

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1713
100TH GENERAL ASSEMBLY

4257H.02C

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 620, RSMo, by adding thereto one new section relating to historic buildings.

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

Section A. Chapter 620, RSMo, is amended by adding thereto one new section, to be known as section 620.3210, to read as follows:

620.3210. 1. This section shall be known and may be cited as the "Capitol Complex Tax Credit Act".

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

(1) "Board", the Missouri development finance board, a body corporate and politic created under sections 100.250 to 100.297 and sections 100.700 to 100.850;

(2) "Capitol complex", the following buildings located in Jefferson City, Missouri:

(a) State capitol building, 201 West Capitol Avenue;

(b) Supreme court building, 207 West High Street;

(c) Old federal courthouse, 131 West High Street;

(d) Highway building, 105 Capitol Avenue;

(e) Governor's mansion, 100 Madison Street;

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

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

(5) "Eligible artifact", any item of personal property specifically for display in a building in the capitol complex or former fixtures that were previously owned by the state and used within the capitol complex but have been removed. The board of public buildings shall, in their sole discretion, make all determinations as to which items are eligible artifacts and may employ such experts as may be useful in making such a determination;

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.

19 **(6) "Eligible artifact donation", a donation of an eligible artifact to the board of**
20 **public buildings. The value of such donation shall be set by the board of public buildings,**
21 **who may employ such experts as may be useful in making such a determination. The**
22 **board of public buildings shall, in their sole discretion, determine if an artifact is to be**
23 **accepted;**

24 **(7) "Eligible monetary donation", donations received from a qualified donor to the**
25 **capitol complex fund created in this section, or to an organization exempt from taxation**
26 **under 501(c)(3) of the Internal Revenue Service Code of 1986, as amended, whose mission**
27 **and purpose is to restore, renovate, improve, and maintain one or more buildings in the**
28 **capitol complex, that are to be used solely for projects to restore, renovate, improve, and**
29 **maintain buildings and their furnishings in the capitol complex and the administration**
30 **thereof. Eligible monetary donations may include:**

31 **(a) Cash, including checks, money orders, credit card payments, or similar cash**
32 **equivalents valued at the face value of the currency. Currency of other nations shall be**
33 **valued based on the exchange rate on the date of the gift. The date of the donation shall**
34 **be the date that cash or check is received by the applicant or the date posted to the donor's**
35 **account in the case of credit or debit cards;**

36 **(b) Stocks from a publicly traded company; and**

37 **(c) Bonds that are publicly traded;**

38 **(8) "Eligible recipient", the capitol complex fund, created in this section, or an**
39 **organization exempt from taxation under 501(c)(3) of the Internal Revenue Service Code**
40 **of 1986, as amended, whose mission and purpose is to restore, renovate, improve, and**
41 **maintain one or more buildings in the capitol complex;**

42 **(9) "Qualified donor", any of the following individuals or entities who make an**
43 **eligible monetary donation or eligible artifact donation to the capitol complex fund or other**
44 **eligible recipient:**

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

48 **(b) An insurance company paying an annual tax on its gross premium receipts in**
49 **this state;**

50 **(c) Any other financial institution paying taxes to the state of Missouri or any**
51 **political subdivision of this state under chapter 148;**

52 **(d) An individual subject to the state income tax imposed in chapter 143; or**

53 **(e) Any charitable organization, including any foundation or not-for-profit**
54 **corporation, which is exempt from federal income tax and whose Missouri unrelated**

55 business taxable income, if any, would be subject to the state income tax imposed under
56 chapter 143.

57 3. There is hereby created a fund to be known as the "Capitol Complex Fund",
58 separate and distinct from all other board funds, that is hereby authorized to receive any
59 eligible monetary donation as provided in this section and revenues derived from fees
60 imposed pursuant to section 620.3200. The capitol complex fund shall be segregated into
61 two accounts: a rehabilitation and renovation account and a maintenance account. Ninety
62 percent of the revenues received from eligible monetary donations pursuant to the
63 provisions of this section and fees collected pursuant to section 620.3000 shall be deposited
64 in the rehabilitation and renovation account and seven and one-half percent of such
65 revenues shall be deposited in the maintenance account. The assets of these accounts,
66 together with any interest that may accrue thereon, shall be used by the board solely for
67 the purposes of restoration and maintenance of the buildings of the capitol complex as
68 defined in this section, and for no other purpose. The remaining two and one-half percent
69 of the revenues deposited into the fund may be used for the purposes of soliciting donations
70 to the fund, advertising and promoting the fund, and administering the fund. Any
71 amounts not used for those purposes shall be deposited back into the rehabilitation and
72 renovation account and the maintenance account, divided in the manner set forth in this
73 section. The board may, as an administrative cost, use the funds to hire fundraising
74 professionals and such other experts or advisors as necessary to carry out the board's
75 duties under this section. The choice of projects for which the moneys are to be used, as
76 well as the determination of the methods of carrying out the project and the procurement
77 of goods and services thereon, shall be made by the commissioner of administration. No
78 moneys shall be released from the fund for any expense without the approval of the
79 commissioner of administration, who may delegate that authority as the commissioner
80 deems appropriate. All contracts for rehabilitation, renovation, or maintenance work shall
81 be the responsibility of the commissioner of administration. A memorandum of
82 understanding may be executed between the commissioner of administration and the board
83 determining the processes for obligation, reservation, and payment of eligible costs from
84 the fund. The commissioner of administration shall not obligate costs in excess of the fund
85 balance. The board shall not be responsible for any costs obligated in excess of available
86 funds and shall be held harmless in any contracts related to rehabilitation, renovation, and
87 maintenance of capitol complex buildings. No other board funds shall be used to pay
88 obligations made by the commissioner of administration related to activities under this
89 section.

90 **4. For all tax years beginning on or after January 1, 2020, any qualified donor shall**
91 **be allowed a credit against the taxes otherwise due under chapters 143 and 148, except for**
92 **sections 143.191 to 143.265, in an amount of fifty percent of the eligible monetary donation.**
93 **The amount of the tax credit claimed may exceed the amount of the donor's state income**
94 **tax liability in the tax year for which the credit is claimed. Any amount of credit that**
95 **exceeds the qualified donor's state income tax liability may be refundable or may be**
96 **carried forward to any of the donor's four subsequent tax years.**

97 **5. For all tax years beginning on or after January 1, 2020, any qualified donor shall**
98 **be allowed a credit against the taxes otherwise due under chapters 143 and 148, except for**
99 **sections 143.191 to 143.265, in an amount of thirty percent of the eligible artifact donation.**
100 **The amount of the tax credit claimed shall not exceed the amount of the qualified donor's**
101 **state income tax liability in the tax year for which the credit is claimed. Any amount of**
102 **credit that exceeds the qualified donor's state income tax liability shall not be refundable**
103 **but may be carried forward to any of the donor's four subsequent tax years.**

104 **6. To claim a credit for an eligible monetary donation as set forth in subsection 4**
105 **of this section, a qualified donor shall make an eligible monetary donation to the board as**
106 **custodian of the capitol complex fund or other eligible recipient. Upon receipt of such**
107 **donation, the board or other eligible recipient shall issue to the qualified donor a statement**
108 **evidencing receipt of such donation, including the value of such donation, with a copy to**
109 **the department. Upon receipt of the statement from the board or eligible recipient, the**
110 **department shall issue to the qualified donor a tax credit certificate equal to fifty percent**
111 **of the amount of the donation, as indicated in the statement from the eligible recipient.**

112 **7. To claim a credit for an eligible artifact donation as set forth in subsection 5 of**
113 **this section, a qualified donor shall donate an eligible artifact to the board of public**
114 **buildings. If the board of public buildings determines that artifact is an eligible artifact**
115 **and determines to accept the artifact, it shall issue a statement of donation to the qualified**
116 **donor specifying the value placed on the artifact by the board of public buildings, with a**
117 **copy to the department. Upon receiving a statement from the board of public buildings,**
118 **the department shall issue to the qualified donor a tax credit certificate equal to thirty**
119 **percent of the amount of the donation, as indicated in the statement from the board of**
120 **public buildings.**

121 **8. The department shall not authorize more than ten million dollars in tax credits**
122 **provided under this section in any calendar year. Donations shall be processed for tax**
123 **credits on a first-come, first-served basis. Donations received in excess of the tax credit cap**
124 **shall be placed in line for tax credits issued the following year, or the qualified donor shall**

125 be given the opportunity to complete their donation without the expectation of a tax credit
126 or shall request to have their donation returned.

127 9. Tax credits issued under the provisions of this section shall not be subject to the
128 payment of any fee required under the provisions of section 620.1900.

129 10. Tax credits issued under this section may be assigned, transferred, sold, or
130 otherwise conveyed, and the new owner of the tax credit shall have the same rights in the
131 credit as the taxpayer originally issued the credit. If a tax credit is assigned, transferred,
132 sold, or otherwise conveyed, a notarized endorsement shall be filed with the department
133 specifying the name and address of the new owner of the tax credit and the value of the tax
134 credit.

135 11. The department may promulgate rules to implement the provisions of this
136 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is
137 created under the authority delegated in this section shall become effective only if it
138 complies with and is subject to all of the provisions of chapter 536 and, if applicable,
139 section 536.028. This section and chapter 536 are nonseverable, and if any of the powers
140 vested with the general assembly pursuant to chapter 536 to review, to delay the effective
141 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
142 grant of rulemaking authority and any rule proposed or adopted after August 28, 2020,
143 shall be invalid and void.

144 12. Pursuant to section 23.253 of the Missouri sunset act:

145 (1) The provisions of the new program authorized under this section shall sunset
146 automatically six years after August 28, 2020, unless reauthorized by an act of the general
147 assembly;

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

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

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