FIRST REGULAR SESSION

HOUSE BILL NO. 1129

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HALEY.

2373H.01I DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 135.550 and 135.600, RSMo, and to enact in lieu thereof two new sections relating to tax credits for contributions to certain benevolent organizations.

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

Section A. Sections 135.550 and 135.600, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 135.550 and 135.600, to read as follows:

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

(1) "Contribution", a donation of cash, stock, bonds or other marketable securities, or real property;

(2) **"Rape crisis center", a community-based nonprofit rape crisis center, as defined in section 455.003, located in this state that provides the twenty-four-hour core services of hospital advocacy and crisis hotline support to survivors of rape and sexual assault;**

(3) "Shelter for victims of domestic violence", a facility located in this state which meets the definition of a shelter for victims of domestic violence pursuant to section 455.200 and which meets the requirements of section 455.220**, or a nonprofit organization established and operating, by the state or one of its political subdivisions, exclusively for the purpose of supporting a shelter for victims of domestic violence**;

[~~(3)~~**] (4)** "State tax liability", in the case of a business taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143;

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.

[~~(4)~~] **(5)** "Taxpayer", a person, firm, a partner in a firm, corporation or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax imposed by the provisions of chapter 147, including any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143, or 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 pursuant to the provisions of chapter 148, or an express company which pays an annual tax on its gross receipts in this state pursuant to chapter 153, or an individual subject to the state income tax imposed by the provisions of chapter 143.

2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax liability[~~,~~] in an amount equal to fifty percent of the amount such taxpayer contributed to a shelter for victims of domestic violence **or a rape crisis center for all fiscal years ending on or before June 30, 2022, and seventy percent of the amount such taxpayer contributed to a shelter for victims of domestic violence or a rape crisis center for all fiscal years beginning on or after July 1, 2022**.

3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the taxable year that the credit is claimed, and such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However, any tax credit that cannot be claimed in the taxable year the contribution was made may be carried over to the next four succeeding taxable years until the full credit has been claimed.

4. Except for any excess credit which is carried over pursuant to subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such taxpayer's contribution or contributions to a shelter or shelters for victims of domestic violence **or a rape crisis center** in such taxpayer's taxable year has a value of at least one hundred dollars.

5. The director of the department of social services shall determine, at least annually, which facilities in this state may be classified as shelters for victims of domestic violence **and as rape crisis centers**. The director of the department of social services may require of a facility seeking to be classified as a shelter for victims of domestic violence **or a rape crisis center** whatever information is reasonably necessary to make such a determination. The director of the department of social services shall classify a facility as a shelter for victims of domestic violence **or a rape crisis center** if such facility meets the definition set forth in subsection 1 of this section.

6. The director of the department of social services shall establish a procedure by which a taxpayer can determine if a facility has been classified as a shelter for victims of domestic

violence **or a rape crisis center**, and by which such taxpayer can then contribute to such shelter for victims of domestic violence **or such rape crisis center** and claim a tax credit. Shelters for victims of domestic violence **and rape crisis centers** shall be permitted to decline a contribution from a taxpayer. The cumulative amount of tax credits which may be claimed by all the taxpayers contributing to shelters for victims of domestic violence **and to rape crisis centers** in any one fiscal year shall not exceed two million dollars **for all fiscal years ending on or before June 30, 2022. For all fiscal years beginning on or after July 1, 2022, there shall be no limit imposed on the cumulative amount of tax credits that may be claimed by all taxpayers contributing to shelters for victims of domestic violence and to rape crisis centers under the provisions of this section**.

7. **For all fiscal years ending on or before June 30, 2022,** the director of the department of social services shall establish a procedure by which, from the beginning of the fiscal year until some point in time later in the fiscal year to be determined by the director of the department of social services, the cumulative amount of tax credits are equally apportioned among all facilities classified as shelters for victims of domestic violence **and as rape crisis centers**. If a shelter for victims of domestic violence **or a rape crisis center** fails to use all, or some percentage to be determined by the director of the department of social services, of its apportioned tax credits during this predetermined period of time, the director of the department of social services may reapportion these unused tax credits to those shelters for victims of domestic violence **and to those rape crisis centers** that have used all, or some percentage to be determined by the director of the department of social services, of their apportioned tax credits during this predetermined period of time. The director of the department of social services may establish more than one period of time and reapportion more than once during each fiscal year. To the maximum extent possible, the director of the department of social services shall establish the procedure described in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of tax credits available for the fiscal year.

8. This section shall become effective January 1, 2000, and shall apply to all tax years after December 31, 1999.

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

(1) "Contribution", a donation of cash, stock, bonds or other marketable securities, or real property;

(2) "Maternity home", a residential facility located in this state:

(a) Established for the purpose of providing housing and assistance to pregnant women who are carrying their pregnancies to term;

(b) That does not perform, induce, or refer for abortions and that does not hold itself out as performing, inducing, or referring for abortions;

(c) That provides services at no cost to clients; and

(d) That is exempt from income taxation under the United States Internal Revenue Code;

(3) "State tax liability", in the case of a business taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265, and related provisions, and in the case of an individual taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143;

(4) "Taxpayer", a person, firm, a partner in a firm, corporation or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed by the provisions of chapter 143, including any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143, or a corporation subject to the annual corporation franchise tax imposed by the provisions of chapter 147, or 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 pursuant to the provisions of chapter 148, or an express company which pays an annual tax on its gross receipts in this state pursuant to chapter 153, or an individual subject to the state income tax imposed by the provisions of chapter 143.

2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a maternity home **for all fiscal years ending on or before June 30, 2022, and seventy percent of the amount such taxpayer contributed to a maternity home for all fiscal years beginning on or after July 1, 2022**.

3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the tax year that the credit is claimed, and such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand dollars per tax year. However, any tax credit that cannot be claimed in the tax year the contribution was made may be carried over only to the next succeeding tax year. No tax credit issued under this section shall be assigned, transferred, or sold.

4. Except for any excess credit which is carried over pursuant to subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such taxpayer's contribution or contributions to a maternity home or homes in such taxpayer's tax year has a value of at least one hundred dollars.

5. The director of the department of social services shall determine, at least annually, which facilities in this state may be classified as maternity homes. The director of the department of social services may require of a facility seeking to be classified as a maternity

home whatever information is reasonably necessary to make such a determination. The director of the department of social services shall classify a facility as a maternity home if such facility meets the definition set forth in subsection 1 of this section.

6. The director of the department of social services shall establish a procedure by which a taxpayer can determine if a facility has been classified as a maternity home, and by which such taxpayer can then contribute to such maternity home and claim a tax credit. Maternity homes shall be permitted to decline a contribution from a taxpayer. The cumulative amount of tax credits which may be claimed by all the taxpayers contributing to maternity homes in any one fiscal year shall not exceed two million dollars for all fiscal years ending on or before June 30, 2014, and two million five hundred thousand dollars for all fiscal years beginning on or after July 1, 2014, and ending on or before June 30, 2019, and three million five hundred thousand dollars for all fiscal years beginning on or after July 1, 2019**, and ending on or before June 30, 2022. For all fiscal years beginning on or after July 1, 2022, there shall be no limit imposed on the cumulative amount of tax credits that may be claimed by all taxpayers contributing to maternity homes under the provisions of this section**. Tax credits shall be issued in the order contributions are received. If the amount of tax credits redeemed in a fiscal year is less than the cumulative amount authorized under this subsection, the difference shall be carried over to a subsequent fiscal year or years and shall be added to the cumulative amount of tax credits that may be authorized in that fiscal year or years.

7. **For all fiscal years ending on or before June 30, 2022,** the director of the department of social services shall establish a procedure by which, from the beginning of the fiscal year until some point in time later in the fiscal year to be determined by the director of the department of social services, the cumulative amount of tax credits are equally apportioned among all facilities classified as maternity homes. If a maternity home fails to use all, or some percentage to be determined by the director of the department of social services, of its apportioned tax credits during this predetermined period of time, the director of the department of social services may reapportion these unused tax credits to those maternity homes that have used all, or some percentage to be determined by the director of the department of social services, of their apportioned tax credits during this predetermined period of time. The director of the department of social services may establish more than one period of time and reapportion more than once during each fiscal year. To the maximum extent possible, the director of the department of social services shall establish the procedure described in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of tax credits available for the fiscal year.

8. This section shall become effective January 1, 2000, and shall apply to all tax years after December 31, 1999**[**~~, until sunset~~**]**.

[~~9. Under section 23.253 of the Missouri sunset act:~~

~~(1) The provisions of the program authorized under this section shall automatically sunset on December thirty-first six years after August 28, 2018, unless reauthorized by an act of the general assembly;~~

~~(2) If such program is reauthorized, the program authorized under this section shall automatically sunset on December thirty-first six years after the effective date of the reauthorization of this section;~~

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

~~(4) The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized on or before the date the program authorized under this section expires or a taxpayer's ability to redeem such tax credits.~~**]**

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