

FIRST REGULAR SESSION

# SENATE BILL NO. 551

98TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR HEGEMAN.

Read 1st time February 26, 2015, and ordered printed.

ADRIANE D. CROUSE, Secretary.

2274S.01I

## AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to tax credits for donations to community foundations.

*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  
2 section, to be known as section 135.1805, to read as follows:

**135.1805. 1. As used in this section, the following terms shall  
2 mean:**

3 **(1) "Department", the Missouri department of economic  
4 development;**

5 **(2) "Donation", a contribution to an endowment fund held by a  
6 qualified community foundation;**

7 **(3) "Endowment fund", a fund held by a qualified community  
8 foundation, the use of which shall be solely for the purpose of  
9 sustaining operations of the community foundation;**

10 **(4) "Primary mission", qualified community foundation's  
11 activities related to the economic revitalization of the geographic area  
12 served by the community foundation that equal or exceed fifty percent  
13 of the community foundation's activities;**

14 **(5) "Qualified community foundation", a community foundation  
15 organized and operating in this state that meets or exceeds the national  
16 standards established by the national council on foundations. A  
17 qualified community foundation shall have as its primary mission the  
18 revitalization of the rural economy of the geographic area served and  
19 shall be exempt from taxation under Section 501(c)(3) of the Internal  
20 Revenue Code of 1986, as amended;**

21 **(6) "Tax credit", a credit against the tax otherwise due under**

22 chapter 143, excluding withholding tax imposed by sections 143.191 to  
23 143.265, or otherwise due under chapters 147, 148, and 153; and

24 (7) "Taxpayer", any individual, partnership, or corporation as  
25 described in section 143.441 or 143.471 that is subject to the tax  
26 imposed in chapter 143, excluding withholding tax imposed by sections  
27 143.191 to 143.265 or any charitable organization which is exempt from  
28 federal income tax and whose Missouri unrelated business taxable  
29 income, if any, is subject to the state income tax imposed under chapter  
30 143.

31 2. A taxpayer shall be allowed to claim a tax credit against the  
32 taxpayer's state tax liability in an amount equal to fifty percent of the  
33 donation made to an endowment fund for a qualified community  
34 foundation.

35 3. The amount of the tax credit claimed shall not exceed the  
36 amount of the taxpayer's state tax liability for the taxable year that the  
37 credit is claimed. Credits shall only be applied to the taxpayer's state  
38 tax liability for the year in which the donation was made.

39 4. The total amount of tax credits which may be authorized  
40 under this section in any calendar year shall not exceed five hundred  
41 thousand dollars.

42 5. Tax credits issued under the provisions of this section shall  
43 not be transferred, sold, or assigned and shall be issued on a first-come  
44 first-served basis.

45 6. The department shall, at least annually, submit a report to the  
46 Missouri general assembly reviewing the costs and benefits of the  
47 program established under this section.

48 7. The department may promulgate rules to implement the  
49 provisions of this section. Any rule or portion of a rule, as that term is  
50 defined in section 536.010, that is created under the authority delegated  
51 in this section shall become effective only if it complies with and is  
52 subject to all of the provisions of chapter 536 and, if applicable, section  
53 536.028. This section and chapter 536 are nonseverable, and if any of  
54 the powers vested with the general assembly under chapter 536 to  
55 review, to delay the effective date, or to disapprove and annul a rule  
56 are subsequently held unconstitutional, then the grant of rulemaking  
57 authority and any rule proposed or adopted after August 28, 2015, shall  
58 be invalid and void.

59           8. Notwithstanding the provisions of section 23.253 of the  
60 Missouri sunset act to the contrary, the program authorized under this  
61 section shall expire five years after August 28, 2015.

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Bill

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