

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend SCS/Senate Bills Nos. 509 & 496, Page 5, Section 143.151, Line 15,

2 by inserting after all of said line the following:

3 "135.760. 1. This section shall be known and may be cited
4 as the "Missouri Earned Income Tax Credit Act".

5 2. For all taxable years beginning on or after January 1,
6 2014, a resident individual who is allowed a federal earned
7 income tax credit under Section 32 of the Internal Revenue Code
8 of 1986, as amended, shall be allowed a credit against the tax
9 otherwise due under chapter 143, not including sections 143.191
10 to 143.265, in an amount equal to twenty percent of the allowable
11 federal earned income tax credit. The tax credit allowed by this
12 section shall be claimed by such individual at the time such
13 individual files a return and shall be applied against the income
14 tax liability imposed by chapter 143 after reduction for all
15 other credits allowed thereon. For taxpayers whose filing status
16 is married filing separately, such taxpayers may elect to apply
17 the tax credit to the income tax liability of either taxpayer, or
18 may elect to apply the tax credit evenly to the income tax
19 liability of each spouse. Where the amount of the credit exceeds
20 the tax liability, the difference shall be refunded to the
21 taxpayer.

22 3. Notwithstanding the provision of subsection 4 of section

1 32.057, the department of revenue or any duly authorized employee
2 or agent shall determine whether any taxpayer filing a report or
3 return with the department of revenue who has not applied for the
4 credit allowed under this section may qualify for the credit, and
5 shall notify any qualified claimant of the claimant's potential
6 eligibility, where the department determines such potential
7 eligibility exists. In making a determination of eligibility
8 under this section, the department shall use any appropriate and
9 available data, including but not limited to data available from
10 the Internal Revenue Service, the U.S. Department of Treasury,
11 and state income tax returns from previous tax years.

12 4. The department shall prepare an annual report containing
13 statistical information regarding the tax credits issued under
14 this section for the previous tax year, including the total
15 amount of revenue expended on the earned income tax credit, the
16 number of credits claimed, and the average value of the credits
17 issued to taxpayers whose earned income falls within various
18 income ranges determined by the department.

19 5. The department shall contract with one or more nonprofit
20 groups to provide notice of the earned income tax credit to
21 eligible taxpayers. The department shall require evidence of the
22 effectiveness of the nonprofit group, the connection with the
23 community in which the group operates, and the ability to contact
24 taxpayers that are unlikely to claim the federal earned income
25 tax credit, including but not limited to non-English speakers,
26 elderly, tenants, and very low-income taxpayers who do not file
27 tax returns annually. The department shall give preference to
28 nonprofit groups with members in low- and moderate-income areas,
29 nonprofit groups with at least fifty-one percent of the board of

1 directors having low- to moderate-incomes and residents of target
2 communities, and to nonprofit groups that have a record of
3 effective door-to-door outreach for similar community projects.

4 6. The director of the department of revenue shall
5 promulgate rules and regulations to administer the provisions of
6 this section. Any rule or portion of a rule, as that term is
7 defined in section 536.010, that is created under the authority
8 delegated in this section shall become effective only if it
9 complies with and is subject to all of the provisions of chapter
10 536 and, if applicable, section 536.028. This section and
11 chapter 536 are nonseverable and if any of the powers vested with
12 the general assembly pursuant to chapter 536 to review, to delay
13 the effective date, or to disapprove and annul a rule are
14 subsequently held unconstitutional, then the grant of rulemaking
15 authority and any rule proposed or adopted after August 28, 2014,
16 shall be invalid and void.

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

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

22 (2) If such program is reauthorized, the program authorized
23 under this section shall automatically sunset on December thirty-
24 first twelve years after the effective date of the
25 reauthorization of this section; and

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

29 Further amend the title and enacting clause accordingly.