

FIRST REGULAR SESSION

SENATE BILL NO. 255

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR BERNSKOETTER.

Read 1st time January 15, 2019, and ordered printed.

ADRIANE D. CROUSE, Secretary.

1354S.011

AN ACT

To amend chapter 620, RSMo, by adding thereto two new sections relating to historic buildings.

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

Section A. Chapter 620, RSMo, is amended by adding thereto two new sections, to be known as sections 620.3200 and 620.3210, to read as follows:

620.3200. The department of economic development may, in addition to the fees provided under section 620.1900, charge a fee to the recipient of any tax credits issued by the department under the provisions of chapter 253 in an amount not to exceed one percent of the amount of tax credits issued. The fee shall be payable to the Missouri development finance board for the benefit of the capitol complex fund established pursuant to section 620.3210 and shall be paid by the recipient upon the issuance of the tax credits. The department of economic development shall issue invoices for fees payable under this section.

620.3210. 1. This section shall be known and may be cited as the "Capitol Complex Tax Credit Act".

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

(1) "Board", the Missouri development finance board, a body corporate and politic created under sections 100.250 to 100.297 and 100.700 to 100.850;

(2) "Capitol complex", the following buildings located in Jefferson City, Missouri:

(a) State capitol building, 201 West Capitol Avenue;

(b) Supreme court building, 207 West High Street;

(c) Old Federal Courthouse, 131 West High Street;

12 (d) Highway building, 105 Capitol Avenue;

13 (e) Governor's mansion, 100 Madison Street;

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

15 (4) "Department", the Missouri department of economic
16 development;

17 (5) "Eligible artifact", any items of personal property specifically
18 for display in a building in the capitol complex or former fixtures
19 which were previously owned by the state and used within the capitol
20 complex, but which had been removed. The board of public buildings
21 shall, in their sole discretion, make all determinations as to which
22 items are eligible artifacts and may employ such experts as may be
23 useful to them in making such a determination;

24 (6) "Eligible artifact donation", a donation of an eligible artifact
25 to the board of public buildings. The value of such donation shall be
26 set by the board of public buildings who may employ such experts as
27 may be useful to them in making such a determination. The board of
28 public buildings shall, in their sole discretion, determine if an artifact
29 is to be accepted;

30 (7) "Eligible monetary donation", donations received from a
31 qualified donor to the capitol complex fund, created in this section, or
32 to an organization exempt from taxation under 501(c)(3) of the Internal
33 Revenue Service Code of 1986, as amended, whose mission and purpose
34 is to restore, renovate, improve, and maintain one or more buildings in
35 the capitol complex, that are to be used solely for projects to restore,
36 renovate, improve, and maintain buildings and their furnishings in the
37 capitol complex and the administration thereof. Eligible donations may
38 include:

39 (a) Cash, including checks, money orders, credit card payments,
40 or similar cash equivalents valued at the face value of the
41 currency. Currency of other nations shall be valued based on the
42 exchange rate on the date of the gift. The date of the donation shall be
43 the date that cash or check is received by the applicant or the date
44 posted to the donor's account in the case of credit or debit cards;

45 (b) Stocks from a publicly traded company;

46 (c) Bonds which are publicly traded;

47 (8) "Eligible recipient", the capitol complex fund, created in this
48 section, or an organization exempt from taxation under 501(c)(3) of the

49 Internal Revenue Service Code of 1986, as amended, whose mission and
50 purpose is to restore, renovate, improve, and maintain one or more
51 buildings in the capitol complex;

52 (9) "Qualified donor", any of the following individuals or entities
53 who make an eligible monetary donation or eligible artifact donation
54 to the capitol complex fund or other eligible recipient:

55 (a) A person, firm, partner in a firm, corporation, or a
56 shareholder in an S corporation doing business in the state of Missouri
57 and subject to the state income tax imposed in chapter 143;

58 (b) A corporation subject to the annual corporation franchise tax
59 imposed in chapter 147;

60 (c) An insurance company paying an annual tax on its gross
61 premium receipts in this state;

62 (d) Any other financial institution paying taxes to the state of
63 Missouri or any political subdivision of this state under chapter 148;

64 (e) An individual subject to the state income tax imposed in
65 chapter 143;

66 (f) Any charitable organization, including any foundation or not-
67 for-profit corporation, which is exempt from federal income tax and
68 whose Missouri unrelated business taxable income, if any, would be
69 subject to the state income tax imposed under chapter 143.

70 3. There is hereby created a fund to be known as the "Capitol
71 Complex Fund", separate and distinct from all other board funds, which
72 is hereby authorized to receive any eligible monetary donation as
73 provided in this section and revenues derived from fees imposed
74 pursuant to section 620.3200. The capitol complex fund shall be
75 segregated into two accounts: a rehabilitation and renovation account
76 and a maintenance account. Ninety percent of the revenues received
77 from eligible donations pursuant to the provisions of this section and
78 fees collected pursuant to section 620.3000 shall be deposited in the
79 rehabilitation and renovation account and seven and one-half percent
80 of such revenues shall be deposited in the maintenance account. The
81 assets of these accounts, together with any interest which may accrue
82 thereon, shall be used by the board solely for the purposes of
83 restoration and maintenance of the building of the capitol complex as
84 defined in this section, and for no other purpose. The remaining two
85 and one-half percent of the revenues deposited into the fund may be

86 used for the purposes of soliciting donations to the fund, advertising
87 and promoting the fund, and administrative costs of administering the
88 fund. Any amounts not used for those purposes shall be deposited back
89 into the rehabilitation and renovation account and the maintenance
90 account divided in the manner set forth in this section. The board may,
91 as an administrative cost, use the funds to hire fund raising
92 professionals and such other experts or advisors as may be necessary
93 to carry out the board's duties under this section. The choice of
94 projects for which the money is to be used, as well as the determination
95 of the methods of carrying out the project and the procurement of
96 goods and services thereon shall be made by the commissioner of
97 administration. No monies shall be released from the fund for any
98 expense without the approval of the commissioner of administration,
99 who may delegate that authority as deemed appropriate. All contracts
100 for rehabilitation, renovation, or maintenance work shall be the
101 responsibility of the commissioner of administration. A memorandum
102 of understanding may be executed between the commissioner of
103 administration and the board determining the processes for obligation,
104 reservation, and payment of eligible costs from the fund. The
105 commission of administration shall not obligate costs in excess of the
106 fund balance. The board shall not be responsible for any costs
107 obligated in excess of available funds and shall be held harmless in any
108 contracts related to rehabilitation, renovation, and maintenance of
109 capitol complex buildings. No other board funds shall be used to pay
110 obligations made by the commissioner of administration related to
111 activities under this section.

112 4. For all taxable years beginning on or after January 1, 2019,
113 any qualified donor shall be allowed a credit against the taxes
114 otherwise due under chapters 143 and 148, except for sections 143.191
115 to 143.265, in an amount of fifty percent of the eligible monetary
116 donation. The amount of the tax credit claimed may exceed the amount
117 of the donor's state income tax liability in the tax year for which the
118 credit is claimed. Any amount of credit that exceeds the qualified
119 donor's state income tax liability may be refundable or may be carried
120 forward to any of the taxpayer's four subsequent taxable years.

121 5. For all taxable years beginning on or after January 1, 2019,
122 any qualified donor shall be allowed a credit against the taxes

123 otherwise due under chapters 143 and 148, except for sections 143.191
124 to 143.265, in an amount of thirty percent of the eligible artifact
125 donation. The amount of the tax credit claimed may not exceed the
126 amount of the qualified donor's state income tax liability in the tax
127 year for which the credit is claimed. Any amount of credit that exceeds
128 the qualified donor's state income tax liability shall not be refundable
129 but may be carried forward to any other taxpayer's four subsequent
130 taxable years.

131 **6. To claim a credit for an eligible monetary donation as set forth**
132 **in subsection 4 of this section, a qualified donor shall make an eligible**
133 **monetary donation to the board as custodian of the capitol complex**
134 **fund or other eligible recipient. Upon receipt of such donation, the**
135 **board or other eligible recipient shall issue to the qualified donor a**
136 **statement evidencing receipt of such donation, including the value of**
137 **such donation, with a copy to the department. Upon receipt of the**
138 **statement from the eligible recipient, the department shall issue a tax**
139 **credit certificate equal to fifty percent of the amount of the donation,**
140 **to the qualified donor, as indicated in the statement from the eligible**
141 **recipient.**

142 **7. To claim a credit for an eligible artifact donation as set forth**
143 **in subsection 5 of this section, a qualified donor shall donate an eligible**
144 **artifact to the board of public buildings. If the board of public**
145 **buildings determines that artifact is an eligible artifact and has**
146 **determined to accept the artifact, it shall issue a statement of donation**
147 **to the eligible donor specifying the value placed on the artifact by the**
148 **board of public buildings, with a copy to the department. Upon**
149 **receiving a statement from the board of public buildings, the**
150 **department shall issue a tax credit certificate equal to thirty percent**
151 **of the amount of the donation, to the qualified donor as indicated in the**
152 **statement from the board of public buildings.**

153 **8. The department shall not authorize more than ten million**
154 **dollars in tax credits provided under this section in any calendar**
155 **year. Donations shall be processed for tax credits on a first come, first**
156 **serve basis. Donations received in excess of the tax credit cap shall be**
157 **placed in line for tax credits issued the following year or shall be given**
158 **the opportunity to complete their donation without the expectation of**
159 **a tax credit, or shall request to have their donation returned.**

160 **9. Tax credits issued under the provisions of this section shall**
161 **not be subject to the payment of any fee required under the provisions**
162 **of section 620.1900.**

163 **10. Tax credits issued under this section may be assigned,**
164 **transferred, sold, or otherwise conveyed, and the new owner of the tax**
165 **credit shall have the same rights in the credit as the**
166 **taxpayer. Whenever a certificate is assigned, transferred, sold, or**
167 **otherwise conveyed, a notarized endorsement shall be filed with the**
168 **department specifying the name and address of the new owner of the**
169 **tax credit and the value of the credit.**

170 **11. The department may promulgate rules to implement the**
171 **provisions of this section. Any rule or portion of a rule, as that term is**
172 **defined in section 536.010 that is created under the authority delegated**
173 **in this section shall become effective only if it complies with and is**
174 **subject to all of the provisions of chapter 536, and, if applicable, section**
175 **536.028. This section and chapter 536 are nonseverable and if any of**
176 **the powers vested with the general assembly pursuant to chapter 536,**
177 **to review, to delay the effective date, or to disapprove and annul a rule**
178 **are subsequently held unconstitutional, then the grant of rulemaking**
179 **authority and any rule proposed or adopted after August 28, 2019, shall**
180 **be invalid and void.**

181 **12. Pursuant to section 23.253 of the Missouri sunset act:**

182 **(1) The provisions of the new program authorized under this**
183 **section shall sunset automatically six years after August 28, 2019,**
184 **unless reauthorized by an act of the general assembly; and**

185 **(2) If such program is reauthorized, the program authorized**
186 **under this section shall sunset automatically twelve years after August**
187 **28, 2019; and**

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

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