

SECOND REGULAR SESSION

SENATE BILL NO. 729

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR ROMINE.

Read 1st time January 15, 2014, and ordered printed.

TERRY L. SPIELER, Secretary.

5108S.01I

AN ACT

To amend chapter 620, RSMo, by adding thereto one new section relating to a tax credit for donations to innovation campuses.

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 620.700, to read as follows:

620.700. 1. This section shall be known and may be cited as the "Innovation Campus Tax Credit Act".

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

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

(2) "Department", the Missouri department of economic development;

(3) "Eligible donation", donations received from a taxpayer by innovation campuses that are to be used solely for projects that advance learning in the areas of science, technology, engineering, and mathematics. Eligible donations may include cash, publically traded stocks and bonds, and real estate that shall be valued and documented according to the rules promulgated by the department of economic development;

(4) "Innovation education campus" or "innovation campus", an educational partnership consisting of at least one of each of the following entities:

(a) A local Missouri high school or K-12 school district;

(b) A Missouri four-year public or private higher education institution;

(c) A Missouri-based business or businesses; and

(d) A Missouri two-year public higher education institution or

22 State Technical College of Missouri;

23 (5) "Taxpayer", any of the following individuals or entities who
24 make an eligible donation to any innovation campus:

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

28 (b) A corporation subject to the annual corporation franchise tax
29 imposed in chapter 147;

30 (c) An insurance company paying an annual tax on its gross
31 premium receipts in this state;

32 (d) Any other financial institution paying taxes to the state of
33 Missouri or any political subdivisions of this state under chapter 148;

34 (e) An individual subject to the state income tax imposed in
35 chapter 143;

36 (f) Any charitable organization which is exempt from federal
37 income tax and whose Missouri unrelated business taxable income, if
38 any, would be subject to the state income tax imposed under chapter
39 143.

40 3. For all taxable years beginning on or after January 1, 2014,
41 any taxpayer shall be allowed a credit against the taxes otherwise due
42 under chapters 147, 148, or 143, excluding withholding tax imposed by
43 sections 143.191 to 143.265, in an amount equal to fifty percent of the
44 amount of an eligible donation, subject to the restrictions in this
45 section. The amount of the tax credit claimed shall not exceed the
46 amount of the taxpayer's state income tax liability in the tax year for
47 which the credit is claimed. Any amount of credit that the taxpayer is
48 prohibited by this section from claiming in a tax year shall not be
49 refundable, but may be carried forward to any of the taxpayer's four
50 subsequent taxable years.

51 4. To claim the credit authorized in this section, an innovation
52 campus may submit to the department an application for the tax credit
53 authorized by this section on behalf of taxpayers. The department shall
54 verify that the innovation campus has submitted the following items
55 accurately and completely:

56 (1) A valid application in the form and format required by the
57 department;

58 (2) A statement attesting to the eligible donation received, which
59 shall include the name and taxpayer identification number of the

60 taxpayer making the eligible donation, the amount of the eligible
61 donation, and the date the eligible donation was received by the
62 innovation campus; and

63 (3) Payment from the innovation campus equal to the value of
64 the tax credit for which application is made.

65 If the innovation campus applying for the tax credit meets all criteria
66 required by this subsection, the department shall issue a certificate in
67 the appropriate amount.

68 5. Tax credits issued under this section may be assigned,
69 transferred, sold, or otherwise conveyed, and the new owner of the tax
70 credit shall have the same rights in the credit as the
71 taxpayer. Whenever a certificate is assigned, transferred, sold, or
72 otherwise conveyed, a notarized endorsement shall be filed with the
73 department specifying the name and address of the new owner of the
74 tax credit and the value of the credit.

75 6. The department shall promulgate rules to implement the
76 provisions of this section. Any rule or portion of a rule, as that term is
77 defined in section 536.010, that is created under the authority delegated
78 in this section shall become effective only if it complies with and is
79 subject to all of the provisions of chapter 536 and, if applicable, section
80 536.028. This section and chapter 536 are nonseverable and if any of
81 the powers vested with the general assembly pursuant to chapter 536
82 to review, to delay the effective date, or to disapprove and annual a
83 rule are subsequently held unconstitutional, then the grant of
84 rulemaking authority and any rule proposed or adopted after August
85 28, 2014, shall be invalid and void.

86 7. Under section 23.253 of the Missouri sunset act:

87 (1) The provisions of the new program authorized under this
88 section shall automatically sunset six years after the effective date of
89 this section unless reauthorized by an act of the general assembly; and

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

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