

SECOND REGULAR SESSION

SENATE BILL NO. 631

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR WASSON.

Pre-filed December 1, 2017, and ordered printed.

ADRIANE D. CROUSE, Secretary.

4479S.01I

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section 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. Chapter 135, RSMo, is amended by adding thereto one new
2 section, to be known as section 135.1125, to read as follows:

**135.1125. 1. As used in this section, the following terms shall
2 mean:**

3 **(1) "Certificate", a tax credit certificate issued under this section;**

4 **(2) "Department", the Missouri department of social services;**

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

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

9 **(5) "Taxpayer", a person, firm, partner in a firm, corporation, or
10 a shareholder in an S corporation doing business in the state of
11 Missouri and subject to the state income tax imposed in chapter 143, an
12 insurance company paying an annual tax on its gross premium receipts
13 in this state, any other financial institution paying taxes to the state of
14 Missouri or any political subdivision of this state under chapter 148, or
15 any charitable organization which is exempt from federal income tax
16 and whose Missouri unrelated business taxable income, if any, would
17 be subject to the state income tax imposed under chapter 143.**

18 **2. For all taxable years beginning on or after January 1, 2019,
19 any taxpayer shall be allowed a credit against the taxes otherwise due
20 under chapter 143 or 148, excluding withholding tax under sections
21 143.191 to 143.265, in an amount equal to fifty percent of the amount of**

22 an eligible donation. The amount of the tax credit claimed shall not
23 exceed the amount of the taxpayer's state income tax liability in the tax
24 year for which the credit is claimed. Any amount of credit that the
25 taxpayer is prohibited by this section from claiming in a tax year shall
26 not be refundable, but may be carried forward to any of the taxpayer's
27 four subsequent taxable years.

28 3. To claim the credit authorized in this section, a provider may
29 submit to the department an application for the tax credit authorized
30 by this section on behalf of taxpayers. The department shall verify that
31 the provider has submitted the following items accurately and
32 completely:

33 (1) A valid application in the form and format required by the
34 department;

35 (2) A statement attesting to the eligible donation received, which
36 shall include the name and taxpayer identification number of the
37 individual making the eligible donation, the amount of the eligible
38 donation, and the date the eligible donation was received by the
39 provider; and

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

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

45 4. Tax credits issued under this section may be assigned,
46 transferred, sold, or otherwise conveyed, and the new owner of the tax
47 credit shall have the same rights in the credit as the
48 taxpayer. Whenever a certificate is assigned, transferred, sold, or
49 otherwise conveyed, a notarized endorsement shall be filed with the
50 department specifying the name and address of the new owner of the
51 tax credit or the value of the credit.

52 5. The department shall promulgate rules to implement the
53 provisions of this section. Any rule or portion of a rule, as that term is
54 defined in section 536.010 that is created under the authority delegated
55 in this section shall become effective only if it complies with and is
56 subject to all of the provisions of chapter 536, and, if applicable, section
57 536.028. This section and chapter 536 are nonseverable and if any of
58 the powers vested with the general assembly pursuant to chapter 536,

59 to review, to delay the effective date, or to disapprove and annul a rule
60 are subsequently held unconstitutional, then the grant of rulemaking
61 authority and any rule proposed or adopted after August 28, 2018, shall
62 be invalid and void.

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

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

67 **(2) If such program is reauthorized, the program authorized**
68 **under this section shall automatically sunset twelve years after the**
69 **effective date of the reauthorization of this section; and**

70 **(3) This section shall terminate on September first of the**
71 **calendar year immediately following the calendar year in which the**
72 **program authorized under this section is sunset.**

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