

FIRST REGULAR SESSION  
[ P E R F E C T E D ]  
SENATE SUBSTITUTE FOR

# SENATE BILL NO. 362

## 93RD GENERAL ASSEMBLY

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INTRODUCED BY SENATOR STOUFFER.

Offered April 11, 2005.

Senate Substitute adopted, April 11, 2005.

Taken up for Perfection April 11, 2005. Bill declared Perfected and Ordered Printed, as amended.

TERRY L. SPIELER, Secretary.

1572S.03P

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### AN ACT

To amend chapter 135, RSMo, by adding thereto three new sections relating to residential treatment agency tax credits, with an expiration date for a certain section.

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

Section A. Chapter 135, RSMo, is amended by adding thereto three new sections, to be known as sections 135.562, 135.1142, and 1, to read as follows:

**135.562. 1. This section shall be known and may be cited as the "Accessible Home Tax Credit Program".**

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

- (1) "Department", the department of revenue;**
- (2) "Director", the director of the department of revenue;**
- (3) "Disability", a physical impairment which substantially limits one or more of a person's major life activities;**
- (4) "Tax liability", the tax due pursuant to chapter 143, RSMo, other than taxes withheld pursuant to sections 143.191 to 143.265, RSMo; and**
- (5) "Taxpayer", any non-corporate taxpayer.**

**3. If any taxpayer with a federal adjusted gross income of thirty thousand dollars or less who incurs costs for the purpose of making all or any portion of such taxpayer's principal dwelling accessible to an individual with a disability who permanently resides with the taxpayer, such taxpayer shall receive a tax credit against such taxpayer's Missouri income tax liability in an amount equal to the lesser of one hundred percent of such costs or two thousand five hundred dollars. Tax credits issued pursuant to this subsection are refundable in an**

amount not to exceed two thousand five hundred dollars per tax year and shall be subject to appropriation.

4. Any taxpayer with a federal adjusted gross income greater than thirty thousand dollars but less than sixty thousand dollars who incurs costs for the purpose of making all or any portion of such taxpayer's principal dwelling accessible to an individual with a disability who permanently resides with the taxpayer, such taxpayer shall receive a tax credit against such taxpayer's Missouri income tax liability in an amount equal to the lesser of fifty percent of such costs or two thousand five hundred dollars per tax year. Tax credits issued pursuant to this subsection are refundable in an amount not to exceed two thousand five hundred dollars per tax year.

5. In no event shall the aggregate amount of all tax credits allowed pursuant to this section exceed one hundred thousand dollars. The tax credits issued pursuant to this subsection will be on a first-come, first-served filing basis.

6. Eligible costs for which the credit may be claimed include:

- (1) Constructing entrance or exit ramps;
- (2) Widening exterior or interior doorways;
- (3) Widening hallways;
- (4) Installing handrails or grab bars;
- (5) Moving electrical outlets and switches;
- (6) Installing stairway lifts;
- (7) Installing or modifying fire alarms, smoke detectors, and other alerting systems;
- (8) Modifying hardware of doors; or
- (9) Modifying bathrooms.

7. The tax credits allowed, including the maximum amount that may be claimed, pursuant to this section shall be reduced by one-third to the extent a taxpayer has already deducted such costs from such taxpayer's federal adjusted gross income or applied any other state or federal income tax credit to such costs.

8. A taxpayer shall claim a credit allowed by this section in the same taxable year as the credit is issued, and at the time such taxpayer files his or her Missouri income tax return; provided that, such return is timely filed. The tax credit shall be taken against the tax imposed under chapter 143, RSMo, excluding withholding taxes.

9. The department may promulgate such rules or regulations as are necessary to administer the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with

and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be invalid and void.

10. The provisions of this section shall apply to all tax years beginning on or after January 1, 2006.

11. The provisions of this section shall expire December 31, 2011.

135.1142. 1. This act shall be known and may be cited as the "Residential Treatment Agency Tax Credit Act".

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

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

(2) "Department", the Missouri department of social services;

(3) "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, RSMo, or a corporation subject to the annual corporation franchise tax imposed by the provisions of chapter 147, RSMo, 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 under the provisions of chapter 148, RSMo, or an individual subject to the state income tax imposed by the provisions of chapter 143, RSMo;

(4) "Qualifying residential treatment agency" or "agency", a residential treatment agency that is licensed under section 210.484, RSMo, and is under contract with the Missouri department of social services to provide treatment services.

3. An individual who makes a monetary donation to a qualifying residential treatment agency may receive credit against taxes owed under chapter 143, RSMo, equal to fifty percent of the amount of the donation, subject to the conditions and limitations of subsection 4 of this section.

4. The department shall authorize the issuance of residential treatment agency tax credits. Application for a tax credit shall be made to the department. Only a qualifying residential treatment agency may submit an application for the tax credit on behalf of individuals making monetary donations to the agency. Agencies may apply for tax credits in an aggregate amount that does not exceed forty percent of the payments made by the department to the

agency in the preceding twelve months. A certificate shall be issued to the individual by the department after the department has verified that the agency has submitted the following items accurately and completely:

- (1) A valid application in the form and format required by the department;
- (2) A statement attesting to the donation received, which shall include the name and taxpayer identification number of the individual making the donation, the amount of the donation, and the date the donation was received by the agency; and
- (3) Payment from the agency equal to the value of the tax credit for which application is made.

5. For tax years beginning on or after January 1, 2006, the tax credits under this subsection or subsection 4 of this section may be used to satisfy taxes owed under section 143, RSMo, excluding sections 143.191 to 143.265, RSMo, in the tax year the credit is certified or that was owed during the previous three years. Any unused portion of the tax credit authorized under this section may be carried forward for up to four years.

6. Certificates issued in accordance with this section may be transferred, sold, or assigned by notarized endorsement, which names the transferee.

7. The department of social services shall promulgate such rules and regulations as are necessary to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2005, shall be invalid and void.

Section 1. 1. For all tax years beginning on or after January 1, 2006, a taxpayer who pays income tax on the receipt of any annuity, pension, or retirement allowance provided as a result of service in the armed forces of the United States shall be allowed to claim a credit against the tax otherwise due under chapter 143, RSMo, excluding sections 143.191 to 143.265, RSMo, in an amount equal to the tax paid on such allowance. A taxpayer shall claim the credit allowed by this section at the time such taxpayer files a return, provided that a taxpayer who fails to file such taxpayer's return in a timely manner shall not be eligible for a credit under this section. The tax credit allowed under this section

shall be nonrefundable but may be carried over to the next five succeeding taxable years until the full credit has been claimed.

2. The department of revenue is authorized to adopt any rules or regulations deemed necessary for the effective administration of this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2005, shall be invalid and void.

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