

SECOND REGULAR SESSION

SENATE BILL NO. 871

90TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS FLOTRON, CLAY AND YECKEL

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TERRY L. SPIELER, Secretary.

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to tax credits for lead abatement, with an effective date.

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 135.940, to read as follows:

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

(1) "Abatement", any measure regulated solely by the Missouri department of health designed to permanently eliminate lead hazards, which shall include:

(a) The removal of lead-bearing substances, the replacement of lead-painted surfaces or fixtures, or the permanent enclosure or encapsulation of lead-bearing substances; and

(b) All preparation, cleanup, disposal, and postabatement clearance testing activities associated with such measures.

Abatement shall not include any measure involving a de minimis surface area or activity excluded from this definition by rule;

(2) "Dwelling", shall be either:

(a) A single-family dwelling, including attached structures such as porches and stoops; or

(b) A single-family dwelling unit in a structure that contains more than one separate residential dwelling unit and in which each such unit is used or occupied or intended to be used or occupied, in whole or in part, as the home or residence of one or more persons in which a child under the age of seven is residing, or has resided, or where historical use via affidavit establishes the presence in the past of a child under the age of seven;

(3) "Letter of compliance", a statement issued by a licensed inspector that the dwelling meets the requirements of sections 701.300 to 701.338, RSMo, and the regulations promulgated thereunder;

(4) "Licensed inspector", an individual licensed by the department of health pursuant to section 701.312, RSMo, to inspect and assess dwellings for the presence of lead-bearing substances;

2. Any taxpayer who has paid the cost of lead abatement in order to comply with sections 701.300 to 701.338, RSMo, and has received a letter of compliance from a lead inspector that the taxpayer's dwellings complies with sections 701.300 to 701.338, RSMo, and the regulations promulgated thereunder, 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 has paid for lead abatement compliance in census tracts over the poverty level, and one hundred percent in census tracts under the poverty level.

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. Any entity receiving in excess of ten thousand dollars in tax credits may transfer, assign or sell such tax credits. However, any tax credit that cannot be claimed in the taxable year the lead abatement expenses were incurred may be carried over to the next four succeeding taxable years until the full credit has been claimed.

4. The Missouri housing development commission shall establish a procedure by which a taxpayer can determine whether his dwellings have complied with sections 701.300 to 701.338, RSMo, in order to qualify for the tax credit. The Missouri housing development commission may require of a taxpayer seeking the tax credit whatever information is reasonably necessary to make such a determination. The cumulative amount of tax credits which may be claimed by all the taxpayers in any one fiscal year shall not exceed one hundred million dollars. Ten percent of the tax credits provided in this section shall go to public housing authorities. One hundred percent of credits going to not-for-profit or public housing authorities are transferrable.

5. When applying for a tax credit, the taxpayer shall make application for the credit to the Missouri housing development commission. The application shall include:

(1) The letter of compliance issued by a licensed inspector that the dwelling meets the compliance standards of sections 701.300 to 701.338, RSMo, and the regulations promulgated thereunder;

(2) The name and address of the person claiming the tax credit;

(3) The location of the dwellings which received lead abatement treatment;

(4) The cost of abating such dwellings; and

(5) Other information which the Missouri housing development commission

reasonably requires.

6. The application shall be received and reviewed by the Missouri housing development commission and it shall certify to the department of revenue each applicant which qualifies for the tax credit.

7. This section shall become effective January 1, 2002, and shall apply to all tax years after December 31, 2001.

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