

SENATE SUBSTITUTE
FOR
HOUSE COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1796

AN ACT

To repeal sections 135.090, 135.341, 135.562, 135.600, 135.630, and 135.647, RSMo, and to enact in lieu thereof fourteen new sections relating to the reduction of certain tax liabilities.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

1 Section A. Sections 135.090, 135.341, 135.562, 135.600,
2 135.630, and 135.647, RSMo, are repealed and fourteen new
3 sections enacted in lieu thereof, to be known as sections
4 135.090, 135.341, 135.562, 135.600, 135.630, 135.647, 135.1125,
5 143.1150, 443.1001, 443.1003, 443.1004, 443.1005, 443.1006, and
6 443.1007, to read as follows:

7 135.090. 1. As used in this section, the following terms
8 mean:

9 (1) "Homestead", the dwelling in Missouri owned by the
10 surviving spouse and not exceeding five acres of land surrounding
11 it as is reasonably necessary for use of the dwelling as a home.
12 As used in this section, "homestead" shall not include any
13 dwelling which is occupied by more than two families;

14 (2) "Public safety officer", any firefighter, police
15 officer, capitol police officer, parole officer, probation
16 officer, correctional employee, water patrol officer, park

1 ranger, conservation officer, commercial motor enforcement
2 officer, emergency medical technician, first responder, or
3 highway patrolman employed by the state of Missouri or a
4 political subdivision thereof who is killed in the line of duty,
5 unless the death was the result of the officer's own misconduct
6 or abuse of alcohol or drugs;

7 (3) "Surviving spouse", a spouse, who has not remarried, of
8 a public safety officer.

9 2. For all tax years beginning on or after January 1, 2008,
10 a surviving spouse shall be allowed a credit against the tax
11 otherwise due under chapter 143, excluding withholding tax
12 imposed by sections 143.191 to 143.265, in an amount equal to the
13 total amount of the property taxes on the surviving spouse's
14 homestead paid during the tax year for which the credit is
15 claimed. A surviving spouse may claim the credit authorized
16 under this section for each tax year beginning the year of death
17 of the public safety officer spouse until the tax year in which
18 the surviving spouse remarries. No credit shall be allowed for
19 the tax year in which the surviving spouse remarries. If the
20 amount allowable as a credit exceeds the income tax reduced by
21 other credits, then the excess shall be considered an overpayment
22 of the income tax.

23 3. The department of revenue shall promulgate rules to
24 implement the provisions of this section.

25 4. Any rule or portion of a rule, as that term is defined
26 in section 536.010, that is created under the authority delegated
27 in this section shall become effective only if it complies with
28 and is subject to all of the provisions of chapter 536 and, if

1 applicable, section 536.028. This section and chapter 536 are
2 nonseverable and if any of the powers vested with the general
3 assembly pursuant to chapter 536 to review, to delay the
4 effective date, or to disapprove and annul a rule are
5 subsequently held unconstitutional, then the grant of rulemaking
6 authority and any rule proposed or adopted after August 28, 2007,
7 shall be invalid and void.

8 5. Pursuant to section 23.253 of the Missouri sunset act:

9 (1) The program authorized under this section shall expire
10 on December 31, ~~[2019]~~ 2026, unless reauthorized by the general
11 assembly; and

12 (2) This section shall terminate on September first of the
13 calendar year immediately following the calendar year in which
14 the program authorized under this section is sunset; and

15 (3) The provisions of this subsection shall not be
16 construed to limit or in any way impair the department's ability
17 to redeem tax credits authorized on or before the date the
18 program authorized under this section expires or a taxpayer's
19 ability to redeem such tax credits.

20 135.341. 1. As used in this section, the following terms
21 shall mean:

22 (1) "CASA", an entity which receives funding from the
23 court-appointed special advocate fund established under section
24 476.777, including an association based in this state, affiliated
25 with a national association, organized to provide support to
26 entities receiving funding from the court-appointed special
27 advocate fund;

28 (2) "Child advocacy centers", the regional child assessment

1 centers listed in subsection 2 of section 210.001, including an
2 association based in this state, affiliated with a national
3 association, and organized to provide support to entities listed
4 in subsection 2 of section 210.001;

5 (3) "Contribution", the amount of donation to a qualified
6 agency;

7 (4) "Crisis care center", entities contracted with this
8 state which provide temporary care for children whose age ranges
9 from birth through seventeen years of age whose parents or
10 guardian are experiencing an unexpected and unstable or serious
11 condition that requires immediate action resulting in short-term
12 care, usually three to five continuous, uninterrupted days, for
13 children who may be at risk for child abuse, neglect, or in an
14 emergency situation;

15 (5) "Department", the department of revenue;

16 (6) "Director", the director of the department of revenue;

17 (7) "Qualified agency", CASA, child advocacy centers, or a
18 crisis care center;

19 (8) "Tax liability", the tax due under chapter 143 other
20 than taxes withheld under sections 143.191 to 143.265.

21 2. For all tax years beginning on or after January 1, 2013,
22 a tax credit may be claimed in an amount equal to up to fifty
23 percent of a verified contribution to a qualified agency and
24 shall be named the champion for children tax credit. The minimum
25 amount of any tax credit issued shall not be less than fifty
26 dollars and shall be applied to taxes due under chapter 143,
27 excluding sections 143.191 to 143.265. A contribution
28 verification shall be issued to the taxpayer by the agency

1 receiving the contribution. Such contribution verification shall
2 include the taxpayer's name, Social Security number, amount of
3 tax credit, amount of contribution, the name and address of the
4 agency receiving the credit, and the date the contribution was
5 made. The tax credit provided under this subsection shall be
6 initially filed for the year in which the verified contribution
7 is made.

8 3. The cumulative amount of the tax credits redeemed shall
9 not exceed one million dollars [in any tax year] for all fiscal
10 years ending on or before June 30, 2019, and one million five
11 hundred thousand dollars for all fiscal years beginning on or
12 after July 1, 2019. The amount available shall be equally
13 divided among the three qualified agencies: CASA, child advocacy
14 centers, or crisis care centers, to be used towards tax credits
15 issued. In the event tax credits claimed under one agency do not
16 total the allocated amount for that agency, the unused portion
17 for that agency will be made available to the remaining agencies
18 equally. In the event the total amount of tax credits claimed
19 for any one agency exceeds the amount available for that agency,
20 the amount redeemed shall and will be apportioned equally to all
21 eligible taxpayers claiming the credit under that agency.

22 4. Prior to December thirty-first of each year, each
23 qualified agency shall apply to the department of social services
24 in order to verify their qualified agency status. Upon a
25 determination that the agency is eligible to be a qualified
26 agency, the department of social services shall provide a letter
27 of eligibility to such agency. No later than February first of
28 each year, the department of social services shall provide a list

1 of qualified agencies to the department of revenue. All tax
2 credit applications to claim the champion for children tax credit
3 shall be filed between July first and April fifteenth of each
4 fiscal year. A taxpayer shall apply for the champion for
5 children tax credit by attaching a copy of the contribution
6 verification provided by a qualified agency to such taxpayer's
7 income tax return.

8 5. Any amount of tax credit which exceeds the tax due or
9 which is applied for and otherwise eligible for issuance but not
10 issued shall not be refunded but may be carried over to any
11 subsequent [taxable] tax year, not to exceed a total of five
12 years.

13 6. Tax credits may not be assigned, transferred or sold.

14 7. (1) In the event a credit denial, due to lack of
15 available funds, causes a balance-due notice to be generated by
16 the department of revenue, or any other redeeming agency, the
17 taxpayer will not be held liable for any penalty or interest,
18 provided the balance is paid, or approved payment arrangements
19 have been made, within sixty days from the notice of denial.

20 (2) In the event the balance is not paid within sixty days
21 from the notice of denial, the remaining balance shall be due and
22 payable under the provisions of chapter 143.

23 8. The department may promulgate such rules or regulations
24 as are necessary to administer the provisions of this section.
25 Any rule or portion of a rule, as that term is defined in section
26 536.010, that is created under the authority delegated in this
27 section shall become effective only if it complies with and is
28 subject to all of the provisions of chapter 536 and, if

1 applicable, section 536.028. This section and chapter 536 are
2 nonseverable and if any of the powers vested with the general
3 assembly pursuant to chapter 536 to review, to delay the
4 effective date, or to disapprove and annul a rule are
5 subsequently held unconstitutional, then the grant of rulemaking
6 authority and any rule proposed or adopted after August 28, 2013,
7 shall be invalid and void.

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

9 (1) The program authorized under this section shall be
10 reauthorized as of [~~March 29, 2013~~] December 31, 2019, and shall
11 expire on December 31, [~~2019~~] 2025, unless reauthorized by the
12 general assembly; and

13 (2) This section shall terminate on September first of the
14 calendar year immediately following the calendar year in which
15 the program authorized under this section is sunset; and

16 (3) The provisions of this subsection shall not be
17 construed to limit or in any way impair the department's ability
18 to redeem tax credits authorized on or before the date the
19 program authorized under this section expires or a taxpayer's
20 ability to redeem such credits.

21 10. Beginning on March 29, 2013, any verified contribution
22 to a qualified agency made on or after January 1, 2013, shall be
23 eligible for tax credits as provided by this section.

24 135.562. 1. If any taxpayer with a federal adjusted gross
25 income of thirty thousand dollars or less incurs costs for the
26 purpose of making all or any portion of such taxpayer's principal
27 dwelling accessible to an individual with a disability who
28 permanently resides with the taxpayer, such taxpayer shall

1 receive a tax credit against such taxpayer's Missouri income tax
2 liability in an amount equal to the lesser of one hundred percent
3 of such costs or two thousand five hundred dollars per taxpayer,
4 per tax year.

5 2. Any taxpayer with a federal adjusted gross income
6 greater than thirty thousand dollars but less than sixty thousand
7 dollars who incurs costs for the purpose of making all or any
8 portion of such taxpayer's principal dwelling accessible to an
9 individual with a disability who permanently resides with the
10 taxpayer shall receive a tax credit against such taxpayer's
11 Missouri income tax liability in an amount equal to the lesser of
12 fifty percent of such costs or two thousand five hundred dollars
13 per taxpayer per tax year. No taxpayer shall be eligible to
14 receive tax credits under this section in any tax year
15 immediately following a tax year in which such taxpayer received
16 tax credits under the provisions of this section.

17 3. Tax credits issued pursuant to this section may be
18 refundable in an amount not to exceed two thousand five hundred
19 dollars per tax year.

20 4. Eligible costs for which the credit may be claimed
21 include:

- 22 (1) Constructing entrance or exit ramps;
- 23 (2) Widening exterior or interior doorways;
- 24 (3) Widening hallways;
- 25 (4) Installing handrails or grab bars;
- 26 (5) Moving electrical outlets and switches;
- 27 (6) Installing stairway lifts;
- 28 (7) Installing or modifying fire alarms, smoke detectors,

1 and other alerting systems;

2 (8) Modifying hardware of doors; or

3 (9) Modifying bathrooms.

4 5. The tax credits allowed, including the maximum amount
5 that may be claimed, pursuant to this section shall be reduced by
6 an amount sufficient to offset any amount of such costs a
7 taxpayer has already deducted from such taxpayer's federal
8 adjusted gross income or to the extent such taxpayer has applied
9 any other state or federal income tax credit to such costs.

10 6. A taxpayer shall claim a credit allowed by this section
11 in the same taxable year as the credit is issued, and at the time
12 such taxpayer files his or her Missouri income tax return;
13 provided that such return is timely filed.

14 7. The department may, in consultation with the department
15 of social services, promulgate such rules or regulations as are
16 necessary to administer the provisions of this section. Any rule
17 or portion of a rule, as that term is defined in section 536.010,
18 that is created under the authority delegated in this section
19 shall become effective only if it complies with and is subject to
20 all of the provisions of chapter 536 and, if applicable, section
21 536.028. This section and chapter 536 are nonseverable and if
22 any of the powers vested with the general assembly pursuant to
23 chapter 536 to review, to delay the effective date or to
24 disapprove and annul a rule are subsequently held
25 unconstitutional, then the grant of rulemaking authority and any
26 rule proposed or adopted after August 28, 2007, shall be invalid
27 and void.

28 8. The provisions of this section shall apply to all tax

1 years beginning on or after January 1, 2008.

2 9. The provisions of this section shall expire December 31,
3 [2019] 2026, unless reauthorized by the general assembly. This
4 section shall terminate on September first of the calendar year
5 immediately following the calendar year in which the program
6 authorized under this section is sunset. The provisions of this
7 subsection shall not be construed to limit or in any way impair
8 the department's ability to redeem tax credits authorized on or
9 before the date the program authorized under this section expires
10 or a taxpayer's ability to redeem such tax credits.

11 10. In no event shall the aggregate amount of all tax
12 credits allowed pursuant to this section exceed one hundred
13 thousand dollars in any given fiscal year. The tax credits
14 issued pursuant to this section shall be on a first-come, first-
15 served filing basis.

16 135.600. 1. As used in this section, the following terms
17 shall mean:

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

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

22 (a) Established for the purpose of providing housing and
23 assistance to pregnant women who are carrying their pregnancies
24 to term[,];

25 (b) That does not perform, induce, or refer for abortions
26 and that does not hold itself out as performing, inducing, or
27 referring for abortions;

28 (c) That provides services at no cost to clients; and

1 [which]

2 (d) That is exempt from income taxation under the United
3 States Internal Revenue Code;

4 (3) "State tax liability", in the case of a business
5 taxpayer, any liability incurred by such taxpayer pursuant to the
6 provisions of chapter 143, chapter 147, chapter 148, and chapter
7 153, exclusive of the provisions relating to the withholding of
8 tax as provided for in sections 143.191 to 143.265, and related
9 provisions, and in the case of an individual taxpayer, any
10 liability incurred by such taxpayer pursuant to the provisions of
11 chapter 143;

12 (4) "Taxpayer", a person, firm, a partner in a firm,
13 corporation or a shareholder in an S corporation doing business
14 in the state of Missouri and subject to the state income tax
15 imposed by the provisions of chapter 143, including any
16 charitable organization which is exempt from federal income tax
17 and whose Missouri unrelated business taxable income, if any,
18 would be subject to the state income tax imposed under chapter
19 143, or a corporation subject to the annual corporation franchise
20 tax imposed by the provisions of chapter 147, or an insurance
21 company paying an annual tax on its gross premium receipts in
22 this state, or other financial institution paying taxes to the
23 state of Missouri or any political subdivision of this state
24 pursuant to the provisions of chapter 148, or an express company
25 which pays an annual tax on its gross receipts in this state
26 pursuant to chapter 153, or an individual subject to the state
27 income tax imposed by the provisions of chapter 143.

28 2. A taxpayer shall be allowed to claim a tax credit

1 against the taxpayer's state tax liability, in an amount equal to
2 fifty percent of the amount such taxpayer contributed to a
3 maternity home.

4 3. The amount of the tax credit claimed shall not exceed
5 the amount of the taxpayer's state tax liability for the
6 [taxable] tax year that the credit is claimed, and such taxpayer
7 shall not be allowed to claim a tax credit in excess of fifty
8 thousand dollars per [taxable] tax year. However, any tax credit
9 that cannot be claimed in the [taxable] tax year the contribution
10 was made may be carried over only to the next [four] succeeding
11 [taxable years until the full credit has been claimed] tax year.
12 No tax credit issued under this section shall be assigned,
13 transferred, or sold.

14 4. Except for any excess credit which is carried over
15 pursuant to subsection 3 of this section, a taxpayer shall not be
16 allowed to claim a tax credit unless the total amount of such
17 taxpayer's contribution or contributions to a maternity home or
18 homes in such taxpayer's [taxable] tax year has a value of at
19 least one hundred dollars.

20 5. The director of the department of social services shall
21 determine, at least annually, which facilities in this state may
22 be classified as maternity homes. The director of the department
23 of social services may require of a facility seeking to be
24 classified as a maternity home whatever information is reasonably
25 necessary to make such a determination. The director of the
26 department of social services shall classify a facility as a
27 maternity home if such facility meets the definition set forth in
28 subsection 1 of this section.

1 6. The director of the department of social services shall
2 establish a procedure by which a taxpayer can determine if a
3 facility has been classified as a maternity home, and by which
4 such taxpayer can then contribute to such maternity home and
5 claim a tax credit. Maternity homes shall be permitted to
6 decline a contribution from a taxpayer. The cumulative amount of
7 tax credits which may be claimed by all the taxpayers
8 contributing to maternity homes in any one fiscal year shall not
9 exceed two million dollars for all fiscal years ending on or
10 before June 30, 2014, and two million five hundred thousand
11 dollars for all fiscal years beginning on or after July 1, 2014,
12 and ending on or before June 30, 2019, and three million five
13 hundred thousand dollars for all fiscal years beginning on or
14 after July 1, 2019. Tax credits shall be issued in the order
15 contributions are received. If the amount of tax credits
16 redeemed in a fiscal year is less than the cumulative amount
17 authorized under this subsection, the difference shall be carried
18 over to a subsequent fiscal year or years and shall be added to
19 the cumulative amount of tax credits that may be authorized in
20 that fiscal year or years.

21 7. The director of the department of social services shall
22 establish a procedure by which, from the beginning of the fiscal
23 year until some point in time later in the fiscal year to be
24 determined by the director of the department of social services,
25 the cumulative amount of tax credits are equally apportioned
26 among all facilities classified as maternity homes. If a
27 maternity home fails to use all, or some percentage to be
28 determined by the director of the department of social services,

1 of its apportioned tax credits during this predetermined period
2 of time, the director of the department of social services may
3 reapportion these unused tax credits to those maternity homes
4 that have used all, or some percentage to be determined by the
5 director of the department of social services, of their
6 apportioned tax credits during this predetermined period of time.
7 The director of the department of social services may establish
8 more than one period of time and reapportion more than once
9 during each fiscal year. To the maximum extent possible, the
10 director of the department of social services shall establish the
11 procedure described in this subsection in such a manner as to
12 ensure that taxpayers can claim all the tax credits possible up
13 to the cumulative amount of tax credits available for the fiscal
14 year.

15 8. This section shall become effective January 1, 2000, and
16 shall apply to all tax years after December 31, 1999, until
17 sunset. [No tax credits shall be issued under this section after
18 June 30, 2020.]

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

20 (1) The provisions of the program authorized under this
21 section shall automatically sunset on December thirty-first six
22 years after the effective date of this subsection unless
23 reauthorized by an act of the general assembly;

24 (2) If such program is reauthorized, the program authorized
25 under this section shall automatically sunset on December thirty-
26 first six years after the effective date of the reauthorization
27 of this section;

28 (3) This section shall terminate on September first of the

1 calendar year immediately following the calendar year in which
2 the program authorized under this section is sunset; and

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

8 135.630. 1. As used in this section, the following terms
9 mean:

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

12 (2) "Director", the director of the department of social
13 services;

14 (3) "Pregnancy resource center", a nonresidential facility
15 located in this state:

16 (a) Established and operating primarily to provide
17 assistance to women with crisis pregnancies or unplanned
18 pregnancies by offering pregnancy testing, counseling, emotional
19 and material support, and other similar services to encourage and
20 assist such women in carrying their pregnancies to term; and

21 (b) Where childbirths are not performed; and

22 (c) Which does not perform, induce, or refer for abortions
23 and which does not hold itself out as performing, inducing, or
24 referring for abortions; and

25 (d) Which provides direct client services at the facility,
26 as opposed to merely providing counseling or referral services by
27 telephone; and

28 (e) Which provides its services at no cost to its clients;

1 and

2 (f) When providing medical services, such medical services
3 must be performed in accordance with Missouri statute; and

4 (g) Which is exempt from income taxation pursuant to the
5 Internal Revenue Code of 1986, as amended;

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

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

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

4 (2) For all tax years beginning on or after January 1,
5 2007, a taxpayer shall be allowed to claim a tax credit against
6 the taxpayer's state tax liability in an amount equal to fifty
7 percent of the amount such taxpayer contributed to a pregnancy
8 resource center.

9 3. The amount of the tax credit claimed shall not exceed
10 the amount of the taxpayer's state tax liability for the
11 [taxable] tax year for which the credit is claimed, and such
12 taxpayer shall not be allowed to claim a tax credit in excess of
13 fifty thousand dollars per [taxable] tax year. However, any tax
14 credit that cannot be claimed in the [taxable] tax year the
15 contribution was made may be carried over only to the next [four]
16 succeeding [taxable years until the full credit has been claimed]
17 tax year. No tax credit issued under this section shall be
18 assigned, transferred, or sold.

19 4. Except for any excess credit which is carried over
20 pursuant to subsection 3 of this section, a taxpayer shall not be
21 allowed to claim a tax credit unless the total amount of such
22 taxpayer's contribution or contributions to a pregnancy resource
23 center or centers in such taxpayer's [taxable] tax year has a
24 value of at least one hundred dollars.

25 5. The director shall determine, at least annually, which
26 facilities in this state may be classified as pregnancy resource
27 centers. The director may require of a facility seeking to be
28 classified as a pregnancy resource center whatever information

1 which is reasonably necessary to make such a determination. The
2 director shall classify a facility as a pregnancy resource center
3 if such facility meets the definition set forth in subsection 1
4 of this section.

5 6. The director shall establish a procedure by which a
6 taxpayer can determine if a facility has been classified as a
7 pregnancy resource center. Pregnancy resource centers shall be
8 permitted to decline a contribution from a taxpayer. The
9 cumulative amount of tax credits which may be claimed by all the
10 taxpayers contributing to pregnancy resource centers in any one
11 fiscal year shall not exceed two million dollars for all fiscal
12 years ending on or before June 30, 2014, and two million five
13 hundred thousand dollars for all fiscal years beginning on or
14 after July 1, 2014, and ending on or before June 30, 2019, and
15 three million five hundred thousand dollars for all fiscal years
16 beginning on or after July 1, 2019. Tax credits shall be issued
17 in the order contributions are received. If the amount of tax
18 credits redeemed in a fiscal year is less than the cumulative
19 amount authorized under this subsection, the difference shall be
20 carried over to a subsequent fiscal year or years and shall be
21 added to the cumulative amount of tax credits that may be
22 authorized in that fiscal year or years.

23 7. The director shall establish a procedure by which, from
24 the beginning of the fiscal year until some point in time later
25 in the fiscal year to be determined by the director, the
26 cumulative amount of tax credits are equally apportioned among
27 all facilities classified as pregnancy resource centers. If a
28 pregnancy resource center fails to use all, or some percentage to

1 be determined by the director, of its apportioned tax credits
2 during this predetermined period of time, the director may
3 reapportion these unused tax credits to those pregnancy resource
4 centers that have used all, or some percentage to be determined
5 by the director, of their apportioned tax credits during this
6 predetermined period of time. The director may establish more
7 than one period of time and reapportion more than once during
8 each fiscal year. To the maximum extent possible, the director
9 shall establish the procedure described in this subsection in
10 such a manner as to ensure that taxpayers can claim all the tax
11 credits possible up to the cumulative amount of tax credits
12 available for the fiscal year.

13 8. Each pregnancy resource center shall provide information
14 to the director concerning the identity of each taxpayer making a
15 contribution to the pregnancy resource center who is claiming a
16 tax credit pursuant to this section and the amount of the
17 contribution. The director shall provide the information to the
18 director of revenue. The director shall be subject to the
19 confidentiality and penalty provisions of section 32.057 relating
20 to the disclosure of tax information.

21 9. ~~[Pursuant to]~~ Under section 23.253 of the Missouri
22 sunset act:

23 (1) The provisions of the program authorized under this
24 section shall ~~[be reauthorized as of March 29, 2013, and shall~~
25 ~~expire]~~ automatically sunset on December ~~[31, 2019,]~~ thirty-first
26 six years after the effective date of this section unless
27 reauthorized by an act of the general assembly; ~~[and]~~

28 (2) If such program is reauthorized, the program authorized

1 under this section shall automatically sunset on December thirty-
2 first six years after the effective date of the reauthorization
3 of this section;

4 (3) This section shall terminate on September first of the
5 calendar year immediately following the calendar year in which a
6 program authorized under this section is sunset; and

7 [(3)] (4) The provisions of this subsection shall not be
8 construed to limit or in any way impair the department's ability
9 to issue tax credits authorized on or before the date the program
10 authorized under this section expires or a taxpayer's ability to
11 redeem such tax credits.

12 135.647. 1. As used in this section, the following terms
13 shall mean:

14 (1) "Local food pantry", any food pantry that is:

15 (a) Exempt from taxation under section 501(c)(3) of the
16 Internal Revenue Code of 1986, as amended; and

17 (b) Distributing emergency food supplies to Missouri low-
18 income people who would otherwise not have access to food
19 supplies in the area in which the taxpayer claiming the tax
20 credit under this section resides;

21 (2) "Local homeless shelter", any homeless shelter that is:

22 (a) Exempt from taxation under Section 501(c)(3) of the
23 Internal Revenue Code of 1986, as amended; and

24 (b) Providing temporary living arrangements, in the area in
25 which the taxpayer claiming the tax credit under this section
26 resides, for individuals and families who otherwise lack a fixed,
27 regular, and adequate nighttime residence and lack the resources
28 or support networks to obtain other permanent housing;

1 (3) "Local soup kitchen", any soup kitchen that is:

2 (a) Exempt from taxation under section 501(c)(3) of the
3 Internal Revenue Code of 1986, as amended; and

4 (b) Providing prepared meals through an established
5 congregate feeding operation to needy, low-income persons
6 including, but not limited to, homeless persons in the area in
7 which the taxpayer claiming the tax credit under this section
8 resides;

9 (4) "Taxpayer", an individual, a firm, a partner in a firm,
10 corporation, or a shareholder in an S corporation doing business
11 in this state and subject to the state income tax imposed by
12 chapter 143, excluding withholding tax imposed by sections
13 143.191 to 143.265.

14 2. (1) Beginning on March 29, 2013, any donation of cash
15 or food made to a local food pantry on or after January 1, 2013,
16 unless such food is donated after the food's expiration date,
17 shall be eligible for tax credits as provided by this section.

18 (2) [For all tax years beginning on or after January 1,
19 2007,] Beginning on August 28, 2018, any donation of cash or food
20 made to a local soup kitchen or local homeless shelter on or
21 after January 1, 2018, unless such food is donated after the
22 food's expiration date, shall be eligible for a tax credit as
23 provided under this section.

24 (3) Any taxpayer who [donates cash or food, unless such
25 food is donated after the food's expiration date, to any local
26 food pantry] makes a donation that is eligible for a tax credit
27 under this section shall be allowed a credit against the tax
28 otherwise due under chapter 143, excluding withholding tax

1 imposed by sections 143.191 to 143.265, in an amount equal to
2 fifty percent of the value of the donations made to the extent
3 such amounts that have been subtracted from federal adjusted
4 gross income or federal taxable income are added back in the
5 determination of Missouri adjusted gross income or Missouri
6 taxable income before the credit can be claimed. Each taxpayer
7 claiming a tax credit under this section shall file an affidavit
8 with the income tax return verifying the amount of their
9 contributions. The amount of the tax credit claimed shall not
10 exceed the amount of the taxpayer's state tax liability for the
11 tax year that the credit is claimed[,] and shall not exceed two
12 thousand five hundred dollars per taxpayer claiming the credit.
13 Any amount of credit that the taxpayer is prohibited by this
14 section from claiming in a tax year shall not be refundable, but
15 may be carried forward to any of the taxpayer's three subsequent
16 [taxable] tax years. No tax credit granted under this section
17 shall be transferred, sold, or assigned. No taxpayer shall be
18 eligible to receive a credit pursuant to this section if such
19 taxpayer employs persons who are not authorized to work in the
20 United States under federal law. No taxpayer shall be able to
21 claim more than one credit under this section for a single
22 donation.

23 3. The cumulative amount of tax credits under this section
24 which may be allocated to all taxpayers contributing to a local
25 food pantry, local soup kitchen, or local homeless shelter in any
26 one fiscal year shall not exceed one million seven hundred fifty
27 thousand dollars. The director of revenue shall establish a
28 procedure by which the cumulative amount of tax credits is

1 apportioned among all taxpayers claiming the credit by April
2 fifteenth of the fiscal year in which the tax credit is claimed.
3 To the maximum extent possible, the director of revenue shall
4 establish the procedure described in this subsection in such a
5 manner as to ensure that taxpayers can claim all the tax credits
6 possible up to the cumulative amount of tax credits available for
7 the fiscal year.

8 4. Any local food pantry, local soup kitchen, or local
9 homeless shelter may accept or reject any donation of food made
10 under this section for any reason. For purposes of this section,
11 any donations of food accepted by a local food pantry, local soup
12 kitchen, or local homeless shelter shall be valued at fair market
13 value, or at wholesale value if the taxpayer making the donation
14 of food is a retail grocery store, food broker, wholesaler, or
15 restaurant.

16 5. The department of revenue shall promulgate rules to
17 implement the provisions of this section. Any rule or portion of
18 a rule, as that term is defined in section 536.010, that is
19 created under the authority delegated in this section shall
20 become effective only if it complies with and is subject to all
21 of the provisions of chapter 536 and, if applicable, section
22 536.028. This section and chapter 536 are nonseverable and if
23 any of the powers vested with the general assembly pursuant to
24 chapter 536 to review, to delay the effective date, or to
25 disapprove and annul a rule are subsequently held
26 unconstitutional, then the grant of rulemaking authority and any
27 rule proposed or adopted after August 28, 2007, shall be invalid
28 and void.

1 6. Under section 23.253 of the Missouri sunset act:

2 (1) The program authorized under this section shall be
3 reauthorized as of [~~March 29, 2013~~] August 28, 2018, and shall
4 expire on December 31, [~~2019~~] 2026, unless reauthorized by the
5 general assembly; and

6 (2) This section shall terminate on September first of the
7 calendar year immediately following the calendar year in which
8 the program authorized under this section is sunset; and

9 (3) The provisions of this subsection shall not be
10 construed to limit or in any way impair [~~the department's~~] a
11 taxpayer's ability to redeem tax credits authorized on or before
12 the date the program authorized under this section expires [~~or a~~
13 taxpayer's ability to redeem such tax credits].

14 135.1125. 1. As used in this section, the following terms
15 shall mean:

16 (1) "Certificate", a tax credit certificate issued under
17 this section;

18 (2) "Department", the Missouri department of social
19 services;

20 (3) "Eligible donation", a donation of cash, stock, bonds
21 or other marketable securities, or real property made to an
22 eligible provider;

23 (4) "Eligible provider", an organization that provides
24 funding for unmet health, hunger, and hygiene needs of children
25 in school;

26 (5) "Taxpayer", a person, firm, partner in a firm,
27 corporation, or a shareholder in an S corporation doing business
28 in the state of Missouri and subject to the state income tax

1 imposed in chapter 143, an insurance company paying an annual tax
2 on its gross premium receipts in this state, any other financial
3 institution paying taxes to the state of Missouri or any
4 political subdivision of this state under chapter 148, or any
5 charitable organization which is exempt from federal income tax
6 and whose Missouri unrelated business taxable income, if any,
7 would be subject to the state income tax imposed under chapter
8 143.

9 2. For all taxable years beginning on or after January 1,
10 2019, any taxpayer shall be allowed a credit against the taxes
11 otherwise due under chapter 143 or 148, excluding withholding tax
12 under sections 143.191 to 143.265, in an amount equal to fifty
13 percent of the amount of an eligible donation. The amount of the
14 tax credit claimed shall not exceed the amount of the taxpayer's
15 state income tax liability in the tax year for which the credit
16 is claimed. Any amount of credit that the taxpayer is prohibited
17 by this section from claiming in a tax year shall not be
18 refundable, but may be carried forward to any of the taxpayer's
19 four subsequent taxable years.

20 3. To claim the credit authorized in this section, a
21 provider may submit to the department an application for the tax
22 credit authorized by this section on behalf of taxpayers. The
23 department shall verify that the provider has submitted the
24 following items accurately and completely:

25 (1) A valid application in the form and format required by
26 the department;

27 (2) A statement attesting to the eligible donation
28 received, which shall include the name and taxpayer

1 identification number of the individual making the eligible
2 donation, the amount of the eligible donation, and the date the
3 eligible donation was received by the provider; and

4 (3) A payment from the eligible provider in an amount equal
5 to fifty percent of the eligible donation.

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

9 4. Tax credits issued under this section may be assigned,
10 transferred, sold, or otherwise conveyed, and the new owner of
11 the tax credit shall have the same rights in the credit as the
12 taxpayer. Whenever a certificate is assigned, transferred, sold,
13 or otherwise conveyed, a notarized endorsement shall be filed
14 with the department specifying the name and address of the new
15 owner of the tax credit or the value of the credit.

16 5. The department shall promulgate rules to implement the
17 provisions of this section. Any rule or portion of a rule, as
18 that term is defined in section 536.010 that is created under the
19 authority delegated in this section shall become effective only
20 if it complies with and is subject to all of the provisions of
21 chapter 536, and, if applicable, section 536.028. This section
22 and chapter 536 are nonseverable and if any of the powers vested
23 with the general assembly pursuant to chapter 536, to review, to
24 delay the effective date, or to disapprove and annul a rule are
25 subsequently held unconstitutional, then the grant of rulemaking
26 authority and any rule proposed or adopted after August 28, 2018,
27 shall be invalid and void.

28 6. Pursuant to section 23.253 of the Missouri sunset act:

1 (1) The provisions of this section shall automatically
2 sunset six years after the effective date of this section, unless
3 reauthorized by an act of the general assembly; and

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

7 (3) This section shall terminate on September first of the
8 calendar year immediately following the calendar year in which
9 the program authorized under this section is sunset.

10 143.1150. 1. This section shall be known and may be cited
11 as the "First-Time Home Buyer Tax Deduction".

12 2. As used in this section, the following terms mean:

13 (1) "Deduction", an amount subtracted from the taxpayer's
14 Missouri adjusted gross income to determine Missouri taxable
15 income for the tax year in which such deduction is claimed;

16 (2) "Eligible expenses", the same meaning as that term is
17 defined under subdivision (3) of section 443.1003;

18 (3) "First-time home buyer savings account", the same
19 meaning as that term is defined under subdivision (6) of section
20 443.1003;

21 (4) "First-time home buyer savings account act", sections
22 443.1001 to 443.1007;

23 (5) "Taxpayer", any individual who is a resident of this
24 state and subject to the income tax imposed under this chapter,
25 excluding withholding tax imposed under sections 143.191 to
26 143.265.

27 3. For all tax years beginning on or after January 1, 2019,
28 a taxpayer shall be allowed a deduction of fifty percent of a

1 participating taxpayer's contributions to a first-time home buyer
2 savings account in the tax year of the contribution. Each
3 taxpayer claiming the deduction under this section shall file an
4 affidavit with the income tax return verifying the amount of
5 their contributions. The amount of the deduction claimed shall
6 not exceed the amount of the taxpayer's Missouri adjusted gross
7 income for the tax year that the deduction is claimed, and shall
8 not exceed eight hundred dollars per taxpayer claiming the
9 deduction, or one thousand six hundred dollars if married filing
10 combined.

11 4. Income earned or received as a result of assets in a
12 first-time home buyer savings account shall not be subject to
13 state income tax imposed under Chapter 143. The exemption under
14 this section shall apply only to income maintained, accrued, or
15 expended pursuant to the requirements of sections 443.1001 to
16 443.1007, and no exemption shall apply to assets and income
17 expended for any other purpose. The amount of the deduction
18 claimed shall not exceed the amount of the taxpayer's Missouri
19 adjusted gross income for the tax year the deduction is claimed.

20 5. If any deductible contributions to or earnings from any
21 such programs referred to in this section are distributed and not
22 used to pay for eligible expenses or are not held for the minimum
23 length of time under subsection 2 of section 443.1005, the amount
24 so distributed shall be added to the Missouri adjusted gross
25 income of the participant or, if the participant is not living,
26 the beneficiary, in the year of distribution.

27 6. The department of revenue shall promulgate rules to
28 implement the provisions of this section. Any rule or portion of

1 a rule, as that term is defined in section 536.010, that is
2 created under the authority delegated in this section shall
3 become effective only if it complies with and is subject to all
4 of the provisions of chapter 536 and, if applicable, section
5 536.028. This section and chapter 536 are nonseverable, and if
6 any of the powers vested with the general assembly pursuant to
7 chapter 536 to review, to delay the effective date, or to
8 disapprove and annul a rule are subsequently held
9 unconstitutional, then the grant of rulemaking authority and any
10 rule proposed or adopted after August 28, 2018, shall be invalid
11 and void.

12 7. Under section 23.253 of the Missouri sunset act:

13 (1) The provisions of the new program authorized under this
14 section shall automatically sunset on December thirty-first six
15 years after the effective date of this section, unless
16 reauthorized by an act of the general assembly;

17 (2) If such program is reauthorized, the program authorized
18 under this section shall automatically sunset on December thirty-
19 first six years after the effective date of the reauthorization
20 of this section; and

21 (3) This section shall terminate on September first of the
22 calendar year immediately following the calendar year in which
23 the program authorized under this section is sunset.

24 443.1001. Sections 443.1001 to 443.1007 shall be known and
25 may be cited as the "First-Time Home Buyer Savings Account Act".

26 443.1003. As used in sections 443.1001 to 443.1007 the
27 following terms mean:

28 (1) "Account holder", an individual who establishes an

1 account with a financial institution that is designated as a
2 first-time home buyer savings account in accordance with section
3 443.1004;

4 (2) "Department", the department of revenue;

5 (3) "Eligible expenses", a down payment and any closing
6 costs included on a real estate settlement statement including,
7 but not limited to, appraisal fees, mortgage origination fees,
8 and inspection fees;

9 (4) "Financial institution", any state bank, state trust
10 company, savings and loan association, federally chartered credit
11 union doing business in this state, credit union chartered by the
12 state of Missouri, national bank, broker-dealer, mutual fund,
13 insurance company, or other similar financial entity qualified to
14 do business in this state;

15 (5) "First-time home buyer", an individual who:

16 (a) Has never owned or purchased under contract for deed,
17 either individually or jointly, a single-family, owner-occupied
18 primary residence including, but not limited to, a condominium
19 unit or a manufactured or mobile home that was assessed and taxed
20 as real property; or

21 (b) As a result of the individual's dissolution of
22 marriage, has not been listed on a property title for at least
23 three consecutive years;

24 (6) "First-time home buyer savings account" or "account",
25 an account with a financial institution designated as such in
26 accordance with subsection 1 of section 443.1004;

27 (7) "Qualified beneficiary", a first-time home buyer
28 designated by an account holder for whose eligible expenses the

1 moneys in a first-time home buyer savings account are or will be
2 used.

3 443.1004. 1. Beginning January 1, 2019, any individual may
4 open an account with a financial institution and designate the
5 account, in its entirety, as a first-time home buyer savings
6 account to be used to pay or reimburse a qualified beneficiary's
7 eligible expenses for the purchase of his or her primary
8 residence in Missouri. An individual may be the account holder
9 of multiple accounts, and an individual may jointly own the
10 account with another person if such persons file a married filing
11 combined income tax return. To be eligible for the tax deduction
12 under section 143.1150, an account holder shall comply with the
13 requirements of this section.

14 2. An account holder shall designate, no later than April
15 fifteenth of the year following the tax year during which the
16 account was established, a first-time home buyer as the qualified
17 beneficiary of the first-time home buyer savings account. The
18 account holder may designate himself or herself as the qualified
19 beneficiary. The account holder may change the designated
20 qualified beneficiary at any time, but no first-time home buyer
21 savings account shall have more than one qualified beneficiary at
22 any time. No account holder shall have multiple accounts with
23 the same qualified beneficiary, but an individual may be
24 designated as the qualified beneficiary of multiple accounts.

25 3. (1) The following limits apply to a first-time home
26 buyer savings account:

27 (a) The maximum contribution to a first-time home buyer
28 savings account is one thousand six hundred dollars per year for

1 an individual and three thousand two hundred dollars per year for
2 account holders who file a married filing combined income tax
3 return;

4 (b) The maximum amount of all contributions for all tax
5 years to a first-time home buyer savings account is twenty
6 thousand dollars; and

7 (c) The maximum total amount in an account is thirty
8 thousand dollars;

9 (2) If a limit in subdivision (1) of this subsection is
10 exceeded, then thereafter no interest or other income earned on
11 the investment of moneys in the first-time home buyer savings
12 account shall be included in the tax deduction under section
13 143.1150; and

14 (3) Moneys may remain in a first-time home buyer savings
15 account for an unlimited duration without the interest or income
16 being subject to recapture or penalty.

17 4. The account holder shall not use moneys in an account to
18 pay expenses of administering the account, except that a service
19 fee may be deducted from the account by a financial institution.
20 The account holder shall be responsible for maintaining
21 documentation for the first-time home buyer savings account and
22 for eligible expenses related to the qualified beneficiary's
23 purchase of a primary residence.

24 443.1005. 1. (1) For purposes of the tax benefit
25 conferred under the first-time home buyer savings account act,
26 the moneys in a first-time home buyer savings account may be:

27 (a) Used for eligible expenses related to a qualified
28 beneficiary's purchase of his or her primary residence located in

1 this state;

2 (b) Used for eligible expenses related to a qualified
3 beneficiary's purchase of his or her primary residence located
4 outside this state if the qualified beneficiary is active-duty
5 military and was stationed in Missouri for any time after the
6 creation of the account;

7 (c) Used for expenses that would have qualified under
8 paragraph (a) or (b) of this subdivision, but the contract for
9 purchase did not close;

10 (d) Transferred to another newly created first-time home
11 buyer savings account; and

12 (e) Used to pay a service fee that is deducted by the
13 financial institution.

14 (2) Subdivision (1) of this section shall apply whether the
15 qualified beneficiary is the sole owner of the primary residence
16 or joint owner with another person who does not qualify as a
17 qualified beneficiary. Moneys in a first-time home buyer savings
18 account shall not be used for the purposes under paragraphs (a),
19 (b), and (c) of subdivision (1) of this subsection related to the
20 purchase of a manufactured or mobile home that is not taxed as
21 real property.

22 (3) The title of any home purchased with moneys from a
23 first-time home buyer savings account shall not transfer for at
24 least two years unless reasonable circumstances exist that were
25 unforeseen at the time the home was purchased. The first-time
26 home buyer shall request an exception from the department.

27 2. Moneys withdrawn from a first-time home buyer savings
28 account shall be subject to recapture in the tax year in which

1 they are withdrawn if:

2 (1) At the time of the withdrawal, it has been less than a
3 year since the first deposit in the first-time home buyer savings
4 account; or

5 (2) The moneys are used for any purpose other than those
6 specified under subsection 1 of this section.

7
8 The recapture shall be an amount equal to the moneys withdrawn
9 and shall be added to the Missouri adjusted gross income of the
10 account holder or, if the account holder is not living, the
11 qualified beneficiary.

12 3. If any moneys are subject to recapture under subsection
13 2 of this section, the account holder shall pay to the department
14 a penalty in the same tax year as the recapture. If the
15 withdrawal was made ten or fewer years after the first deposit in
16 the first-time home buyer savings account, the penalty shall be
17 equal to five percent of the amount subject to recapture, and, if
18 the withdrawal was made more than ten years after the first
19 deposit in the account, the penalty shall be equal to ten percent
20 of the amount subject to recapture. These penalties shall not
21 apply if:

22 (1) The withdrawn moneys are used for eligible expenses
23 related to a qualified beneficiary's purchase of his or her
24 primary residence outside of the state; or

25 (2) The withdrawn moneys are from a first-time home buyer
26 savings account for which the qualified beneficiary died, and the
27 account holder does not designate a new qualified beneficiary
28 during the same tax year.

1 4. If the account holder dies or, if the first-time home
2 buyer savings account is jointly owned, the account holders die
3 and the account does not have a surviving transfer on death
4 beneficiary, then all of the moneys in the account that were used
5 for a tax deduction under section 143.1150 shall be subject to
6 recapture in the tax year of the death or deaths, but no penalty
7 shall be due to the department.

8 443.1006. 1. The department shall establish forms for an
9 account holder to annually report information about a first-time
10 home buyer savings account including, but not limited to, how the
11 moneys withdrawn from the fund are used and shall identify any
12 supporting documentation that is required to be maintained. To
13 be eligible for the tax deduction under section 143.1150, an
14 account holder shall annually file with the account holder's
15 state income tax return all forms required by the department
16 under this section, the 1099 form for the account issued by the
17 financial institution, and any other supporting documentation the
18 department requires.

19 2. The department of revenue may promulgate rules and
20 regulations necessary to administer the provisions of the
21 first-time home buyer savings account act. Any rule or portion
22 of a rule, as that term is defined in section 536.010, that is
23 created under the authority delegated in this section shall
24 become effective only if it complies with and is subject to all
25 of the provisions of chapter 536 and, if applicable, section
26 536.028. This section and chapter 536 are nonseverable, and if
27 any of the powers vested with the general assembly pursuant to
28 chapter 536 to review, to delay the effective date, or to

1 disapprove and annul a rule are subsequently held
2 unconstitutional, then the grant of rulemaking authority and any
3 rule proposed or adopted after August 28, 2018, shall be invalid
4 and void.

5 443.1007. 1. No financial institution shall be required
6 to:

7 (1) Designate an account as a first-time home buyer savings
8 account or designate the beneficiaries of an account in the
9 financial institution's account contracts or systems or in any
10 other way;

11 (2) Track the use of moneys withdrawn from a first-time
12 home buyer savings account; or

13 (3) Report any information to the department or any other
14 governmental agency that is not otherwise required by law.

15 2. No financial institution shall be responsible or liable
16 for:

17 (1) Determining or ensuring that an account holder is
18 eligible for a tax deduction under section 143.1150;

19 (2) Determining or ensuring that moneys in the account are
20 used for eligible expenses; or

21 (3) Reporting or remitting taxes or penalties related to
22 use of moneys in a first-time home buyer savings account.

23 3. In implementing section 143.1150 and sections 443.1001
24 to 443.1007, the department shall not establish any
25 administrative, reporting, or other requirements on financial
26 institutions that are outside the scope of normal account
27 procedures.