

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend _____ House _____ Bill No. 514 , Pages 1-10 , Section 99.845 , Line _____ ,

2 by striking all of said section and inserting in lieu thereof the
3 following:

4 "99.845. 1. A municipality, either at the time a
5 redevelopment project is approved or, in the event a municipality
6 has undertaken acts establishing a redevelopment plan and
7 redevelopment project and has designated a redevelopment area
8 after the passage and approval of sections 99.800 to 99.865 but
9 prior to August 13, 1982, which acts are in conformance with the
10 procedures of sections 99.800 to 99.865, may adopt tax increment
11 allocation financing by passing an ordinance providing that after
12 the total equalized assessed valuation of the taxable real
13 property in a redevelopment project exceeds the certified total
14 initial equalized assessed valuation of the taxable real property
15 in the redevelopment project, the ad valorem taxes, and payments
16 in lieu of taxes, if any, arising from the levies upon taxable
17 real property in such redevelopment project by taxing districts
18 and tax rates determined in the manner provided in subsection 2
19 of section 99.855 each year after the effective date of the
20 ordinance until redevelopment costs have been paid shall be
21 divided as follows:

22 (1) That portion of taxes, penalties and interest levied

1 upon each taxable lot, block, tract, or parcel of real property
2 which is attributable to the initial equalized assessed value of
3 each such taxable lot, block, tract, or parcel of real property
4 in the area selected for the redevelopment project shall be
5 allocated to and, when collected, shall be paid by the county
6 collector to the respective affected taxing districts in the
7 manner required by law in the absence of the adoption of tax
8 increment allocation financing;

9 (2) (a) Payments in lieu of taxes attributable to the
10 increase in the current equalized assessed valuation of each
11 taxable lot, block, tract, or parcel of real property in the area
12 selected for the redevelopment project and any applicable penalty
13 and interest over and above the initial equalized assessed value
14 of each such unit of property in the area selected for the
15 redevelopment project shall be allocated to and, when collected,
16 shall be paid to the municipal treasurer who shall deposit such
17 payment in lieu of taxes into a special fund called the "Special
18 Allocation Fund" of the municipality for the purpose of paying
19 redevelopment costs and obligations incurred in the payment
20 thereof. Beginning August 28, 2014, if the voters in a taxing
21 district vote to approve an increase in such taxing district's
22 levy rate for ad valorem tax on real property, any additional
23 revenues generated within an existing redevelopment project area
24 that are directly attributable to the newly voter-approved
25 incremental increase in such taxing district's levy rate shall
26 not be considered payments in lieu of taxes subject to deposit
27 into a special allocation fund without the consent of such taxing
28 district. Revenues will be considered directly attributable to
29 the newly voter-approved incremental increase to the extent that

1 they are generated from the difference between the taxing
2 district's actual levy rate currently imposed and the maximum
3 voter-approved levy rate at the time that the redevelopment
4 project was adopted. Payments in lieu of taxes which are due and
5 owing shall constitute a lien against the real estate of the
6 redevelopment project from which they are derived and shall be
7 collected in the same manner as the real property tax, including
8 the assessment of penalties and interest where applicable. The
9 municipality may, in the ordinance, pledge the funds in the
10 special allocation fund for the payment of such costs and
11 obligations and provide for the collection of payments in lieu of
12 taxes, the lien of which may be foreclosed in the same manner as
13 a special assessment lien as provided in section 88.861. No part
14 of the current equalized assessed valuation of each lot, block,
15 tract, or parcel of property in the area selected for the
16 redevelopment project attributable to any increase above the
17 total initial equalized assessed value of such properties shall
18 be used in calculating the general state school aid formula
19 provided for in section 163.031 until such time as all
20 redevelopment costs have been paid as provided for in this
21 section and section 99.850.

22 (b) Notwithstanding any provisions of this section to the
23 contrary, for purposes of determining the limitation on
24 indebtedness of local government pursuant to Article VI, Section
25 26(b) of the Missouri Constitution, the current equalized
26 assessed value of the property in an area selected for
27 redevelopment attributable to the increase above the total
28 initial equalized assessed valuation shall be included in the
29 value of taxable tangible property as shown on the last completed

1 assessment for state or county purposes.

2 (c) The county assessor shall include the current assessed
3 value of all property within the taxing district in the aggregate
4 valuation of assessed property entered upon the assessor's book
5 and verified pursuant to section 137.245, and such value shall be
6 utilized for the purpose of the debt limitation on local
7 government pursuant to Article VI, Section 26(b) of the Missouri
8 Constitution;

9 (3) For purposes of this section, "levies upon taxable real
10 property in such redevelopment project by taxing districts" shall
11 not include the blind pension fund tax levied under the authority
12 of Article III, Section 38(b) of the Missouri Constitution, or
13 the merchants' and manufacturers' inventory replacement tax
14 levied under the authority of subsection 2 of Section 6 of
15 Article X of the Missouri Constitution, except in redevelopment
16 project areas in which tax increment financing has been adopted
17 by ordinance pursuant to a plan approved by vote of the governing
18 body of the municipality taken after August 13, 1982, and before
19 January 1, 1998.

20 2. In addition to the payments in lieu of taxes described
21 in subdivision (2) of subsection 1 of this section, for
22 redevelopment plans and projects adopted or redevelopment
23 projects approved by ordinance after July 12, 1990, and prior to
24 August 31, 1991, fifty percent of the total additional revenue
25 from taxes, penalties and interest imposed by the municipality,
26 or other taxing districts, which are generated by economic
27 activities within the area of the redevelopment project over the
28 amount of such taxes generated by economic activities within the
29 area of the redevelopment project in the calendar year prior to

1 the adoption of the redevelopment project by ordinance, while tax
2 increment financing remains in effect, but excluding taxes
3 imposed on sales or charges for sleeping rooms paid by transient
4 guests of hotels and motels, taxes levied pursuant to section
5 70.500, licenses, fees or special assessments other than payments
6 in lieu of taxes and any penalty and interest thereon, or,
7 effective January 1, 1998, taxes levied pursuant to section
8 94.660, for the purpose of public transportation, shall be
9 allocated to, and paid by the local political subdivision
10 collecting officer to the treasurer or other designated financial
11 officer of the municipality, who shall deposit such funds in a
12 separate segregated account within the special allocation fund.
13 Any provision of an agreement, contract or covenant entered into
14 prior to July 12, 1990, between a municipality and any other
15 political subdivision which provides for an appropriation of
16 other municipal revenues to the special allocation fund shall be
17 and remain enforceable.

18 3. In addition to the payments in lieu of taxes described
19 in subdivision (2) of subsection 1 of this section, for
20 redevelopment plans and projects adopted or redevelopment
21 projects approved by ordinance after August 31, 1991, fifty
22 percent of the total additional revenue from taxes, penalties and
23 interest which are imposed by the municipality or other taxing
24 districts, and which are generated by economic activities within
25 the area of the redevelopment project over the amount of such
26 taxes generated by economic activities within the area of the
27 redevelopment project in the calendar year prior to the adoption
28 of the redevelopment project by ordinance, while tax increment
29 financing remains in effect, but excluding personal property

1 taxes, taxes imposed on sales or charges for sleeping rooms paid
2 by transient guests of hotels and motels, taxes levied pursuant
3 to section 70.500, taxes levied for the purpose of public
4 transportation pursuant to section 94.660, taxes imposed on sales
5 pursuant to subsection 2 of section 67.1712 for the purpose of
6 operating and maintaining a metropolitan park and recreation
7 district, licenses, fees or special assessments other than
8 payments in lieu of taxes and penalties and interest thereon, any
9 sales tax imposed by a county with a charter form of government
10 and with more than six hundred thousand but fewer than seven
11 hundred thousand inhabitants, for the purpose of sports stadium
12 improvement or levied by such county under section 238.410 for
13 the purpose of the county transit authority operating
14 transportation facilities, or for redevelopment plans and
15 projects adopted or redevelopment projects approved by ordinance
16 after August 28, 2013, taxes imposed on sales under and pursuant
17 to section 67.700 or 650.399 for the purpose of emergency
18 communication systems, shall be allocated to, and paid by the
19 local political subdivision collecting officer to the treasurer
20 or other designated financial officer of the municipality, who
21 shall deposit such funds in a separate segregated account within
22 the special allocation fund. Beginning August 28, 2014, if the
23 voters in a taxing district vote to approve an increase in such
24 taxing district's sales tax or use tax, other than the renewal of
25 an expiring sales or use tax, any additional revenues generated
26 within an existing redevelopment project area that are directly
27 attributable to the newly voter-approved incremental increase in
28 such taxing district's levy rate shall not be considered economic
29 activity taxes subject to deposit into a special allocation fund

1 without the consent of such taxing district.

2 4. Beginning January 1, 1998, for redevelopment plans and
3 projects adopted or redevelopment projects approved by ordinance
4 and which have complied with subsections 4 to 12 of this section,
5 in addition to the payments in lieu of taxes and economic
6 activity taxes described in subsections 1, 2 and 3 of this
7 section, up to fifty percent of the new state revenues, as
8 defined in subsection 8 of this section, estimated for the
9 businesses within the project area and identified by the
10 municipality in the application required by subsection 10 of this
11 section, over and above the amount of such taxes reported by
12 businesses within the project area as identified by the
13 municipality in their application prior to the approval of the
14 redevelopment project by ordinance, while tax increment financing
15 remains in effect, may be available for appropriation by the
16 general assembly as provided in subsection 10 of this section to
17 the department of economic development supplemental tax increment
18 financing fund, from the general revenue fund, for distribution
19 to the treasurer or other designated financial officer of the
20 municipality with approved plans or projects.

21 5. The treasurer or other designated financial officer of
22 the municipality with approved plans or projects shall deposit
23 such funds in a separate segregated account within the special
24 allocation fund established pursuant to section 99.805.

25 6. No transfer from the general revenue fund to the
26 Missouri supplemental tax increment financing fund shall be made
27 unless an appropriation is made from the general revenue fund for
28 that purpose. No municipality shall commit any state revenues
29 prior to an appropriation being made for that project. For all

1 redevelopment plans or projects adopted or approved after
2 December 23, 1997, appropriations from the new state revenues
3 shall not be distributed from the Missouri supplemental tax
4 increment financing fund into the special allocation fund unless
5 the municipality's redevelopment plan ensures that one hundred
6 percent of payments in lieu of taxes and fifty percent of
7 economic activity taxes generated by the project shall be used
8 for eligible redevelopment project costs while tax increment
9 financing remains in effect. This account shall be separate from
10 the account into which payments in lieu of taxes are deposited,
11 and separate from the account into which economic activity taxes
12 are deposited.

13 7. In order for the redevelopment plan or project to be
14 eligible to receive the revenue described in subsection 4 of this
15 section, the municipality shall comply with the requirements of
16 subsection 10 of this section prior to the time the project or
17 plan is adopted or approved by ordinance. The director of the
18 department of economic development and the commissioner of the
19 office of administration may waive the requirement that the
20 municipality's application be submitted prior to the
21 redevelopment plan's or project's adoption or the redevelopment
22 plan's or project's approval by ordinance.

23 8. For purposes of this section, "new state revenues"
24 means:

25 (1) The incremental increase in the general revenue portion
26 of state sales tax revenues received pursuant to section 144.020,
27 excluding sales taxes that are constitutionally dedicated, taxes
28 deposited to the school district trust fund in accordance with
29 section 144.701, sales and use taxes on motor vehicles, trailers,

1 boats and outboard motors and future sales taxes earmarked by
2 law. In no event shall the incremental increase include any
3 amounts attributable to retail sales unless the municipality or
4 authority has proven to the Missouri development finance board
5 and the department of economic development and such entities have
6 made a finding that the sales tax increment attributable to
7 retail sales is from new sources which did not exist in the state
8 during the baseline year. The incremental increase in the
9 general revenue portion of state sales tax revenues for an
10 existing or relocated facility shall be the amount that current
11 state sales tax revenue exceeds the state sales tax revenue in
12 the base year as stated in the redevelopment plan as provided in
13 subsection 10 of this section; or

14 (2) The state income tax withheld on behalf of new
15 employees by the employer pursuant to section 143.221 at the
16 business located within the project as identified by the
17 municipality. The state income tax withholding allowed by this
18 section shall be the municipality's estimate of the amount of
19 state income tax withheld by the employer within the
20 redevelopment area for new employees who fill new jobs directly
21 created by the tax increment financing project.

22 9. Subsection 4 of this section shall apply only to the
23 following:

24 (1) Blighted areas located in enterprise zones, pursuant to
25 sections 135.200 to 135.256, blighted areas located in federal
26 empowerment zones, or to blighted areas located in central
27 business districts or urban core areas of cities which districts
28 or urban core areas at the time of approval of the project by
29 ordinance, provided that the enterprise zones, federal

1 empowerment zones or blighted areas contained one or more
2 buildings at least fifty years old; and

3 [(1)] (a) Suffered from generally declining population or
4 property taxes over the twenty-year period immediately preceding
5 the area's designation as a project area by ordinance; or

6 [(2)] (b) Was a historic hotel located in a county of the
7 first classification without a charter form of government with a
8 population according to the most recent federal decennial census
9 in excess of one hundred fifty thousand and containing a portion
10 of a city with a population according to the most recent federal
11 decennial census in excess of three hundred fifty thousand;

12 (2) Blighted areas consisting solely of the site of a
13 former automobile manufacturing plant located in any county with
14 a charter form of government and with more than nine hundred
15 fifty thousand inhabitants. For the purposes of this section,
16 "former automobile manufacturing plant" means a redevelopment
17 area containing a minimum of one hundred acres, and such
18 redevelopment area was previously used primarily for the
19 manufacture of automobiles but ceased such manufacturing after
20 the 2007 calendar year; or

21 (3) Blighted areas consisting solely of the site of a
22 former insurance company national service center containing a
23 minimum of one hundred acres located in any county with a charter
24 form of government and with more than nine hundred fifty thousand
25 inhabitants.

26 10. The initial appropriation of up to fifty percent of the
27 new state revenues authorized pursuant to [subsections 4 and 5]
28 subsection 4 of this section shall not be made to or distributed
29 by the department of economic development to a municipality until

1 all of the following conditions have been satisfied:

2 (1) The director of the department of economic development
3 or his or her designee and the commissioner of the office of
4 administration or his or her designee have approved a tax
5 increment financing application made by the municipality for the
6 appropriation of the new state revenues. The municipality shall
7 include in the application the following items in addition to the
8 items in section 99.810:

9 (a) The tax increment financing district or redevelopment
10 area, including the businesses identified within the
11 redevelopment area;

12 (b) The base year of state sales tax revenues or the base
13 year of state income tax withheld on behalf of existing
14 employees, reported by existing businesses within the project
15 area prior to approval of the redevelopment project;

16 (c) The estimate of the incremental increase in the general
17 revenue portion of state sales tax revenue or the estimate for
18 the state income tax withheld by the employer on behalf of new
19 employees expected to fill new jobs created within the
20 redevelopment area after redevelopment;

21 (d) The official statement of any bond issue pursuant to
22 this subsection after December 23, 1997;

23 (e) An affidavit that is signed by the developer or
24 developers attesting that the provisions of subdivision (1) of
25 subsection 1 of section 99.810 have been met and specifying that
26 the redevelopment area would not be reasonably anticipated to be
27 developed without the appropriation of the new state revenues;

28 (f) The cost-benefit analysis required by section 99.810
29 includes a study of the fiscal impact on the state of Missouri;

1 [and]

2 (g) The statement of election between the use of the
3 incremental increase of the general revenue portion of the state
4 sales tax revenues or the state income tax withheld by employers
5 on behalf of new employees who fill new jobs created in the
6 redevelopment area;

7 (h) The name, street and mailing address, and phone number
8 of the mayor or chief executive officer of the municipality;

9 (i) The street address of the development site;

10 (j) The three-digit North American Industry Classification
11 System number or numbers characterizing the development project;

12 (k) The estimated development project costs;

13 (l) The anticipated sources of funds to pay such
14 development project costs;

15 (m) Evidence of the commitments to finance such development
16 project costs;

17 (n) The anticipated type and term of the sources of funds
18 to pay such development project costs;

19 (o) The anticipated type and terms of the obligations to be
20 issued;

21 (p) The most recent equalized assessed valuation of the
22 property within the development project area;

23 (q) An estimate as to the equalized assessed valuation
24 after the development project area is developed in accordance
25 with a development plan;

26 (r) The general land uses to apply in the development area;

27 (s) The total number of individuals employed in the
28 development area, broken down by full-time, part-time, and
29 temporary positions;

1 (t) The total number of full-time equivalent positions in
2 the development area;

3 (u) The current gross wages, state income tax withholdings,
4 and federal income tax withholdings for individuals employed in
5 the development area;

6 (v) The total number of individuals employed in this state
7 by the corporate parent of any business benefitting from public
8 expenditures in the development area, and all subsidiaries
9 thereof, as of December thirty-first of the prior fiscal year,
10 broken down by full-time, part-time, and temporary positions;

11 (w) The number of new jobs to be created by any business
12 benefitting from public expenditures in the development area,
13 broken down by full-time, part-time, and temporary positions;

14 (x) The average hourly wage to be paid to all current and
15 new employees at the project site, broken down by full-time,
16 part-time, and temporary positions;

17 (y) For project sites located in a metropolitan statistical
18 area, as defined by the federal Office of Management and Budget,
19 the average hourly wage paid to nonmanagerial employees in this
20 state for the industries involved at the project, as established
21 by the United States Bureau of Labor Statistics;

22 (z) For project sites located outside of metropolitan
23 statistical areas, the average weekly wage paid to nonmanagerial
24 employees in the county for industries involved at the project,
25 as established by the United States Department of Commerce;

26 (aa) A list of other community and economic benefits to
27 result from the project;

28 (bb) A list of all development subsidies that any business
29 benefitting from public expenditures in the development area has

1 previously received for the project, and the name of any other
2 granting body from which such subsidies are sought;

3 (cc) A list of all other public investments made or to be
4 made by this state or units of local government to support
5 infrastructure or other needs generated by the project for which
6 the funding pursuant to this section is being sought;

7 (dd) A statement as to whether the development project may
8 reduce employment at any other site, within or without the state,
9 resulting from automation, merger, acquisition, corporate
10 restructuring, relocation, or other business activity;

11 (ee) A statement as to whether or not the project involves
12 the relocation of work from another address and if so, the number
13 of jobs to be relocated and the address from which they are to be
14 relocated;

15 (ff) A list of competing businesses in the county
16 containing the development area and in each contiguous county;

17 (gg) A market study for the development area;

18 (hh) A certification by the chief officer of the applicant
19 as to the accuracy of the development plan;

20 (2) The methodologies used in the application for
21 determining the base year and determining the estimate of the
22 incremental increase in the general revenue portion of the state
23 sales tax revenues or the state income tax withheld by employers
24 on behalf of new employees who fill new jobs created in the
25 redevelopment area shall be approved by the director of the
26 department of economic development or his or her designee and the
27 commissioner of the office of administration or his or her
28 designee. Upon approval of the application, the director of the
29 department of economic development or his or her designee and the

1 commissioner of the office of administration or his or her
2 designee shall issue a certificate of approval. The department
3 of economic development may request the appropriation following
4 application approval;

5 (3) The appropriation shall be either a portion of the
6 estimate of the incremental increase in the general revenue
7 portion of state sales tax revenues in the redevelopment area or
8 a portion of the estimate of the state income tax withheld by the
9 employer on behalf of new employees who fill new jobs created in
10 the redevelopment area as indicated in the municipality's
11 application, approved by the director of the department of
12 economic development or his or her designee and the commissioner
13 of the office of administration or his or her designee. At no
14 time shall the annual amount of the new state revenues approved
15 for disbursements from the Missouri supplemental tax increment
16 financing fund exceed thirty-two million dollars; provided,
17 however, that such thirty-two million dollar cap shall not apply
18 to redevelopment plans or projects initially listed by name in
19 the applicable appropriations bill after August 28, 2015, which
20 involve either:

21 (a) A former automobile manufacturing plant; or

22 (b) The retention of a federal employer employing over two
23 thousand geospatial intelligence jobs.

24
25 At no time shall the annual amount of the new state revenues for
26 disbursements from the Missouri supplemental tax increment
27 financing fund for redevelopment plans and projects eligible
28 under the provisions of paragraph (a) of this subdivision exceed
29 four million dollars in the aggregate. At no time shall the

1 annual amount of the new state revenues for disbursements from
2 the Missouri supplemental tax increment financing fund for
3 redevelopment plans and projects eligible under the provisions of
4 paragraph (b) of this subdivision exceed twelve million dollars
5 in the aggregate. To the extent a redevelopment plan or project
6 independently meets the eligibility criteria set forth in both
7 paragraphs (a) and (b) of this subdivision, then at no such time
8 shall the annual amount of new state revenues for disbursements
9 from the Missouri supplemental tax increment financing fund for
10 such eligible redevelopment plan or project exceed twelve million
11 dollars in the aggregate;

12 (4) Redevelopment plans and projects receiving new state
13 revenues shall have a duration of up to fifteen years, unless
14 prior approval for a longer term is given by the director of the
15 department of economic development or his or her designee and the
16 commissioner of the office of administration or his or her
17 designee; except that, in no case shall the duration exceed
18 twenty-three years.

19 11. In addition to the areas authorized in subsection 9 of
20 this section, the funding authorized pursuant to subsection 4 of
21 this section shall also be available in a federally approved
22 levee district, where construction of a levee begins after
23 December 23, 1997, and which is contained within a county of the
24 first classification without a charter form of government with a
25 population between fifty thousand and one hundred thousand
26 inhabitants which contains all or part of a city with a
27 population in excess of four hundred thousand or more
28 inhabitants.

29 12. There is hereby established within the state treasury a

1 special fund to be known as the "Missouri Supplemental Tax
2 Increment Financing Fund", to be administered by the department
3 of economic development. The department shall annually
4 distribute from the Missouri supplemental tax increment financing
5 fund the amount of the new state revenues as appropriated as
6 provided in the provisions of [subsections 4 and 5] subsection 4
7 of this section if and only if the conditions of subsection 10 of
8 this section are met. The fund shall also consist of any gifts,
9 contributions, grants or bequests received from federal, private
10 or other sources. Moneys in the Missouri supplemental tax
11 increment financing fund shall be disbursed per project pursuant
12 to state appropriations.

13 13. Redevelopment project costs may include, at the
14 prerogative of the state, the portion of salaries and expenses of
15 the department of economic development and the department of
16 revenue reasonably allocable to each redevelopment project
17 approved for disbursements from the Missouri supplemental tax
18 increment financing fund for the ongoing administrative functions
19 associated with such redevelopment project. Such amounts shall
20 be recovered from new state revenues deposited into the Missouri
21 supplemental tax increment financing fund created under this
22 section.

23 14. For redevelopment plans or projects approved by
24 ordinance that result in net new jobs from the relocation of a
25 national headquarters from another state to the area of the
26 redevelopment project, the economic activity taxes and new state
27 tax revenues shall not be based on a calculation of the
28 incremental increase in taxes as compared to the base year or
29 prior calendar year for such redevelopment project, rather the

1 incremental increase shall be the amount of total taxes generated
2 from the net new jobs brought in by the national headquarters
3 from another state. In no event shall this subsection be
4 construed to allow a redevelopment project to receive an
5 appropriation in excess of up to fifty percent of the new state
6 revenues.

7 99.866. The state of Missouri, acting through the
8 department of economic development and the office of
9 administration, and any city not within a county, acting
10 directly, through an affiliated entity or through such city's
11 land clearance for redevelopment authority, may enter into a
12 financing agreement relating to the redevelopment of an area
13 contiguous with a former public housing site that has been
14 declared blighted under Missouri law and which may lead to the
15 retention within such city of, and relocation to such blighted
16 area within such city by, a federal employer employing over two
17 thousand geospatial intelligence jobs. Such financing agreement
18 may provide for the appropriation and disbursement of state
19 withholding tax revenues and city tax revenues generated from
20 such employer for up to thirty years to fund costs associated
21 with the retention of such employer; provided, however, that the
22 annual amount of the state appropriation contemplated by this
23 section plus any appropriation of state withholding tax revenues
24 related to such employer from the Missouri supplemental tax
25 increment financing fund pursuant to section 99.845 shall not
26 exceed twelve million dollars per year and shall maintain a
27 positive net fiscal impact for the state over the term. If the
28 state of Missouri income tax rates are reduced or replaced after
29 August 28, 2015, the department of economic development shall

1 request an appropriation from the general assembly of an amount
2 sufficient to offset any reduction in available withholding tax
3 revenues resulting directly from such tax rate reduction or
4 replacement, which in no event shall exceed the amounts that
5 would have been received had the state income tax rates not been
6 reduced or replaced."; and

7 Further amend the title and enacting clause accordingly.