

HOUSE BILL NO. 1495

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BECK.

3571H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to tax credits for grocery stores.

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 135.1620, to read as follows:

135.1620. 1. As used in this section, the following terms mean:

(1) "Eligible expenses", expenses incurred in the construction or development of real property for the purpose of establishing a full-service grocery store in a food desert;

(2) "Food desert", a census tract that has a poverty rate of at least twenty percent or a median family income of less than eighty percent of the statewide average and where at least five hundred people or thirty-three percent of the population are located at least one-half mile away from a full-service grocery store in urbanized areas or at least ten miles away in rural areas;

(3) "Full-service grocery store", a grocery store that provides a full complement of healthful fruits, vegetables, grains, meat, and dairy products along with household items. Fresh fruits and vegetables shall be available for sale in quantities that are substantially similar to industry standards for facilities of similar size;

(4) "New location", a full-service grocery store facility located on a tract of real property within a food desert acquired by or leased to a taxpayer on or after January 1, 2021. A location shall be deemed to have been acquired by or leased to a taxpayer on or after January 1, 2021, if the transfer of title to the taxpayer, the transfer of possession under a binding contract to transfer title to the taxpayer, or the commencement of the term

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 of the lease to the taxpayer occurs on or after January 1, 2021, or if the commencement of
19 the construction or installation of the facility by or on behalf of a taxpayer occurs on or
20 after January 1, 2021;

21 (5) "Rural area", a town or community within the state that is not within a
22 metropolitan statistical area and has a population of six thousand or fewer inhabitants as
23 determined by the last preceding federal decennial census or any unincorporated area not
24 within a metropolitan statistical area;

25 (6) "Tax credit", a credit against the tax otherwise due under chapter 143,
26 excluding withholding tax imposed under sections 143.191 to 143.265;

27 (7) "Taxpayer", any individual, partnership, or corporation as described under
28 section 143.441 or 143.471 that is subject to the tax imposed under chapter 143, excluding
29 withholding tax imposed under sections 143.191 to 143.265, or any charitable organization
30 that is exempt from federal income tax and whose Missouri unrelated business taxable
31 income, if any, would be subject to the state income tax imposed under chapter 143;

32 (8) "Urbanized area", an urbanized area as designated by the United States Census
33 Bureau.

34 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
35 liability in an amount equal to fifty percent of the taxpayer's eligible expenses for
36 establishing a full-service grocery store in a food desert after initial expenses of:

37 (1) One million dollars if the full-service grocery store is established in a charter
38 county, a county of the first classification, or a city not within a county; or

39 (2) Five hundred thousand dollars if the full-service grocery store is established in
40 any other county.

41 3. The amount of the tax credit claimed shall not exceed the amount of the
42 taxpayer's state tax liability in the tax year for which the credit is claimed, and such
43 taxpayer shall not be allowed to claim a tax credit in excess of two million five hundred
44 thousand dollars per tax year. However, any tax credit that cannot be claimed in the tax
45 year the contribution was made may be carried over to the next three succeeding tax years
46 until the full credit is claimed.

47 4. The total amount of tax credits that may be authorized under this section shall
48 not exceed twenty-five million dollars in any calendar year.

49 5. Tax credits issued under the provisions of this section may be transferred, sold,
50 or assigned.

51 6. The issuance of tax credits authorized under this section shall cease and the
52 taxpayer shall immediately submit payment to the state general revenue fund in an amount
53 equal to all credits previously issued to the taxpayer under this section, less any amounts

54 previously repaid, increased by an amount equal to a reasonable rate of return on the value
55 of the credits issued in the event that the taxpayer:

56 (1) Fails to complete construction of a full-service grocery store within five years
57 of the commencement of the project; or

58 (2) Fails to operate a full-service grocery store at the same new location for at least
59 ten consecutive years.

60 7. The department of economic development may promulgate rules to implement
61 the provisions of this section. Any rule or portion of a rule, as that term is defined in
62 section 536.010, that is created under the authority delegated in this section shall become
63 effective only if it complies with and is subject to all of the provisions of chapter 536 and,
64 if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any
65 of the powers vested with the general assembly pursuant to chapter 536 to review, to delay
66 the effective date, or to disapprove and annul a rule are subsequently held
67 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted
68 after August 28, 2020, shall be invalid and void.

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

70 (1) The program authorized under this section shall automatically sunset on
71 December thirty-first six years after the effective date of this section unless reauthorized
72 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 twelve years after the effective date of
75 the 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 prevent a taxpayer from claiming a tax credit
80 properly issued before the program was sunset in a tax year after the program is sunset.

✓