

FIRST REGULAR SESSION

# SENATE BILL NO. 425

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SIFTON.

Read 1st time February 15, 2017, and ordered printed.

ADRIANE D. CROUSE, Secretary.

1926S.011

## AN ACT

To repeal section 253.550, RSMo, and to enact in lieu thereof one new section relating to tax credits for the rehabilitation of historic structures.

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

Section A. Section 253.550, RSMo, is repealed and one new section  
2 enacted in lieu thereof, to be known as section 253.550, to read as follows:

253.550. 1. Any taxpayer incurring costs and expenses for the  
2 rehabilitation of eligible property, which is a certified historic structure or  
3 structure in a certified historic district, may, subject to the provisions of this  
4 section and section 253.559, receive a credit against the taxes imposed pursuant  
5 to chapters 143 and 148, except for sections 143.191 to 143.265, on such taxpayer  
6 in an amount equal to twenty-five percent of the total costs and expenses of  
7 rehabilitation incurred after January 1, 1998, which shall include, but not be  
8 limited to, qualified rehabilitation expenditures as defined under section  
9 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended, and the related  
10 regulations thereunder, provided the rehabilitation costs associated with  
11 rehabilitation and the expenses exceed fifty percent of the total basis in the  
12 property and the rehabilitation meets standards consistent with the standards  
13 of the Secretary of the United States Department of the Interior for rehabilitation  
14 as determined by the state historic preservation officer of the Missouri  
15 department of natural resources.

16 2. During the period beginning on January 1, 2010, but ending on or after  
17 June 30, 2010, the department of economic development shall not approve  
18 applications for tax credits under the provisions of subsections 3 and 8 of section  
19 253.559 which, in the aggregate, exceed seventy million dollars, increased by any  
20 amount of tax credits for which approval shall be rescinded under the provisions

21 of section 253.559. For each fiscal year beginning on or after July 1, 2010, the  
22 department of economic development shall not approve applications for tax credits  
23 under the provisions of subsections 3 and 8 of section 253.559 which, in the  
24 aggregate, exceed one hundred forty million dollars, increased by any amount of  
25 tax credits for which approval shall be rescinded under the provisions of section  
26 253.559. **For each fiscal year beginning on or after July 1, 2018, the**  
27 **maximum amount of tax credits allowed in any fiscal year as provided**  
28 **under this subsection shall be adjusted annually by the percentage**  
29 **increase in the Consumer Price Index for All Urban Consumers, or its**  
30 **successor index, as such index is defined and officially reported by the**  
31 **United States Department of Labor, or its successor agency. The**  
32 **director of the department of economic development shall annually**  
33 **publish such adjusted amount.** The limitations provided under this  
34 subsection shall not apply to applications approved under the provisions of  
35 subsection 3 of section 253.559 for projects to receive less than two hundred  
36 seventy-five thousand dollars in tax credits.

37 3. For all applications for tax credits approved on or after January 1,  
38 2010, no more than two hundred fifty thousand dollars in tax credits may be  
39 issued for eligible costs and expenses incurred in the rehabilitation of an eligible  
40 property which is a nonincome producing single-family, owner-occupied  
41 residential property and is either a certified historic structure or a structure in  
42 a certified historic district.

43 4. The limitations on tax credit authorization provided under the  
44 provisions of subsections 2 and 3 of this section shall not apply to:

45 (1) Any application submitted by a taxpayer, which has received approval  
46 from the department prior to January 1, 2010; or

47 (2) Any taxpayer applying for tax credits, provided under this section,  
48 which, on or before January 1, 2010, has filed an application with the department  
49 evidencing that such taxpayer:

50 (a) Has incurred costs and expenses for an eligible property which exceed  
51 the lesser of five percent of the total project costs or one million dollars and  
52 received an approved Part I from the Secretary of the United States Department  
53 of Interior; or

54 (b) Has received certification, by the state historic preservation officer,  
55 that the rehabilitation plan meets the standards consistent with the standards  
56 of the Secretary of the United States Department of the Interior, and the

57 rehabilitation costs and expenses associated with such rehabilitation shall exceed  
58 fifty percent of the total basis in the property.

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