

HOUSE BILL NO. 1268

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BANGERT.

3044H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to child care deserts.

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
2 known as section 135.555, to read as follows:

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

2 **(1) "Child care capacity", the total number of children that could be admitted to**
3 **child care facilities in a given ZIP code, at the maximum capacity of those facilities;**

4 **(2) "Child care demand", the total number of children in a given ZIP code who are**
5 **five years of age or younger and who:**

6 **(a) Live in a two-parent household where both parents are in the workforce; or**

7 **(b) Live in a one-parent household where the parent of the household is in the**
8 **workforce;**

9 **(3) "Child care desert", a ZIP code:**

10 **(a) That contains at least thirty children five years of age or younger; and**

11 **(b) Where child care demand exceeds child care capacity;**

12 **(4) "Child care facility", any licensed or license-exempt child care home, licensed**
13 **or license-exempt child care center, child placing agency, residential care facility for**
14 **children, group home, foster family group home, foster family home, or employment**
15 **agency that refers a child care worker to parents or guardians. The term "child care**
16 **facility" shall not include summer camps or voluntary associations designed primarily for**
17 **recreational or educational purposes;**

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.

18 (5) "Taxpayer", any individual, partnership, or corporation that is subject to the
19 tax imposed under chapter 143, excluding withholding tax imposed under sections 143.191
20 to 143.265; any insurance company paying an annual tax on its gross premium receipts in
21 this state; any financial institution paying taxes under chapter 148; or any express
22 company paying an annual tax on its gross receipts in this state under chapter 153.

23 2. For all tax years beginning on or after January 1, 2021, a taxpayer that operates
24 a child care facility in a child care desert shall be allowed to claim a tax credit against such
25 taxpayer's state tax liability. The amount of the tax credit shall be:

26 (1) If child care demand is at least three times greater than child care capacity,
27 equal to twenty-five percent of the taxpayer's income that is attributable to providing child
28 care;

29 (2) If child care demand is at least two times greater than child care capacity but
30 less than three times greater than child care capacity, equal to fifteen percent of the
31 taxpayer's income that is attributable to providing child care; or

32 (3) If child care demand is at least equal to child care capacity but less than two
33 times greater than child care capacity, equal to five percent of the taxpayer's income that
34 is attributable to providing child care.

35 3. The amount of the tax credit claimed shall not exceed the amount of the
36 taxpayer's state tax liability for the tax year for which the credit is claimed. No taxpayer
37 shall be allowed to claim a tax credit in excess of fifty thousand dollars per tax year.

38 4. The tax credit authorized under this section is nonrefundable and shall not be
39 assigned, transferred, or sold.

40 5. The total amount of tax credits authorized under this section shall not exceed two
41 million dollars in one fiscal year.

42 6. The department of health and senior services shall annually determine which
43 areas of this state are child care deserts. The department shall publish such determination
44 and shall notify child care facilities within child care deserts that they qualify for a tax
45 credit under this section.

46 7. The department of health and senior services and the department of revenue may
47 promulgate rules to implement the provisions of this section. Any rule or portion of a rule,
48 as that term is defined in section 536.010, that is created under the authority delegated in
49 this section shall become effective only if it complies with and is subject to all of the
50 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536
51 are nonseverable, and if any of the powers vested with the general assembly pursuant to
52 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are

53 subsequently held unconstitutional, then the grant of rulemaking authority and any rule
54 proposed or adopted after August 28, 2020, shall be invalid and void.

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

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

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

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

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