

FIRST REGULAR SESSION

SENATE COMMITTEE SUBSTITUTE FOR

# HOUSE BILL NO. 948

101ST GENERAL ASSEMBLY

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ADRIANE D. CROUSE, Secretary

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## AN ACT

To repeal sections 135.305, 135.686, and 348.436, RSMo, and to enact in lieu thereof ten new sections relating to tax credits for agricultural purposes.

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

Section A. Sections 135.305, 135.686, and 348.436, RSMo,  
2 are repealed and ten new sections enacted in lieu thereof, to  
3 be known as sections 135.305, 135.686, 348.436, 620.3500,  
4 620.3505, 620.3510, 620.3515, 620.3520, 620.3525, and 620.3530,  
5 to read as follows:

135.305. A Missouri wood energy producer shall be  
2 eligible for a tax credit on taxes otherwise due under  
3 chapter 143, except sections 143.191 to 143.261, as a  
4 production incentive to produce processed wood products in a  
5 qualified wood-producing facility using Missouri forest  
6 product residue. The tax credit to the wood energy producer  
7 shall be five dollars per ton of processed material. The  
8 credit may be claimed for a period of five years and is to  
9 be a tax credit against the tax otherwise due. No new tax  
10 credits, provided for under sections 135.300 to 135.311,  
11 shall be authorized after June 30, [2020] **2027**. In no event  
12 shall the aggregate amount of all tax credits allowed under  
13 sections 135.300 to 135.311 exceed six million dollars in  
14 any given fiscal year. There shall be no tax credits

**EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

15 authorized under sections 135.300 to 135.311 unless an  
16 appropriation is made for such tax credits.

135.686. 1. This section shall be known and may be  
2 cited as the "Meat Processing Facility Investment Tax Credit  
3 Act".

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

5 (1) "Authority", the agricultural and small business  
6 development authority established in chapter 348;

7 (2) "Meat processing facility", any commercial plant,  
8 as defined under section 265.300, at which livestock are  
9 slaughtered or at which meat or meat products are processed  
10 for sale commercially and for human consumption;

11 (3) "Meat processing modernization or expansion",  
12 constructing, improving, or acquiring buildings or  
13 facilities, or acquiring equipment for meat processing  
14 including the following, if used exclusively for meat  
15 processing and if acquired and placed in service in this  
16 state during tax years beginning on or after January 1,  
17 2017, but ending on or before December 31, **[2021] 2027:**

18 (a) Building construction including livestock  
19 handling, product intake, storage, and warehouse facilities;

20 (b) Building additions;

21 (c) Upgrades to utilities including water, electric,  
22 heat, refrigeration, freezing, and waste facilities;

23 (d) Livestock intake and storage equipment;

24 (e) Processing and manufacturing equipment including  
25 cutting equipment, mixers, grinders, sausage stuffers, meat  
26 smokers, curing equipment, cooking equipment, pipes, motors,  
27 pumps, and valves;

28 (f) Packaging and handling equipment including  
29 sealing, bagging, boxing, labeling, conveying, and product  
30 movement equipment;

31 (g) Warehouse equipment including storage and curing  
32 racks;

33 (h) Waste treatment and waste management equipment  
34 including tanks, blowers, separators, dryers, digesters, and  
35 equipment that uses waste to produce energy, fuel, or  
36 industrial products;

37 (i) Computer software and hardware used for managing  
38 the claimant's meat processing operation including software  
39 and hardware related to logistics, inventory management,  
40 production plant controls, and temperature monitoring  
41 controls; and

42 (j) Construction or expansion of retail facilities or  
43 the purchase or upgrade of retail equipment for the  
44 commercial sale of meat products if the retail facility is  
45 located at the same location as the meat processing facility;

46 (4) "Tax credit", a credit against the tax otherwise  
47 due under chapter 143, excluding withholding tax imposed  
48 under sections 143.191 to 143.265, or otherwise due under  
49 chapter 147;

50 (5) "Taxpayer", any individual or entity who:

51 (a) Is subject to the tax imposed under chapter 143,  
52 excluding withholding tax imposed under sections 143.191 to  
53 143.265, or the tax imposed under chapter 147;

54 (b) In the case of an individual, is a resident of  
55 this state as verified by a 911 address or, in the absence  
56 of a 911 system, a physical address; and

57 (c) Owns a meat processing facility located in this  
58 state;

59 (6) "Used exclusively", used to the exclusion of all  
60 other uses except for use not exceeding five percent of  
61 total use.

62           3. For all tax years beginning on or after January 1,  
63 2017, but ending on or before December 31, [2021] **2027**, a  
64 taxpayer shall be allowed a tax credit for meat processing  
65 modernization or expansion related to the taxpayer's meat  
66 processing facility. The tax credit amount shall be equal  
67 to twenty-five percent of the amount the taxpayer paid in  
68 the tax year for meat processing modernization or expansion.

69           4. The amount of the tax credit claimed shall not  
70 exceed the amount of the taxpayer's state tax liability for  
71 the tax year for which the credit is claimed. No tax credit  
72 claimed under this section shall be refundable. The tax  
73 credit shall be claimed in the tax year in which the meat  
74 processing modernization or expansion expenses were paid,  
75 but any amount of credit that the taxpayer is prohibited by  
76 this section from claiming in a tax year may be carried  
77 forward to any of the taxpayer's four subsequent tax years.  
78 The total amount of tax credits that any taxpayer may claim  
79 shall not exceed seventy-five thousand dollars per year. If  
80 two or more persons own and operate the meat processing  
81 facility, each person may claim a credit under this section  
82 in proportion to his or her ownership interest; except that,  
83 the aggregate amount of the credits claimed by all persons  
84 who own and operate the meat processing facility shall not  
85 exceed seventy-five thousand dollars per year. The amount  
86 of tax credits authorized in this section and section  
87 135.679 in a calendar year shall not exceed two million  
88 dollars. Tax credits shall be issued on an as-received  
89 application basis until the calendar year limit is reached.  
90 Any credits not issued in any calendar year shall expire and  
91 shall not be issued in any subsequent year.

92           5. To claim the tax credit allowed under this section,  
93 the taxpayer shall submit to the authority an application

94 for the tax credit on a form provided by the authority and  
95 any application fee imposed by the authority. The  
96 application shall be filed with the authority at the end of  
97 each calendar year in which a meat processing modernization  
98 or expansion project was completed and for which a tax  
99 credit is claimed under this section. The application shall  
100 include any certified documentation, proof of meat  
101 processing modernization or expansion, and any other  
102 information required by the authority. All required  
103 information obtained by the authority shall be confidential  
104 and not disclosed except by court order, subpoena, or as  
105 otherwise provided by law. If the taxpayer and the meat  
106 processing modernization or expansion meet all criteria  
107 required by this section and approval is granted by the  
108 authority, the authority shall issue a tax credit  
109 certificate in the appropriate amount. Tax credit  
110 certificates issued under this section may be assigned,  
111 transferred, sold, or otherwise conveyed, and the new owner  
112 of the tax credit certificate shall have the same rights in  
113 the tax credit as the original taxpayer. If a tax credit  
114 certificate is assigned, transferred, sold, or otherwise  
115 conveyed, a notarized endorsement shall be filed with the  
116 authority specifying the name and address of the new owner  
117 of the tax credit certificate and the value of the tax  
118 credit.

119 6. Any information provided under this section shall  
120 be confidential information, to be shared with no one except  
121 state and federal animal health officials, except as  
122 provided in subsection 5 of this section.

123 7. The authority shall promulgate rules establishing a  
124 process for verifying that a facility's modernization or  
125 expansion for which tax credits were allowed under this

126 section has in fact expanded the facility's production  
127 within three years of the issuance of the tax credit and if  
128 not, the authority shall promulgate through rulemaking a  
129 process by which the taxpayer shall repay the authority an  
130 amount equal to that of the tax credit allowed.

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

134 9. The authority may promulgate rules to implement the  
135 provisions of this section. Any rule or portion of a rule,  
136 as that term is defined in section 536.010, that is created  
137 under the authority delegated in this section shall become  
138 effective only if it complies with and is subject to all of  
139 the provisions of chapter 536 and, if applicable, section  
140 536.028. This section and chapter 536 are nonseverable and  
141 if any of the powers vested with the general assembly  
142 pursuant to chapter 536 to review, to delay the effective  
143 date, or to disapprove and annul a rule are subsequently  
144 held unconstitutional, then the grant of rulemaking  
145 authority and any rule proposed or adopted after August 28,  
146 2016, shall be invalid and void.

147 10. This section shall not be subject to the Missouri  
148 sunset act, sections 23.250 to 23.298.

348.436. The provisions of sections 348.430 to 348.436  
2 shall expire December 31, [2021] **2027**.

**620.3500. Sections 620.3500 to 620.3530 shall be known  
2 and may be cited as the "Missouri Rural Workforce  
3 Development Act".**

**620.3505. As used in sections 620.3500 to 620.3530,  
2 the following terms shall mean:**

**3 (1) "Affiliate", an entity that directly, or  
4 indirectly through one or more intermediaries, controls, or**

5 is controlled by, or is under common control with another  
6 entity. An entity is controlled by another entity if the  
7 controlling entity holds, directly or indirectly, the  
8 majority voting or ownership interest in the controlled  
9 entity or has control over day-to-day operations of the  
10 controlled entity by contract or by law;

11 (2) "Applicable percentage", zero percent for the  
12 first two credit allowance dates, and fifteen percent for  
13 the next four credit allowance dates;

14 (3) "Capital investment", any equity investment in a  
15 rural fund by a rural investor which:

16 (a) Is acquired after the effective date of sections  
17 620.3500 to 620.3530 at its original issuance solely in  
18 exchange for cash;

19 (b) Has one hundred percent of its cash purchase price  
20 used by the rural fund to make qualified investments in  
21 eligible businesses located in this state by the third  
22 anniversary of the initial credit allowance date; and

23 (c) Is designated by the rural fund as a capital  
24 investment under sections 620.3500 to 620.3530 and is  
25 certified by the department under the provisions of section  
26 620.3510. This shall include any capital investment that  
27 does not meet the provisions of subdivision (1) of  
28 subsection 1 of section 620.3510 if such investment was a  
29 capital investment in the hands of a prior holder;

30 (4) "Credit allowance date", the date on which the  
31 department certifies a rural fund's capital investment and  
32 each of the five anniversary dates of such date thereafter;

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

35 (6) "Eligible business", a business that, at the time  
36 of the initial qualified investment in the business:

- 37           (a) Has fewer than two hundred fifty employees; and  
38           (b) Has its principal business operations in this  
39 state.

40 Any business which is classified as an eligible business at  
41 the time of the initial investment in such business by a  
42 rural fund shall remain classified as an eligible business  
43 and may receive follow-on investments from any rural fund,  
44 and such follow-on investments shall be qualified  
45 investments even though such business may not meet the  
46 definition of an eligible business at the time of such  
47 follow-on investments;

48           (7) "Principal business operations", the location  
49 where at least sixty percent of a business's employees work  
50 or where employees who are paid at least sixty percent of  
51 such business's payroll work. A business that has agreed to  
52 relocate employees using the proceeds of a qualified  
53 investment to establish its principal business operations in  
54 a new location shall be deemed to have its principal  
55 business operations in such new location if it satisfied the  
56 requirements of this subdivision no later than one hundred  
57 eighty days after receiving a qualified investment;

58           (8) "Purchase price", the amount paid to the rural  
59 fund that issues a capital investment which shall not exceed  
60 the amount of capital investment authority certified under  
61 the provisions of section 620.3510;

62           (9) "Qualified investment", any investment in an  
63 eligible business or any loan to an eligible business with a  
64 stated maturity date of at least one year after the date of  
65 issuance, excluding revolving lines of credit and senior  
66 secured debt unless the chief executive or similar officer  
67 of the eligible business certifies that the eligible



68 business sought and was denied similar financing from a  
69 depository institution, by a rural fund; provided that, with  
70 respect to any one eligible business, the maximum amount of  
71 investments made in such business by one or more rural  
72 funds, on a collective basis with all of the businesses'  
73 affiliates, with the proceeds of capital investments shall  
74 be the greater of twenty percent of the rural fund's capital  
75 investment authority or six million five hundred thousand  
76 dollars, exclusive of investments made with repaid or  
77 redeemed investments or interest or profits realized thereon;

78 (10) "Rural area", any county of this state that has a  
79 population of less than ninety thousand according to the  
80 2010 decennial census of the United States;

81 (11) "Rural fund", an entity certified by the  
82 department under the provisions of section 620.3510;

83 (12) "Rural investor", an entity that makes a capital  
84 investment in a rural fund;

85 (13) "Senior secured debt", any loan that is secured  
86 by a first mortgage on real estate with a loan to value  
87 ratio of less than eighty percent;

88 (14) "State tax liability", any liability incurred by  
89 any entity subject to the state income tax imposed under  
90 chapter 143, excluding withholding tax imposed under  
91 sections 143.191 to 143.265, or an insurance company paying  
92 an annual tax on its gross premium receipts, including  
93 retaliatory tax, or other financial institution paying taxes  
94 to the state or any political subdivision of the state under  
95 the provisions of chapter 148, or an express company which  
96 pays an annual tax on its gross receipts in this state.

620.3510. 1. A rural fund that seeks to have an  
2 equity investment certified as a capital investment eligible  
3 for credits authorized under the provisions of sections

4 620.3500 to 620.3530 shall apply to the department. The  
5 department shall begin accepting applications within ninety  
6 days of the effective date of sections 620.3500 to  
7 620.3530. The application shall include:

8 (1) The amount of capital investment requested;

9 (2) A copy of the applicant's or an affiliate of the  
10 applicant's license as a rural business investment company  
11 under 7 U.S.C. Section 2009cc or as a small business  
12 investment company under 15 U.S.C. Section 681, and a  
13 certificate executed by an executive officer of the  
14 applicant attesting that such license remains in effect and  
15 has not been revoked;

16 (3) Evidence that, as of the date the application is  
17 submitted, the applicant or affiliates of the applicant have  
18 invested:

19 (a) At least one hundred million dollars in nonpublic  
20 companies located in counties within the United States with  
21 a population of less than fifty thousand according to the  
22 2010 decennial census of United States; and

23 (b) At least fifty million dollars in nonpublic  
24 companies located in Missouri;

25 (4) A business plan that includes a revenue impact  
26 assessment projecting state and local tax revenue to be  
27 generated by the applicant's proposed qualified investments,  
28 prepared by a nationally recognized, third-party,  
29 independent economic forecasting firm using a dynamic  
30 economic forecasting model that analyzes the applicant's  
31 business plan over the ten years following the date the  
32 application is submitted to the department. Such plan shall  
33 include an estimate of the number of jobs created and jobs  
34 retained in this state as a result of the applicant's  
35 qualified investments; and

36           (5) A nonrefundable application fee of five thousand  
37 dollars payable to the department.

38           2. Within thirty days after the receipt of a completed  
39 application, the department shall grant or deny the  
40 application in full or in part. The department shall deny  
41 the application if:

42           (1) The applicant does not satisfy all of the criteria  
43 provided under subsection 1 of this section;

44           (2) The revenue impact assessment submitted with the  
45 application does not demonstrate that the applicant's  
46 business plan will result in a positive fiscal impact on  
47 this state over a ten-year period that exceeds the  
48 cumulative amount of tax credits that would be issued to the  
49 applicant if the application were approved; or

50           (3) The department has already approved the maximum  
51 amount of capital investment authority under section  
52 620.3515.

53           3. If the department denies any part of the  
54 application, it shall inform the applicant of the grounds  
55 for such denial. If the applicant provides any additional  
56 information required by the department or otherwise  
57 completes its application within fifteen days of the notice  
58 of denial, the application shall be considered complete as  
59 of the original date of submission. If the applicant fails  
60 to provide the information or fails to complete its  
61 application within the fifteen-day period, the application  
62 shall remain denied and shall be resubmitted in full with a  
63 new submission date and a new application fee.

64           4. Upon approval of an application, the department  
65 shall certify the proposed equity investment as a capital  
66 investment eligible for credits under sections 620.3500 to  
67 620.3530, subject to the limitations contained in section

68 620.3515. The department shall provide written notice of  
69 the certification to the applicant, which shall include the  
70 amount of the applicant's capital investment authority. The  
71 department shall certify capital investments in the order  
72 that the applications are received by the department.  
73 Applications received on the same day shall be deemed to  
74 have been received simultaneously. For applications that  
75 are complete and received on the same day, the department  
76 shall certify applications in proportionate percentages  
77 based upon the ratio of the amount of capital investment  
78 authority requested in an application to the total amount of  
79 capital investment authority requested in all applications.

620.3515. 1. The department shall certify capital  
2 investment authority under the provisions of sections  
3 620.3500 to 620.3530 in amounts that would authorize not  
4 more than twenty-five million dollars in state tax credits  
5 to be claimed against state tax liability in any calendar  
6 year, excluding any credit amounts carried forward as  
7 provided under subsection 1 of section 620.3520. Within  
8 ninety days of the applicant receiving notice of  
9 certification, the rural fund shall issue the capital  
10 investment to, and receive cash in the amount of the  
11 certified amount from, a rural investor. At least ten  
12 percent of the rural investor's capital investment shall be  
13 composed of capital raised by the rural investor directly or  
14 indirectly from sources, including directors, members,  
15 employees, officers, and affiliates of the rural investor,  
16 other than the amount invested by the allocatee claiming the  
17 tax credits in exchange for such allocation of tax credits.  
18 The rural fund shall provide the department with evidence of  
19 the receipt of the cash investment within ninety-five days  
20 of the applicant receiving notice of certification.

21           2. If the rural fund does not receive the cash  
22 investment and issue the capital investment within such time  
23 period following receipt of the certification notice, the  
24 certification shall lapse and the rural fund shall not issue  
25 the capital investment without reapplying to the department  
26 for certification. Lapsed certifications shall revert to  
27 the department and shall be reissued pro rata to applicants  
28 whose capital investment allocations were reduced in  
29 accordance with the application process provided under  
30 subsection 4 of section 620.3510.

31           3. A rural fund, before making a qualified investment,  
32 may request from the department a written opinion as to  
33 whether the business in which it proposes to invest is an  
34 eligible business. The department, not later than the  
35 fifteenth business day after the date of receipt of such  
36 request, shall notify the rural fund of its determination.  
37 If the department fails to notify the rural fund of its  
38 determination by the twentieth business day, the business in  
39 which the rural fund proposes to invest shall be deemed an  
40 eligible business.

620.3520. 1. Upon making a capital investment in a  
2 rural fund, a rural investor shall have a vested right to a  
3 credit against such entity's state tax liability that may be  
4 utilized on each credit allowance date of such capital  
5 investment in an amount equal to the applicable percentage  
6 for such credit allowance date multiplied by the purchase  
7 price paid to the rural fund for the capital investment.  
8 The amount of the credit claimed by a rural investor shall  
9 not exceed the amount of such entity's state tax liability  
10 for the tax year for which the credit is claimed. Any  
11 amount of credit that a rural investor is prohibited from  
12 claiming in a taxable year as a result of this section may

13 be carried forward for use in any of the five subsequent  
14 taxable years, and shall not be carried back to prior  
15 taxable years.

16 2. No credit claimed under the provisions of sections  
17 620.3500 to 620.3530 shall be refundable. Credits earned by  
18 or allocated to a partnership, limited liability company, or  
19 S-corporation may be allocated to the partners, members, or  
20 shareholders of such entity for their direct use in  
21 accordance with the provisions of any agreement among such  
22 partners, members, or shareholders, and a rural fund shall  
23 notify the department of the names of the entities that are  
24 eligible to utilize credits pursuant to an allocation of  
25 credits or a change in allocation of credits, or due to a  
26 transfer of a capital investment upon such allocation,  
27 change, or transfer. Such allocation shall not be  
28 considered a sale for the purposes of this section.

29 3. The department may recapture credits from a  
30 taxpayer that claimed a credit authorized under this section  
31 if:

32 (1) The rural fund does not invest sixty percent of  
33 its capital investment authority in qualified investments in  
34 this state within two years of the credit allowance date,  
35 and one hundred percent of its capital investment authority  
36 in qualified investments in this state within three years of  
37 the credit allowance date, provided that at least seventy  
38 percent of such initial qualified investments shall be made  
39 in eligible businesses located in rural areas;

40 (2) The rural fund fails to maintain qualified  
41 investments equal to ninety percent of its capital  
42 investment authority from the third anniversary until the  
43 sixth anniversary of the credit allowance date, with seventy  
44 percent of such investments maintained in eligible

45 businesses located in rural areas. For each year the rural  
46 fund fails to maintain such investments, the department may  
47 recapture an amount of such year's allowed credits equal to  
48 the percentage difference between ninety percent of a rural  
49 fund's capital investment authority and the actual amount of  
50 qualified investments maintained for such year. For the  
51 purposes of this subdivision, a qualified investment is  
52 considered maintained even if the qualified investment was  
53 sold or repaid so long as the rural fund reinvests an amount  
54 equal to the capital returned or recovered by the rural fund  
55 from the original investment, exclusive of any profits  
56 realized, in other qualified investments in this state  
57 within twelve months of the receipt of such capital.  
58 Amounts received periodically by a rural fund shall be  
59 treated as continually invested in qualified investments if  
60 the amounts are reinvested in one or more qualified  
61 investments by the end of the following calendar year. A  
62 rural fund shall not be required to reinvest capital  
63 returned from qualified investments after the fifth  
64 anniversary of the credit allowance date, and such qualified  
65 investments shall be considered held continuously by the  
66 rural fund through the sixth anniversary of the credit  
67 allowance date;

68 (3) The rural fund, before exiting the program in  
69 accordance with sections 620.3500 to 620.3530 or prior to  
70 thirty days after the sixth anniversary of the credit  
71 allowance date, whichever is earlier, makes a distribution  
72 or payment that results in the rural fund having less than  
73 one hundred percent of its capital investment authority  
74 invested in qualified investments in this state or held in  
75 cash or other marketable securities; or

76           (4) The rural fund violates the provisions of section  
77 620.3525, in which case the department may recapture an  
78 amount equal to the amount of a rural fund's capital  
79 investment authority found to be in violation of such  
80 provisions.

81 For the purposes of meeting and maintaining the objectives  
82 established for investment in subdivisions (1) and (2) of  
83 this subsection, a rural fund's qualified investments shall  
84 be multiplied by a factor of one and a quarter in counties  
85 with less than thirty thousand in population and more than  
86 thirteen thousand in population and shall be multiplied by a  
87 factor of one and a half in counties with a population of  
88 thirteen thousand or less.

89           4. Recaptured credits and the related capital  
90 investment authority shall revert to the department and  
91 shall be reissued pro rata to applicants whose capital  
92 investment allocations were reduced in accordance with the  
93 application process provided under subsection 4 of section  
94 620.3510.

95           5. No recapture shall occur until the rural fund has  
96 been given notice of noncompliance and afforded six months  
97 from the date of such notice to cure the noncompliance.

          620.3525. No eligible business that receives a  
2 qualified investment under the provisions of sections  
3 620.3500 to 620.3530, or any affiliates of such eligible  
4 businesses, shall directly or indirectly:

5           (1) Own or have the right to acquire an ownership  
6 interest in a rural fund or member or affiliate of a rural  
7 fund, including, but not limited to, a holder of a capital  
8 investment issued by the rural fund; or



9           (2) Loan to or invest in a rural fund or member or  
10 affiliate of a rural fund, including, but not limited to, a  
11 holder of a capital investment issued by a rural fund, where  
12 the proceeds of such loan or investment are directly or  
13 indirectly used to fund or refinance the purchase of a  
14 capital investment under sections 620.3500 to 620.3530.

620.3530. 1. Rural funds shall submit a report to the  
2 department within the first fifteen business days after the  
3 second and third anniversary of the initial credit allowance  
4 date. The report following the second anniversary shall  
5 provide documentation as to the investment of sixty percent  
6 of the purchase price of such capital investment in  
7 qualified investments. The report following the third  
8 anniversary shall provide documentation as to the investment  
9 of one hundred percent of the purchase price of such capital  
10 investment in qualified investments. Unless previously  
11 reported pursuant to this subsection, such reports shall  
12 also include:

13           (1) The name and location of each eligible business  
14 receiving a qualified investment;

15           (2) Bank statements of such rural fund evidencing each  
16 qualified investment;

17           (3) A copy of the written opinion of the department,  
18 as provided in subsection 3 of section 620.3515, or evidence  
19 that such business was an eligible business at the time of  
20 such qualified investment, as applicable;

21           (4) The number of jobs created and jobs retained  
22 resulting from each qualified investment;

23           (5) The average annual salary of positions described  
24 in subdivision (4) of this subsection; and

25           (6) Such other information as required by the  
26 department.

27           2. For all subsequent years, rural funds shall submit  
28 an annual report to the department within ninety days of the  
29 beginning of the calendar year during the compliance  
30 period. The report shall include, but is not limited to,  
31 the following:

32           (1) The number of jobs created and jobs retained as a  
33 result of qualified investments;

34           (2) The average annual salary of positions described  
35 in subdivision (1) of this subsection; and

36           (3) Such other information as required by the  
37 department.

38           3. On or after the sixth anniversary of the credit  
39 allowance date, a rural fund may apply to the department to  
40 exit the program and no longer be subject to regulation  
41 under the provisions of sections 620.3500 to 620.3530. The  
42 department shall respond to the exit application within  
43 fifteen days of receipt. In evaluating the exit  
44 application, the fact that no credits have been recaptured  
45 and that the rural fund has not received a notice of  
46 recapture that has not been cured pursuant to subsection 5  
47 of section 620.3520 shall be sufficient evidence to prove  
48 that the rural fund is eligible for exit. The department  
49 shall not unreasonably deny an exit application submitted  
50 under this subsection. If the exit application is denied,  
51 the notice shall include the reasons for such determination.

52           4. The department shall not accept any new  
53 applications for tax credits pursuant to sections 620.3500  
54 to 620.3530 after December 31, 2031.

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