

SECOND REGULAR SESSION

SENATE BILL NO. 635

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR PEARCE.

Pre-filed December 1, 2009, and ordered printed.

TERRY L. SPIELER, Secretary.

3226S.011

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for processed biomass engineered fiber fuel.

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 135.315, to read as follows:

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

(1) "Processed biomass engineered fiber fuel", any fuel derived from substances produced in this state that were changed from their original form and combined in a manufacturing process in this state of three or more biomass inputs, resulting in a fuel product with a heat value of at least seven thousand five hundred British Thermal Units (BTUs) per pound;

(2) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265;

(3) "Taxpayer", any individual subject to the tax imposed in chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

2. For all taxable years beginning on or after January 1, 2011, a taxpayer shall be allowed a tax credit for using processed biomass engineered fiber fuel. The tax credit amount shall be equal to the following percentages of the purchase price of processed biomass engineered fiber fuel:

(1) For the year in which the fuel was purchased and used, thirty percent;

(2) For the second year in which the fuel was purchased and

22 used, twenty-five percent;

23 (3) For the third year in which the fuel was purchased and used,
24 twenty percent;

25 (4) For the fourth year in which the fuel was purchased and
26 used, fifteen percent;

27 (5) For the fifth year in which the fuel was purchased and used,
28 ten percent;

29 (6) For the sixth year in which the fuel was purchased and used,
30 five percent.

31 3. No tax credit shall be issued under this section after the sixth
32 year in which the fuel was purchased and used.

33 4. The amount of the tax credit issued shall not exceed the
34 amount of the taxpayer's state tax liability for the tax year for which
35 the credit is claimed. No amount of credit that the taxpayer is
36 prohibited by this section from claiming in a tax year shall be
37 refundable, nor shall any tax credit issued under this section be
38 transferred, sold, or assigned. If the amount of the tax credit issued
39 exceeds the amount of the taxpayer's state tax liability for the tax year
40 for which the credit is claimed, the difference shall not be refundable
41 but may be carried forward to any of the taxpayer's four subsequent
42 taxable years.

43 5. The department of revenue may promulgate rules to
44 implement the provisions of this section. Any rule or portion of a rule,
45 as that term is defined in section 536.010, that is created under the
46 authority delegated in this section shall become effective only if it
47 complies with and is subject to all of the provisions of chapter 536, and,
48 if applicable, section 536.028. This section and chapter 536, are
49 nonseverable and if any of the powers vested with the general assembly
50 pursuant to chapter 536, to review, to delay the effective date, or to
51 disapprove and annul a rule are subsequently held unconstitutional,
52 then the grant of rulemaking authority and any rule proposed or
53 adopted after August 28, 2010, shall be invalid and void.

54 6. Under section 23.253 of the Missouri sunset act:

55 (1) The provisions of the new program authorized under this
56 section shall automatically sunset on December thirty-first six years
57 after the effective date of this section unless reauthorized by an act of
58 the general assembly; and

59 (2) If such program is reauthorized, the program authorized
60 under this section shall automatically sunset on December thirty-first
61 twelve years after the effective date of the reauthorization of this
62 section; and

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

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