

FIRST REGULAR SESSION

# SENATE BILL NO. 188

## 101ST GENERAL ASSEMBLY

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INTRODUCED BY SENATOR BECK.

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ADRIANE D. CROUSE, Secretary

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### AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to tax credits for grocery stores.

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

Section A. Chapter 135, RSMo, is amended by adding thereto  
2 one new section, to be known as section 135.1620, to read as  
3 follows:

135.1620. 1. As used in this section, the following  
2 terms mean:

3 (1) "Eligible expenses", expenses incurred in the  
4 construction or development of real property for the purpose  
5 of establishing a full-service grocery store in a food  
6 desert;

7 (2) "Food desert", a census tract that has a poverty  
8 rate of at least twenty percent or a median family income of  
9 less than eighty percent of the statewide average and where  
10 at least five hundred people or thirty-three percent of the  
11 population are located at least one-half mile away from a  
12 full-service grocery store in urbanized areas or at least  
13 ten miles away in rural areas;

14 (3) "Full-service grocery store", a grocery store that  
15 provides a full complement of healthful fruits, vegetables,  
16 grains, meat, and dairy products along with household  
17 items. Fresh fruits and vegetables shall be available for

18 sale in quantities that are substantially similar to  
19 industry standards for facilities of similar size;

20 (4) "New location", a full-service grocery store  
21 facility located on a tract of real property within a food  
22 desert acquired by or leased to a taxpayer on or after  
23 January 1, 2022. A location shall be deemed to have been  
24 acquired by or leased to a taxpayer on or after January 1,  
25 2022, if the transfer of title to the taxpayer, the transfer  
26 of possession under a binding contract to transfer title to  
27 the taxpayer, or the commencement of the term of the lease  
28 to the taxpayer occurs on or after January 1, 2022, or if  
29 the commencement of the construction or installation of the  
30 facility by or on behalf of a taxpayer occurs on or after  
31 January 1, 2022;

32 (5) "Rural area", a town or community within the state  
33 that is not within a metropolitan statistical area and has a  
34 population of six thousand or fewer inhabitants as  
35 determined by the last preceding federal decennial census or  
36 any unincorporated area not within a metropolitan  
37 statistical area;

38 (6) "Tax credit", a credit against the tax otherwise  
39 due under chapter 143, excluding withholding tax imposed  
40 under sections 143.191 to 143.265;

41 (7) "Taxpayer", any individual, partnership, or  
42 corporation as described under section 143.441 or 143.471  
43 that is subject to the tax imposed under chapter 143,  
44 excluding withholding tax imposed under sections 143.191 to  
45 143.265, or any charitable organization that is exempt from  
46 federal income tax and whose Missouri unrelated business  
47 taxable income, if any, would be subject to the state income  
48 tax imposed under chapter 143;

49 (8) "Urbanized area", an urbanized area as designated  
50 by the United States Census Bureau.

51           2. A taxpayer shall be allowed to claim a tax credit  
52 against the taxpayer's state tax liability in an amount  
53 equal to fifty percent of the taxpayer's eligible expenses  
54 for establishing a full-service grocery store in a food  
55 desert after initial expenses of:

56 (1) One million dollars if the full-service grocery  
57 store is established in a charter county, a county of the  
58 first classification, or a city not within a county; or

59 (2) Five hundred thousand dollars if the full-service  
60 grocery store is established in any other county.

61           3. The amount of the tax credit claimed shall not  
62 exceed the amount of the taxpayer's state tax liability in  
63 the tax year for which the credit is claimed, and such  
64 taxpayer shall not be allowed to claim a tax credit in  
65 excess of two million five hundred thousand dollars per tax  
66 year. However, any tax credit that cannot be claimed in the  
67 tax year the contribution was made may be carried over to  
68 the next three succeeding tax years until the full credit is  
69 claimed.

70           4. The total amount of tax credits that may be  
71    authorized under this section shall not exceed twenty-five  
72    million dollars in any calendar year.

73           5. Tax credits issued under the provisions of this  
74 section may be transferred, sold, or assigned.

75        6. The issuance of tax credits authorized under this  
76 section shall cease and the taxpayer shall immediately  
77 submit payment to the state general revenue fund in an  
78 amount equal to all credits previously issued to the  
79 taxpayer under this section, less any amounts previously  
80 repaid, increased by an amount equal to a reasonable rate of

81 return on the value of the credits issued in the event that  
82 the taxpayer:

83 (1) Fails to complete construction of a full-service  
84 grocery store within five years of the commencement of the  
85 project; or

86 (2) Fails to operate a full-service grocery store at  
87 the same new location for at least ten consecutive years.

88 7. The department of economic development may  
89 promulgate rules to implement the provisions of this  
90 section. Any rule or portion of a rule, as that term is  
91 defined in section 536.010, that is created under the  
92 authority delegated in this section shall become effective  
93 only if it complies with and is subject to all of the  
94 provisions of chapter 536 and, if applicable, section  
95 536.028. This section and chapter 536 are nonseverable, and  
96 if any of the powers vested with the general assembly  
97 pursuant to chapter 536 to review, to delay the effective  
98 date, or to disapprove and annul a rule are subsequently  
99 held unconstitutional, then the grant of rulemaking  
100 authority and any rule proposed or adopted after August 28,  
101 2021, shall be invalid and void.

102 8. Under section 23.253 of the Missouri sunset act:

103 (1) The program authorized under this section shall  
104 automatically sunset on December thirty-first, six years  
105 after the effective date of this section, unless  
106 reauthorized by an act of the general assembly;

107 (2) If such program is reauthorized, the program  
108 authorized under this section shall automatically sunset on  
109 December thirty-first, twelve years after the effective date  
110 of the reauthorization of this section;

111 (3) This section shall terminate on September first of  
112 the calendar year immediately following the calendar year in

113 which the program authorized under this section is sunset;  
114 and

115 (4) Nothing in this subsection shall prevent a  
116 taxpayer from claiming a tax credit properly issued before  
117 the program was sunset in a tax year after the program is  
118 sunset.

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