

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