

SECOND REGULAR SESSION

# SENATE BILL NO. 948

98TH GENERAL ASSEMBLY

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INTRODUCED BY SENATOR PARSON.

Read 1st time January 21, 2016, and ordered printed.

ADRIANE D. CROUSE, Secretary.

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## AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for contributions to organizations meeting hunger, health, and hygiene needs of schoolchildren.

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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 one new  
2 section, to be known as section 135.1910, to read as follows:

**135.1910. 1. As used in this section, the following terms mean:**

2 **(1) "Contribution", a donation of cash; stock, bonds, or other**  
3 **marketable securities; or real property;**

4 **(2) "Director", the director of the department of social services;**

5 **(3) "Qualified organization", an organization that provides**  
6 **funding for unmet health, hunger, and hygiene needs for children in**  
7 **school;**

8 **(4) "State tax liability", in the case of a business taxpayer, any**  
9 **liability incurred by such taxpayer pursuant to the provisions of**  
10 **chapters 143, 147, 148, and 153, excluding sections 143.191 to 143.265**  
11 **and related provisions, and in the case of an individual taxpayer, any**  
12 **liability incurred by such taxpayer under the provisions of chapter**  
13 **143, excluding sections 143.191 to 143.265 and related provisions;**

14 **(5) "Taxpayer", a person, firm, a partner in a firm, corporation,**  
15 **or a shareholder in an S corporation doing business in the state of**  
16 **Missouri and subject to the state income tax imposed by the provisions**  
17 **of chapter 143, or a corporation subject to the annual corporation**  
18 **franchise tax imposed by the provisions of chapter 147, or an**  
19 **insurance company paying an annual tax on its gross premium receipts**  
20 **in this state, or other financial institution paying taxes to the state of**

21 Missouri or any political subdivision of this state under the provisions  
22 of chapter 148, or an express company which pays an annual tax on its  
23 gross receipts in this state pursuant to chapter 153, or an individual  
24 subject to the state income tax imposed by the provisions of chapter  
25 143, or any charitable organization which is exempt from federal  
26 income tax and whose Missouri unrelated business taxable income, if  
27 any, would be subject to the state income tax imposed under chapter  
28 143.

29       2. For all tax years beginning on or after January 1, 2017, a  
30 taxpayer shall be allowed to claim a tax credit against the taxpayer's  
31 state tax liability in an amount equal to fifty percent of the taxpayer's  
32 contribution to a qualified organization. The qualified organization  
33 shall use the taxpayer's contribution solely for the unmet health,  
34 hunger, and hygiene needs of children in school.

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 for  
37 which the credit is claimed, and such taxpayer shall not be allowed to  
38 claim a tax credit in excess of fifty thousand dollars per taxable  
39 year. However, any tax credit that cannot be claimed in the taxable  
40 year in which the contribution was made may be carried over to the  
41 next four succeeding taxable years until the full credit has been  
42 claimed.

43       4. Except for any excess credit which is carried over under  
44 subsection 3 of this section, a taxpayer shall not be allowed to claim  
45 a tax credit unless the total amount of such taxpayer's contribution or  
46 contributions to a qualified organization or organizations in such  
47 taxpayer's taxable year has a value of at least one hundred dollars.

48       5. The director shall determine, at least annually, which  
49 organizations in this state may be classified as qualified  
50 organizations. The director may require of an organization seeking to  
51 be classified as a qualified organization whatever information which  
52 is reasonably necessary to make such a determination. The director  
53 shall classify an organization as a qualified organization if such  
54 organization meets the definition set forth in subsection 1 of this  
55 section.

56       6. The director shall establish a procedure by which a taxpayer

57 can determine if an organization has been classified as a qualified  
58 organization. Qualified organizations shall be permitted to decline a  
59 contribution from a taxpayer. To claim the tax credit authorized in  
60 this section, a qualified organization may submit to the department an  
61 application for the tax credit authorized by this section on behalf of  
62 taxpayers. The department shall verify that the qualified organization  
63 has submitted the following items accurately and completely:

64 (1) A valid application in the form and format required by the  
65 department;

66 (2) A statement attesting to the contribution received, which  
67 shall include the name and taxpayer identification number of the  
68 individual making the contribution, the amount of the contribution,  
69 and the date the contribution was received by the provider; and

70 (3) Payment from the qualified organization equal to the value  
71 of the tax credit for which application is made.

72 If the provider applying for the tax credit meets all criteria required  
73 by this subsection, the department shall issue a certificate in the  
74 appropriate amount.

75 7. Each qualified organization shall provide information to the  
76 director concerning the identity of each taxpayer making a  
77 contribution to the qualified organization who is claiming a tax credit  
78 under this section and the amount of the contribution. The director  
79 shall provide the information to the director of revenue. The director  
80 shall be subject to the confidentiality and penalty provisions of section  
81 32.057 relating to the disclosure of tax information.

82 8. The provisions of this section shall not be construed to limit  
83 or in any way impair the department's ability to issue tax credits  
84 authorized on or before the date the program authorized under this  
85 section expires or a taxpayer's ability to redeem such tax credits.

86 9. Under section 23.253 of the Missouri sunset act:

87 (1) The program established under this section shall  
88 automatically expire on December 31, 2022, unless reauthorized by an  
89 act of the general assembly;

90 (2) If such program is reauthorized, the program authorized  
91 under this section shall automatically sunset twelve years after the  
92 effective date of the reauthorization of this section; and

93           **(3) This section shall terminate on September first of the**  
94 **calendar year immediately following the calendar year in which a**  
95 **program authorized under this section is sunset.**

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Unofficial

Bill

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