

FIRST REGULAR SESSION

SENATE BILL NO. 15

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR DIXON.

Pre-filed December 1, 2016, and ordered printed.

ADRIANE D. CROUSE, Secretary.

0564S.011

AN ACT

To repeal sections 135.600 and 135.630, RSMo, and to enact in lieu thereof two new sections relating to tax credits for contributions to certain benevolent organizations.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 135.600 and 135.630, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 135.600 and 135.630, to read as follows:

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

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

(2) "Maternity home", a residential facility located in this state:

(a) Established [for the purpose of providing] **and operating primarily to provide** housing and assistance to pregnant women who are carrying their pregnancies to term[.]; and

(b) **Which is not a hospital or ambulatory surgical center licensed under chapter 197; and**

(c) **Where childbirths are not performed; and**

(d) **Which does not perform, induce or refer for abortions and which does not hold itself out as performing, inducing, or referring for abortions; and**

(e) Which is exempt from income taxation under the United States Internal Revenue Code;

(3) "State tax liability", in the case of a business taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143, [chapter

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 147,] chapter 148, and chapter 153, exclusive of the provisions relating to the
19 withholding of tax as provided for in sections 143.191 to 143.265, and related
20 provisions, and in the case of an individual taxpayer, any liability incurred by
21 such taxpayer pursuant to the provisions of chapter 143;

22 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a
23 shareholder in an S corporation doing business in the state of Missouri and
24 subject to the state income tax imposed by the provisions of chapter 143,
25 including any charitable organization which is exempt from federal income tax
26 and whose Missouri unrelated business taxable income, if any, would be subject
27 to the state income tax imposed under chapter 143, or a corporation subject to the
28 annual corporation franchise tax imposed by the provisions of chapter 147, or an
29 insurance company paying an annual tax on its gross premium receipts in this
30 state, or other financial institution paying taxes to the state of Missouri or any
31 political subdivision of this state pursuant to the provisions of chapter 148, or an
32 express company which pays an annual tax on its gross receipts in this state
33 pursuant to chapter 153, or an individual subject to the state income tax imposed
34 by the provisions of chapter 143.

35 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's
36 state tax liability, in an amount equal to fifty percent of the amount such
37 taxpayer contributed to a maternity home.

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

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

49 5. The director of the department of social services shall determine, at
50 least annually, which facilities in this state may be classified as maternity
51 homes. The director of the department of social services may require of a facility
52 seeking to be classified as a maternity home whatever information is reasonably
53 necessary to make such a determination. The director of the department of social

54 services shall classify a facility as a maternity home if such facility meets the
55 definition set forth in subsection 1 of this section.

56 6. The director of the department of social services shall establish a
57 procedure by which a taxpayer can determine if a facility has been classified as
58 a maternity home, and by which such taxpayer can then contribute to such
59 maternity home and claim a tax credit. Maternity homes shall be permitted to
60 decline a contribution from a taxpayer. The cumulative amount of tax credits
61 which may be claimed by all the taxpayers contributing to maternity homes in
62 any one fiscal year shall not exceed two million dollars for all fiscal years ending
63 on or before June 30, 2014, and two million five hundred thousand dollars for all
64 fiscal years beginning on or after July 1, 2014.

65 7. The director of the department of social services shall establish a
66 procedure by which, from the beginning of the fiscal year until some point in time
67 later in the fiscal year to be determined by the director of the department of
68 social services, the cumulative amount of tax credits are equally apportioned
69 among all facilities classified as maternity homes. If a maternity home fails to
70 use all, or some percentage to be determined by the director of the department of
71 social services, of its apportioned tax credits during this predetermined period of
72 time, the director of the department of social services may reapportion these
73 unused tax credits to those maternity homes that have used all, or some
74 percentage to be determined by the director of the department of social services,
75 of their apportioned tax credits during this predetermined period of time. The
76 director of the department of social services may establish more than one period
77 of time and reapportion more than once during each fiscal year. To the maximum
78 extent possible, the director of the department of social services shall establish
79 the procedure described in this subsection in such a manner as to ensure that
80 taxpayers can claim all the tax credits possible up to the cumulative amount of
81 tax credits available for the fiscal year.

82 8. **(1)** This section shall become effective January 1, 2000, and shall
83 apply to all tax years after December 31, 1999. No tax credits shall be issued
84 under this section after June 30, [2020] **2026**.

85 **(2) The provisions of this subsection shall not be construed to**
86 **limit or in any way impair the department's ability to issue tax credits**
87 **authorized on or before the date the program authorized under this**
88 **section expires or a taxpayer's ability to redeem such tax credits.**

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

- 2 (1) "Contribution", a donation of cash, stock, bonds, or other marketable
3 securities, or real property;
- 4 (2) "Director", the director of the department of social services;
- 5 (3) "Pregnancy resource center", a nonresidential facility located in this
6 state:
- 7 (a) Established and operating primarily to provide assistance to women
8 with crisis pregnancies or unplanned pregnancies by offering pregnancy testing,
9 counseling, emotional and material support, and other similar services to
10 encourage and assist such women in carrying their pregnancies to term; and
- 11 (b) Where childbirths are not performed; and
- 12 (c) Which does not perform, induce, or refer for abortions and which does
13 not hold itself out as performing, inducing, or referring for abortions; and
- 14 (d) Which provides direct client services at the facility, as opposed to
15 merely providing counseling or referral services by telephone; and
- 16 (e) Which provides its services at no cost to its clients; and
- 17 (f) When providing medical services, such medical services must be
18 performed in accordance with Missouri statute; and
- 19 (g) Which is exempt from income taxation pursuant to the Internal
20 Revenue Code of 1986, as amended;
- 21 (4) "State tax liability", in the case of a business taxpayer, any liability
22 incurred by such taxpayer pursuant to the provisions of chapters 143, 147, 148,
23 and 153, excluding sections 143.191 to 143.265 and related provisions, and in the
24 case of an individual taxpayer, any liability incurred by such taxpayer pursuant
25 to the provisions of chapter 143, excluding sections 143.191 to 143.265 and
26 related provisions;
- 27 (5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a
28 shareholder in an S corporation doing business in the state of Missouri and
29 subject to the state income tax imposed by the provisions of chapter 143, or a
30 corporation subject to the annual corporation franchise tax imposed by the
31 provisions of chapter 147, or an insurance company paying an annual tax on its
32 gross premium receipts in this state, or other financial institution paying taxes
33 to the state of Missouri or any political subdivision of this state pursuant to the
34 provisions of chapter 148, or an express company which pays an annual tax on
35 its gross receipts in this state pursuant to chapter 153, or an individual subject
36 to the state income tax imposed by the provisions of chapter 143, or any
37 charitable organization which is exempt from federal income tax and whose

38 Missouri unrelated business taxable income, if any, would be subject to the state
39 income tax imposed under chapter 143.

40 2. (1) Beginning on March 29, 2013, any contribution to a pregnancy
41 resource center made on or after January 1, 2013, shall be eligible for tax credits
42 as provided by this section.

43 (2) For all tax years beginning on or after January 1, 2007, a taxpayer
44 shall be allowed to claim a tax credit against the taxpayer's state tax liability in
45 an amount equal to fifty percent of the amount such taxpayer contributed to a
46 pregnancy resource center.

47 3. The amount of the tax credit claimed shall not exceed the amount of the
48 taxpayer's state tax liability for the taxable year for which the credit is claimed,
49 and such taxpayer shall not be allowed to claim a tax credit in excess of fifty
50 thousand dollars per taxable year. However, any tax credit that cannot be
51 claimed in the taxable year the contribution was made may be carried over to the
52 next four succeeding taxable years until the full credit has been claimed.

53 4. Except for any excess credit which is carried over pursuant to
54 subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit
55 unless the total amount of such taxpayer's contribution or contributions to a
56 pregnancy resource center or centers in such taxpayer's taxable year has a value
57 of at least one hundred dollars.

58 5. The director shall determine, at least annually, which facilities in this
59 state may be classified as pregnancy resource centers. The director may require
60 of a facility seeking to be classified as a pregnancy resource center whatever
61 information which is reasonably necessary to make such a determination. The
62 director shall classify a facility as a pregnancy resource center if such facility
63 meets the definition set forth in subsection 1 of this section.

64 6. The director shall establish a procedure by which a taxpayer can
65 determine if a facility has been classified as a pregnancy resource
66 center. Pregnancy resource centers shall be permitted to decline a contribution
67 from a taxpayer. The cumulative amount of tax credits which may be claimed by
68 all the taxpayers contributing to pregnancy resource centers in any one fiscal year
69 shall not exceed two million dollars for all fiscal years ending on or before June
70 30, 2014, and two million five hundred thousand dollars for all fiscal years
71 beginning on or after July 1, 2014. Tax credits shall be issued in the order
72 contributions are received.

73 7. The director shall establish a procedure by which, from the beginning

74 of the fiscal year until some point in time later in the fiscal year to be determined
75 by the director, the cumulative amount of tax credits are equally apportioned
76 among all facilities classified as pregnancy resource centers. If a pregnancy
77 resource center fails to use all, or some percentage to be determined by the
78 director, of its apportioned tax credits during this predetermined period of time,
79 the director may reapportion these unused tax credits to those pregnancy
80 resource centers that have used all, or some percentage to be determined by the
81 director, of their apportioned tax credits during this predetermined period of
82 time. The director may establish more than one period of time and reapportion
83 more than once during each fiscal year. To the maximum extent possible, the
84 director shall establish the procedure described in this subsection in such a
85 manner as to ensure that taxpayers can claim all the tax credits possible up to
86 the cumulative amount of tax credits available for the fiscal year.

87 8. Each pregnancy resource center shall provide information to the
88 director concerning the identity of each taxpayer making a contribution to the
89 pregnancy resource center who is claiming a tax credit pursuant to this section
90 and the amount of the contribution. The director shall provide the information
91 to the director of revenue. The director shall be subject to the confidentiality and
92 penalty provisions of section 32.057 relating to the disclosure of tax information.

93 9. Pursuant to section 23.253 of the Missouri sunset act:

94 (1) The program authorized under this section shall be reauthorized as of
95 **[March 29, 2013] on the effective date of this section**, and shall expire on
96 December 31, **[2019] 2025**, unless reauthorized by the general assembly; and

97 (2) This section shall terminate on September first of the calendar year
98 immediately following the calendar year in which a program authorized under
99 this section is sunset; and

100 (3) The provisions of this subsection shall not be construed to limit or in
101 any way impair the department's ability to issue tax credits authorized on or
102 before the date the program authorized under this section expires or a taxpayer's
103 ability to redeem such tax credits.

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