AN ACT

To repeal sections 36.020, 143.121, 143.124, 302.188, 379.122, 620.2005, 620.2010, and 650.005, RSMo, and to enact in lieu thereof fifteen new sections relating to military affairs, with an emergency clause for certain sections.

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

Section A. Sections 36.020, 143.121, 143.124, 302.188, 379.122, 620.2005, 620.2010, and 650.005, RSMo, are repealed and fifteen new sections enacted in lieu thereof, to be known as sections 9.297, 36.020, 36.221, 41.035, 41.201, 42.390, 105.1204, 143.121, 143.124, 160.710, 302.188, 379.122, 620.2005, 620.2010, and 650.005, to read as follows:

9.297. The month of November is hereby designated as "Military Family Month" in Missouri. The citizens of this state are encouraged to participate in appropriate events and activities to honor the daily sacrifices of all military families who support their loved ones serving our country.

36.020. Unless the context clearly requires otherwise, the following terms mean:

(1) "Agency", "state agency" or "agency of the state", each department, board, commission or office of the state except for offices of the elected officials, the general assembly, the judiciary and academic institutions;

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.
(2) "Appointing authority", an officer or agency subject to this chapter having power to make appointments;
(3) "Board", the personnel advisory board as established by section 36.050;
(4) "Broad classification band", a grouping of positions with similar levels of responsibility or expertise;
(5) "Class", "class of positions", or "job class", a group of positions subject to this chapter sufficiently alike in duties, authority and responsibilities to justify the same qualifications and the same schedule of pay to all positions in the group;
(6) "Director", the director of the division of personnel of the office of administration;
(7) "Disabled veteran", a veteran who has served on active duty in the Armed Forces at any time who receives compensation as a result of a service-connected disability claim allowed by the federal agency responsible for the administration of veteran's affairs, or who receives disability retirement or disability pension benefits from a federal agency as a result of such a disability or a National Guard veteran who was permanently disabled as a result of active service to the state at the call of the governor;
(8) "Division of service" or "division", a state department or any division or branch of the state, or any agency of the state government, all the positions and employees in which are under the same appointing authority;
(9) "Eleemosynary or penal institutions", an institution within state government holding, housing, or caring for inmates, patients, veterans, juveniles, or other individuals entrusted to or assigned to the state where it is anticipated that such individuals will be in residence
for longer than one day. Eleemosynary or penal institutions shall not include elementary, secondary, or higher education institutions operated separately or independently from the foregoing institutions;

(10) "Eligible", a person whose name is on a register or who has been determined to meet the qualifications for a class or position;

(11) "Employee", shall include only those persons employed in excess of thirty-two hours per calendar week, for a duration that could exceed six months, by a state agency and shall not include patients, inmates, or residents in state eleemosynary or penal institutions who work for the state agency operating an eleemosynary or penal institutions;

(12) "Examination" or "competitive examination", a means of determining eligibility or fitness for a class or position;

(13) "Open competitive examination", a selection process for positions in a particular class, admission to which is not limited to persons employed in positions subject to this chapter pursuant to subsection 1 of section 36.030;

(14) "Promotional examination", a selection process for positions in a particular class, admission to which is limited to employees with regular status in positions subject to this chapter pursuant to subsection 1 of section 36.030;

(15) "Register of eligibles", a list, which may be restricted by locality, of persons who have been found qualified for appointment to a position subject to this chapter pursuant to subsection 1 of section 36.030;

(16) "Regular employee", a person employed in a position described under subdivision (2) of subsection 1 of
section 36.030 who has successfully completed a probationary period as provided in section 36.250;

(17) "State equal employment opportunity officer", the individual designated by the governor or the commissioner of administration as having responsibility for monitoring the compliance of the state as an employer with applicable equal employment opportunity law and regulation and for leadership in efforts to establish a state workforce which reflects the diversity of Missouri citizens at all levels of employment;

(18) "Surviving spouse", the unmarried surviving spouse of a deceased disabled veteran or the unmarried [survivor's] surviving spouse of any person who was killed while on active duty in the Armed Forces of the United States or an unmarried surviving spouse of a National Guard veteran who was killed as a result of active service to the state at the call of the governor;

(19) "Veteran", any person who is a citizen of this state who has been separated under honorable conditions from the Armed Forces of the United States who served on active duty during peacetime or wartime for at least six consecutive months, unless released early as a result of a service-connected disability or a reduction in force at the convenience of the government, or any member of a reserve or National Guard component who has satisfactorily completed at least six years of service or who was called or ordered to active duty by the President and participated in any campaign or expedition for which a campaign badge or service medal has been authorized.

36.221. In filling any position where employees are selected on the basis of merit under subsection 1 of section 36.030, the appointing authority shall offer an interview to every person who is or was a member of the Missouri National
Guard whose name appears on the register of eligibles for
the position.

41.035. 1. There is hereby created and established as
a department of state government, the "Missouri Department
of the National Guard" headed by the adjutant general as
provided in Article IV of the Constitution of Missouri, and
this chapter and other chapters. The Missouri department of
the National Guard shall administer the militia and programs
of the state relating to military forces, except for the
Missouri veterans commission which is assigned to the
department of public safety as provided in chapters 42 and
650.

2. The office of adjutant general and the state
militia are hereby transferred to the Missouri department of
the National Guard by a type I transfer as defined in

3. Nothing herein shall be construed to interfere with
the powers and duties of the governor provided in Article
IV, Section 6 of the Constitution of Missouri or this
chapter.

4. Rules necessary to administer and implement this
section may be established by the department. Any rule or
portion of a rule, as that term is defined in section
536.010, that is created under the authority delegated in
this section shall become effective only if it complies with
and is subject to all of the provisions of chapter 536 and,
if applicable, section 536.028. This section and chapter
536 are nonseverable and if any of the powers vested with
the general assembly pursuant to chapter 536 to review, to
delay the effective date, or to disapprove and annul a rule
are subsequently held unconstitutional, then the grant of
rulemaking authority and any rule proposed or adopted after
the effective date of this act shall be invalid and void.

41.201. Service members of the Missouri National Guard
shall be considered state employees for the purposes of
operating state-owned vehicles for official state business
unless the members are called into active federal military
service by order of the President of the United States
pursuant to Title 10 of the United States Code.

42.390. 1. Every state agency shall ensure that any
form, including digital forms posted on an Internet website,
used to collect data from individuals include the following
questions in substantially similar form:
(1) Have you ever served on active duty in the
Armed Forces of the United States and separated
from such service under conditions other than
dishonorable?
(2) If answering question (1) in the
affirmative, would you like to receive
information and assistance regarding the
agency's veteran services?
2. Every state agency shall prepare information
regarding the agency's applicable services and benefits that
are available to veterans and provide such information to
those who answer the questions provided in subsection 1 of
this section in the affirmative.
3. The provisions of subsection 1 of this section
shall only apply to any form first created on or after
August 28, 2021, or any form created before August 28, 2021,
and subsequently modified on or after August 28, 2021.

105.1204. In filling any position in a state agency,
as that term is defined under section 36.020, where
employees are not required to be selected on the basis of
merit under subsection 1 of section 36.030, the employing agency shall offer an interview to every applicant who is or was a member of the Missouri National Guard and who meets the minimum qualifications established for the position.

143.121. 1. The Missouri adjusted gross income of a resident individual shall be the taxpayer's federal adjusted gross income subject to the modifications in this section.

2. There shall be added to the taxpayer's federal adjusted gross income:
   
   (1) The amount of any federal income tax refund received for a prior year which resulted in a Missouri income tax benefit. The amount added pursuant to this subdivision shall not include any amount of a federal income tax refund attributable to a tax credit reducing a taxpayer's federal tax liability pursuant to Public Law 116-136, enacted by the 116th United States Congress, for the tax year beginning on or after January 1, 2020, and ending on or before December 31, 2020, and deducted from Missouri adjusted gross income pursuant to section 143.171;

   (2) Interest on certain governmental obligations excluded from federal gross income by 26 U.S.C. Section 103 of the Internal Revenue Code, as amended. The previous sentence shall not apply to interest on obligations of the state of Missouri or any of its political subdivisions or authorities and shall not apply to the interest described in subdivision (1) of subsection 3 of this section. The amount added pursuant to this subdivision shall be reduced by the amounts applicable to such interest that would have been deductible in computing the taxable income of the taxpayer except only for the application of 26 U.S.C. Section 265 of the Internal Revenue Code, as amended. The reduction shall only be made if it is at least five hundred dollars;
(3) The amount of any deduction that is included in the computation of federal taxable income pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code as amended by the Job Creation and Worker Assistance Act of 2002 to the extent the amount deducted relates to property purchased on or after July 1, 2002, but before July 1, 2003, and to the extent the amount deducted exceeds the amount that would have been deductible pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code of 1986 as in effect on January 1, 2002;

(4) The amount of any deduction that is included in the computation of federal taxable income for net operating loss allowed by 26 U.S.C. Section 172 of the Internal Revenue Code of 1986, as amended, other than the deduction allowed by 26 U.S.C. Section 172(b)(1)(G) and 26 U.S.C. Section 172(i) of the Internal Revenue Code of 1986, as amended, for a net operating loss the taxpayer claims in the tax year in which the net operating loss occurred or carries forward for a period of more than twenty years and carries backward for more than two years. Any amount of net operating loss taken against federal taxable income but disallowed for Missouri income tax purposes pursuant to this subdivision after June 18, 2002, may be carried forward and taken against any income on the Missouri income tax return for a period of not more than twenty years from the year of the initial loss; and

(5) For nonresident individuals in all taxable years ending on or after December 31, 2006, the amount of any property taxes paid to another state or a political subdivision of another state for which a deduction was allowed on such nonresident's federal return in the taxable year unless such state, political subdivision of a state, or
the District of Columbia allows a subtraction from income for property taxes paid to this state for purposes of calculating income for the income tax for such state, political subdivision of a state, or the District of Columbia;

(6) For all tax years beginning on or after January 1, 2018, any interest expense paid or accrued in a previous taxable year, but allowed as a deduction under 26 U.S.C. Section 163, as amended, in the current taxable year by reason of the carryforward of disallowed business interest provisions of 26 U.S.C. Section 163(j), as amended. For the purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under 26 U.S.C. Section 163, as amended, if the limitation under 26 U.S.C. Section 163(j), as amended, did not exist.

3. There shall be subtracted from the taxpayer's federal adjusted gross income the following amounts to the extent included in federal adjusted gross income:

(1) Interest received on deposits held at a federal reserve bank or interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission or instrumentality of the United States to the extent exempt from Missouri income taxes pursuant to the laws of the United States. The amount subtracted pursuant to this subdivision shall be reduced by any interest on indebtedness incurred to carry the described obligations or securities and by any expenses incurred in the production of interest or dividend income described in this subdivision. The reduction in the previous sentence shall only apply to the extent that such expenses including amortizable bond premiums are deducted in determining the
taxpayer's federal adjusted gross income or included in the taxpayer's Missouri itemized deduction. The reduction shall only be made if the expenses total at least five hundred dollars;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis to the taxpayer for Missouri income tax purposes than for federal income tax purposes on December 31, 1972, that does not exceed such difference in basis. If a gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to one-half of such portion of the gain;

(3) The amount necessary to prevent the taxation pursuant to this chapter of any annuity or other amount of income or gain which was properly included in income or gain and was taxed pursuant to the laws of Missouri for a taxable year prior to January 1, 1973, to the taxpayer, or to a decedent by reason of whose death the taxpayer acquired the right to receive the income or gain, or to a trust or estate from which the taxpayer received the income or gain;

(4) Accumulation distributions received by a taxpayer as a beneficiary of a trust to the extent that the same are included in federal adjusted gross income;

(5) The amount of any state income tax refund for a prior year which was included in the federal adjusted gross income;

(6) The portion of capital gain specified in section 135.357 that would otherwise be included in federal adjusted gross income;

(7) The amount that would have been deducted in the computation of federal taxable income pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code as in effect on
January 1, 2002, to the extent that amount relates to property purchased on or after July 1, 2002, but before July 1, 2003, and to the extent that amount exceeds the amount actually deducted pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code as amended by the Job Creation and Worker Assistance Act of 2002;

(8) For all tax years beginning on or after January 1, 2005, the amount of any income received for military service while the taxpayer serves in a combat zone which is included in federal adjusted gross income and not otherwise excluded therefrom. As used in this section, "combat zone" means any area which the President of the United States by Executive Order designates as an area in which Armed Forces of the United States are or have engaged in combat. Service is performed in a combat zone only if performed on or after the date designated by the President by Executive Order as the date of the commencing of combat activities in such zone, and on or before the date designated by the President by Executive Order as the date of the termination of combatant activities in such zone;

(9) For all tax years ending on or after July 1, 2002, with respect to qualified property that is sold or otherwise disposed of during a taxable year by a taxpayer and for which an additional modification was made under subdivision (3) of subsection 2 of this section, the amount by which additional modification made under subdivision (3) of subsection 2 of this section on qualified property has not been recovered through the additional subtractions provided in subdivision (7) of this subsection;

(10) For all tax years beginning on or after January 1, 2014, the amount of any income received as payment from any program which provides compensation to agricultural
producers who have suffered a loss as the result of a
disaster or emergency, including the:
   (a) Livestock Forage Disaster Program;
   (b) Livestock Indemnity Program;
   (c) Emergency Assistance for Livestock, Honeybees, and
       Farm-Raised Fish;
   (d) Emergency Conservation Program;
   (e) Noninsured Crop Disaster Assistance Program;
   (f) Pasture, Rangeland, Forage Pilot Insurance Program;
   (g) Annual Forage Pilot Program;
   (h) Livestock Risk Protection Insurance Plan; [and]
   (i) Livestock Gross Margin Insurance Plan; [and]
   (11) For all tax years beginning on or after January
        1, 2018, any interest expense paid or accrued in the current
        taxable year, but not deducted as a result of the limitation
        imposed under 26 U.S.C. Section 163(j), as amended. For the
        purposes of this subdivision, an interest expense is
        considered paid or accrued only in the first taxable year
        the deduction would have been allowable under 26 U.S.C.
        Section 163, as amended, if the limitation under 26 U.S.C.
        Section 163(j), as amended, did not exist; and
   (12) One hundred percent of any retirement benefits
        received by any taxpayer as a result of the taxpayer's
        service in the Armed Forces of the United States, including
        reserve components and the National Guard of this state, as
        defined in 32 U.S.C. Sections 101(3) and 109, and any other
        military force organized under the laws of this state.

4. There shall be added to or subtracted from the
taxpayer's federal adjusted gross income the taxpayer's
share of the Missouri fiduciary adjustment provided in
section 143.351.
5. There shall be added to or subtracted from the taxpayer's federal adjusted gross income the modifications provided in section 143.411.

6. In addition to the modifications to a taxpayer's federal adjusted gross income in this section, to calculate Missouri adjusted gross income there shall be subtracted from the taxpayer's federal adjusted gross income any gain recognized pursuant to 26 U.S.C. Section 1033 of the Internal Revenue Code of 1986, as amended, arising from compulsory or involuntary conversion of property as a result of condemnation or the imminence thereof.

7. (1) As used in this subsection, "qualified health insurance premium" means the amount paid during the tax year by such taxpayer for any insurance policy primarily providing health care coverage for the taxpayer, the taxpayer's spouse, or the taxpayer's dependents.

(2) In addition to the subtractions in subsection 3 of this section, one hundred percent of the amount of qualified health insurance premiums shall be subtracted from the taxpayer's federal adjusted gross income to the extent the amount paid for such premiums is included in federal taxable income. The taxpayer shall provide the department of revenue with proof of the amount of qualified health insurance premiums paid.

8. (1) Beginning January 1, 2014, in addition to the subtractions provided in this section, one hundred percent of the cost incurred by a taxpayer for a home energy audit conducted by an entity certified by the department of natural resources under section 640.153 or the implementation of any energy efficiency recommendations made in such an audit shall be subtracted from the taxpayer's federal adjusted gross income to the extent the amount paid
for any such activity is included in federal taxable income. The taxpayer shall provide the department of revenue with a summary of any recommendations made in a qualified home energy audit, the name and certification number of the qualified home energy auditor who conducted the audit, and proof of the amount paid for any activities under this subsection for which a deduction is claimed. The taxpayer shall also provide a copy of the summary of any recommendations made in a qualified home energy audit to the department of natural resources.

(2) At no time shall a deduction claimed under this subsection by an individual taxpayer or taxpayers filing combined returns exceed one thousand dollars per year for individual taxpayers or cumulatively exceed two thousand dollars per year for taxpayers filing combined returns.

(3) Any deduction claimed under this subsection shall be claimed for the tax year in which the qualified home energy audit was conducted or in which the implementation of the energy efficiency recommendations occurred. If implementation of the energy efficiency recommendations occurred during more than one year, the deduction may be claimed in more than one year, subject to the limitations provided under subdivision (2) of this subsection.

(4) A deduction shall not be claimed for any otherwise eligible activity under this subsection if such activity qualified for and received any rebate or other incentive through a state-sponsored energy program or through an electric corporation, gas corporation, electric cooperative, or municipally owned utility.

9. The provisions of subsection 8 of this section shall expire on December 31, 2020.
143.124. 1. Other provisions of law to the contrary notwithstanding, for tax years ending on or before December 31, 2006, the total amount of all annuities, pensions, or retirement allowances above the amount of six thousand dollars annually provided by any law of this state, the United States, or any other state to any person except as provided in subsection 4 of this section, shall be subject to tax pursuant to the provisions of this chapter, in the same manner, to the same extent and under the same conditions as any other taxable income received by the person receiving it. For purposes of this section, "annuity, pension, retirement benefit, or retirement allowance" shall be defined as an annuity, pension or retirement allowance provided by the United States, this state, any other state or any political subdivision or agency or institution of this or any other state. For all tax years beginning on or after January 1, 1998, for purposes of this section, annuity, pension or retirement allowance shall be defined to include 401(k) plans, deferred compensation plans, self-employed retirement plans, also known as Keogh plans, annuities from a defined pension plan and individual retirement arrangements, also known as IRAs, as described in the Internal Revenue Code, but not including Roth IRAs, as well as an annuity, pension or retirement allowance provided by the United States, this state, any other state or any political subdivision or agency or institution of this or any other state. An individual taxpayer shall only be allowed a maximum deduction equal to the amounts provided under this section for each taxpayer on the combined return.

2. For the period beginning July 1, 1989, and ending December 31, 1989, there shall be subtracted from Missouri
adjusted gross income for that period, determined pursuant to section 143.121, the first three thousand dollars of retirement benefits received by each taxpayer:

(1) If the taxpayer's filing status is single, head of household or qualifying widow(er) and the taxpayer's Missouri adjusted gross income is less than twelve thousand five hundred dollars; or

(2) If the taxpayer's filing status is married filing combined and their combined Missouri adjusted gross income is less than sixteen thousand dollars; or

(3) If the taxpayer's filing status is married filing separately and the taxpayer's Missouri adjusted gross income is less than eight thousand dollars.

3. For the tax years beginning on or after January 1, 1990, but ending on or before December 31, 2006, there shall be subtracted from Missouri adjusted gross income, determined pursuant to section 143.121, a maximum of the first six thousand dollars of retirement benefits received by each taxpayer from sources other than privately funded sources, and for tax years beginning on or after January 1, 1998, there shall be subtracted from Missouri adjusted gross income, determined pursuant to section 143.121, a maximum of the first one thousand dollars of any retirement allowance received from any privately funded source for tax years beginning on or after January 1, 1998, but before January 1, 1999, and a maximum of the first three thousand dollars of any retirement allowance received from any privately funded source for tax years beginning on or after January 1, 1999, but before January 1, 2000, and a maximum of the first four thousand dollars of any retirement allowance received from any privately funded source for tax years beginning on or after January 1, 2000, but before January 1, 2001, and a
maximum of the first five thousand dollars of any retirement
allowance received from any privately funded source for tax
years beginning on or after January 1, 2001, but before
January 1, 2002, and a maximum of the first six thousand
dollars of any retirement allowance received from any
privately funded sources for tax years beginning on or after
January 1, 2002. A taxpayer shall be entitled to the
maximum exemption provided by this subsection:

(1) If the taxpayer's filing status is single, head of
household or qualifying widow(er) and the taxpayer's
Missouri adjusted gross income is less than twenty-five
thousand dollars; or

(2) If the taxpayer's filing status is married filing
combined and their combined Missouri adjusted gross income
is less than thirty-two thousand dollars; or

(3) If the taxpayer's filing status is married filing
separately and the taxpayer's Missouri adjusted gross income
is less than sixteen thousand dollars.

4. If a taxpayer's adjusted gross income exceeds the
adjusted gross income ceiling for such taxpayer's filing
status, as provided in subdivisions (1), (2) and (3) of
subsection 3 of this section, such taxpayer shall be
entitled to an exemption equal to the greater of zero or the
maximum exemption provided in subsection 3 of this section
reduced by one dollar for every dollar such taxpayer's
income exceeds the ceiling for his or her filing status.

5. For purposes of this subsection, the term "maximum
Social Security benefit available" shall mean thirty-two
thousand five hundred dollars for the tax year beginning on
or after January 1, 2007, and for each subsequent tax year
such amount shall be increased by the percentage increase in
the Consumer Price Index for All Urban Consumers, or its
successor index, as such index is defined and officially reported by the United States Department of Labor, or its successor agency. For the tax year beginning on or after January 1, 2007, but ending on or before December 31, 2007, there shall be subtracted from Missouri adjusted gross income, determined pursuant to section 143.121, a maximum of an amount equal to the greater of: six thousand dollars in retirement benefits received from sources other than privately funded sources, to the extent such benefits are included in the taxpayer's federal adjusted gross income; or twenty percent of the retirement benefits received from sources other than privately funded sources in the tax year, but not to exceed the maximum Social Security benefit available for such tax year. For the tax year beginning on or after January 1, 2008, but ending on or before December 31, 2008, there shall be subtracted from Missouri adjusted gross income, determined pursuant to section 143.121, a maximum of an amount equal to the greater of: six thousand dollars in retirement benefits received from sources other than privately funded sources, to the extent such benefits are included in the taxpayer's federal adjusted gross income; or thirty-five percent of the retirement benefits received from sources other than privately funded sources in the tax year, but not to exceed the maximum Social Security benefit available for such tax year. For the tax year beginning on or after January 1, 2009, but ending on or before December 31, 2009, there shall be subtracted from Missouri adjusted gross income, determined pursuant to section 143.121, a maximum of an amount equal to the greater of: six thousand dollars in retirement benefits received from sources other than privately funded sources, to the extent such benefits are included in the taxpayer's federal adjusted gross income; or thirty-five percent of the retirement benefits received from sources other than privately funded sources in the tax year, but not to exceed the maximum Social Security benefit available for such tax year.
adjusted gross income; or fifty percent of the retirement
benefits received from sources other than privately funded
sources in the tax year, but not to exceed the maximum
Social Security benefit available for such tax year. For
the tax year beginning on or after January 1, 2010, but
ending on or before December 31, 2010, there shall be
subtracted from Missouri adjusted gross income, determined
pursuant to section 143.121, a maximum of an amount equal to
the greater of: six thousand dollars in retirement benefits
received from sources other than privately funded sources,
to the extent such benefits are included in the taxpayer's
federal adjusted gross income; or sixty-five percent of the
retirement benefits received from sources other than
privately funded sources in the tax year, but not to exceed
the maximum Social Security benefit available for such tax
year. For the tax year beginning on or after January 1,
2011, but ending on or before December 31, 2011, there shall
be subtracted from Missouri adjusted gross income,
determined pursuant to section 143.121, a maximum of an
amount equal to the greater of: six thousand dollars in
retirement benefits received from sources other than
privately funded sources, to the extent such benefits are
included in the taxpayer's federal adjusted gross income; or
eighty percent of the retirement benefits received from
sources other than privately funded sources in the tax year,
but not to exceed the maximum Social Security benefit
available for such tax year. For all tax years beginning on
or after January 1, 2012, there shall be subtracted from
Missouri adjusted gross income, determined pursuant to
section 143.121, a maximum of an amount equal to one hundred
percent of the retirement benefits received from sources
other than privately funded sources in the tax year, but not
to exceed the maximum Social Security benefit available for such tax year. A taxpayer shall be entitled to the maximum exemption provided by this subsection:

(1) If the taxpayer's filing status is married filing combined, and their combined Missouri adjusted gross income is equal to or less than one hundred thousand dollars; or

(2) If the taxpayer's filing status is single, head of household, qualifying widow(er), or married filing separately, and the taxpayer's Missouri adjusted gross income is equal to or less than eighty-five thousand dollars.

6. If a taxpayer's adjusted gross income exceeds the adjusted gross income ceiling for such taxpayer's filing status, as provided in subdivisions (1) and (2) of subsection 5 of this section, such taxpayer shall be entitled to an exemption, less any applicable reduction provided under subsection 7 of this section, equal to the greater of zero or the maximum exemption provided in subsection 5 of this section reduced by one dollar for every dollar such taxpayer's income exceeds the ceiling for his or her filing status.

7. For purposes of calculating the subtraction provided in subsection 5 of this section, such subtraction shall be decreased by an amount equal to any Social Security benefit exemption provided under section 143.125.

8. For purposes of this section, any Social Security benefits otherwise included in Missouri adjusted gross income shall be subtracted; but Social Security benefits shall not be subtracted for purposes of other computations pursuant to this chapter, and are not to be considered as retirement benefits for purposes of this section.

9. The provisions of subdivisions (1) and (2) of subsection 3 of this section shall apply during all tax
years in which the federal Internal Revenue Code provides exemption levels for calculation of the taxability of Social Security benefits that are the same as the levels in subdivisions (1) and (2) of subsection 3 of this section. If the exemption levels for the calculation of the taxability of Social Security benefits are adjusted by applicable federal law or regulation, the exemption levels in subdivisions (1) and (2) of subsection 3 of this section shall be accordingly adjusted to the same exemption levels.

10. The portion of a taxpayer's lump sum distribution from an annuity or other retirement plan not otherwise included in Missouri adjusted gross income as calculated pursuant to this chapter but subject to taxation under Internal Revenue Code Section 402 shall be taxed in an amount equal to ten percent of the taxpayer's federal liability on such distribution for the same tax year.

11. For purposes of this section, retirement benefits received shall not include any withdrawals from qualified retirement plans which are subsequently rolled over into another retirement plan.

12. The exemptions provided for in this section shall not affect the calculation of the income to be used to determine the property tax credit provided in sections 135.010 to 135.035.

13. The exemptions provided for in this section shall apply to any annuity, pension, or retirement allowance as defined in subsection 1 of this section to the extent that such amounts are included in the taxpayer's federal adjusted gross income and not otherwise deducted from the taxpayer's federal adjusted gross income in the calculation of Missouri taxable income. This subsection shall not apply to any
individual who qualifies under federal guidelines to be one hundred percent disabled.

[14. In addition to all other subtractions authorized in this section, for all tax years beginning on or after January 1, 2010, there shall be subtracted from Missouri adjusted gross income, determined under section 143.121, any retirement benefits received by any taxpayer as a result of the taxpayer's service in the Armed Forces of the United States, including reserve components and the National Guard of this state, as defined in Sections 101(3) and 109 of Title 32, United States Code, and any other military force organized under the laws of this state, to the extent such benefits are included in the taxpayer's federal adjusted gross income and not otherwise deducted from the taxpayer's federal adjusted gross income in the calculation of Missouri taxable income. Such retirement benefits shall be subtracted as provided in the following schedule:

(1) For the tax year beginning on January 1, 2010, fifteen percent of such retirement benefits;

(2) For the tax year beginning on January 1, 2011, thirty percent of such retirement benefits;

(3) For the tax year beginning on January 1, 2012, forty-five percent of such retirement benefits;

(4) For the tax year beginning on January 1, 2013, sixty percent of such retirement benefits;

(5) For the tax year beginning on January 1, 2014, seventy-five percent of such retirement benefits;

(6) For the tax year beginning on January 1, 2015, ninety percent of such retirement benefits;

(7) For tax years beginning on or after January 1, 2016, one hundred percent of such retirement benefits.]
160.710. 1. As used in this section, the following terms mean:

   (1) "Military connected student", a student enrolled in a school district or charter school who:

   (a) Is a dependent of a current or former member of the Armed Forces of the United States, the Missouri National Guard, or any reserve component of the Armed Forces of the United States; or

   (b) Was a dependent of a member of the Armed Forces of the United States, the Missouri National Guard, or any reserve component of the Armed Forces of the United States who was killed while on active duty.

2. The department of elementary and secondary education shall designate a school district as a purple star campus if the school district applies and qualifies for the designation under this section.

3. To qualify as a purple star campus, a school district shall:

   (1) Designate a staff member as a military liaison to serve as the point of contact between the school district and military connected students and their families;

   (2) Identify military connected students enrolled in the school district;

   (3) Determine appropriate services available to military connected students;

   (4) Coordinate programs relevant to military connected students;

   (5) Maintain on the school district website an easily accessible webpage that includes resources for military connected students and their families, including information regarding:
(a) Relocation to, enrollment at, registration at, and transferring records to the school district;
(b) Academic planning, course sequences, and advanced classes available;
(c) Counseling and other support services available for military connected students enrolled in the school district;
(d) The military liaison designated under subdivision (1) of this section;
(6) Establish and maintain a transition program led by the students, when appropriate, that assists military connected students in transitioning into the school district;
(7) Offer professional development and education for staff members on issues related to military connected students; and
(8) Offer at least one of the following programs:
   (a) A resolution showing support for military connected students and their families;
   (b) Recognition of the military holidays with relevant events hosted by the school district; or
   (c) A partnership with a local military installation that provides opportunities for active duty military members to volunteer with the school district, speak at an assembly, or host a field trip.

302.188. 1. A person may apply to the department of revenue to obtain a veteran designation on a driver's license or identification card issued under this chapter by providing:
   (1) A United States Department of Defense discharge document, otherwise known as a DD Form 214, that shows a discharge status of "honorable" or "general under honorable
"conditions" that establishes the person's service in the Armed Forces of the United States; or

(2) A United States Uniformed Services Identification Card, otherwise known as a DD Form 2, that includes a discharge status of "retired" or "reserve retired" establishing the person's service in the Armed Forces of the United States; or

(3) A United States Department of Veterans Affairs photo identification card; or

(4) A discharge document WD AGO 53, WD AGO 55, WD AGO 53-55, NVPERS 553, NAVMC 78 PD, NAVCG 553, or DD 215 form that shows a discharge status of "honorable" or "general under honorable conditions"; and

(5) Payment of the fee for the driver's license or identification card authorized under this chapter.

2. If the person is seeking a duplicate driver's license with the veteran designation and his or her driver's license has not expired, the fee shall be as provided under section 302.185.

3. The department of revenue [may determine the appropriate placement of] shall place the veteran designation on the front of driver's licenses and identification cards authorized under this section and may promulgate the necessary rules for administration of this section.

4. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly
pursuant to chapter 536 to review, to delay the effective
date, or to disapprove and annul a rule are subsequently
held unconstitutional, then the grant of rulemaking
authority and any rule proposed or adopted after August 28,
2012, shall be invalid and void.

379.122. 1. No insurer shall refuse to write a policy
for an applicant or base an adverse underwriting decision,
including but not limited to charging an increased premium,
solely on the fact that the applicant has never purchased
such a policy of motor vehicle insurance where the lack of
motor vehicle insurance coverage is due to the applicant
serving in the armed services and the applicant has not
operated a motor vehicle in violation of any financial
responsibility or compulsory insurance requirement within
the past twelve months.

2. No insurer shall refuse to write a policy for an
applicant or base an adverse underwriting decision,
including but not limited to charging an increased premium,
solely on the fact that the applicant has not owned or been
covered by such a policy of motor vehicle insurance during
any specified period immediately preceding the date of
application where the lack of motor vehicle insurance
coverage is due to the applicant serving in the armed
services and the applicant has not operated a motor vehicle
in violation of any financial responsibility or compulsory
insurance requirement within the past twelve months.
Nothing in this subsection shall prohibit an insurer from
giving a discount for such an applicant that has been
covered by a policy of insurance during such a specified
period.

3. Nothing in this section shall prohibit an insurer
from basing an adverse underwriting decision on an
applicant's previous driving record where such record indicates that the applicant is a substandard risk.

4. In order to establish compliance with this section, an insurer may require any applicant claiming to meet the criteria of subsection 1 or 2 of this section to provide proof of eligibility in a manner as the insurer may prescribe.

5. The adjutant general shall ensure that members of the state military forces, as defined in section 40.005, receive notice of the protections provided under this section at such time as information regarding the Servicemembers Civil Relief Act, 50 U.S.C. 3901, et seq., is provided, or at such other times as the adjutant general deems appropriate. The notice shall specifically state that insurers are prohibited under this section from refusing to issue a policy of motor vehicle insurance, or from charging higher premiums, based solely on a lack of prior coverage where the lack of prior coverage was due to military service. The secretaries of the branches of the United States Armed Forces are hereby encouraged to likewise notify servicemembers under their jurisdictions of the protections provided under this section.

620.2005. 1. As used in sections 620.2000 to 620.2020, the following terms mean:

(1) "Average wage", the new payroll divided by the number of new jobs, or the payroll of the retained jobs divided by the number of retained jobs;

(2) "Commencement of operations", the starting date for the qualified company's first new employee, which shall be no later than twelve months from the date of the approval;

(3) "Contractor", a person, employer, or business entity that enters into an agreement to perform any service
or work or to provide a certain product in exchange for valuable consideration. This definition shall include but not be limited to a general contractor, subcontractor, independent contractor, contract employee, project manager, or a recruiting or staffing entity;

(4) "County average wage", the average wages in each county as determined by the department for the most recently completed full calendar year. However, if the computed county average wage is above the statewide average wage, the statewide average wage shall be deemed the county average wage for such county for the purpose of determining eligibility. The department shall publish the county average wage for each county at least annually.

Notwithstanding the provisions of this subdivision to the contrary, for any qualified company that in conjunction with their project is relocating employees from a Missouri county with a higher county average wage, the company shall obtain the endorsement of the governing body of the community from which jobs are being relocated or the county average wage for their project shall be the county average wage for the county from which the employees are being relocated;

(5) "Department", the Missouri department of economic development;

(6) "Director", the director of the department of economic development;

(7) "Employee", a person employed by a qualified company, excluding:

(a) Owners of the qualified company unless the qualified company is participating in an employee stock ownership plan; or

(b) Owners of a noncontrolling interest in stock of a qualified company that is publicly traded;
"Existing Missouri business", a qualified company that, for the ten-year period preceding submission of a notice of intent to the department, had a physical location in Missouri and full-time employees who routinely performed job duties within Missouri;

"Full-time employee", an employee of the qualified company that is scheduled to work an average of at least thirty-five hours per week for a twelve-month period, and one for which the qualified company offers health insurance and pays at least fifty percent of such insurance premiums. An employee that spends less than fifty percent of the employee's work time at the facility shall be considered to be located at a facility if the employee receives his or her directions and control from that facility, is on the facility's payroll, one hundred percent of the employee's income from such employment is Missouri income, and the employee is paid at or above the applicable percentage of the county average wage;

"Industrial development authority", an industrial development authority organized under chapter 349 that has entered into a formal written memorandum of understanding with an entity of the United States Department of Defense regarding a qualified military project;

"Infrastructure projects", highways, roads, streets, bridges, sewers, traffic control systems and devices, water distribution and supply systems, curbing, sidewalks, storm water and drainage systems, broadband internet infrastructure, and any other similar public improvements, but in no case shall infrastructure projects include private structures;

"Local incentives", the present value of the dollar amount of direct benefit received by a qualified
company for a project facility from one or more local political subdivisions, but this term shall not include loans or other funds provided to the qualified company that shall be repaid by the qualified company to the political subdivision;

(13) "Manufacturing capital investment", expenditures made by a qualified manufacturing company to retool or reconfigure a manufacturing project facility directly related to the manufacturing of a new product or the expansion or modification of the manufacture of an existing product;

(14) "Memorandum of understanding", an agreement executed by an industrial development authority and an entity of the United States Department of Defense, a copy of which is provided to the department of economic development, that states, but is not limited to:

(a) A requirement for the military to provide the total number of existing jobs, jobs directly created by a qualified military project, and average salaries of such jobs to the industrial development authority and the department of economic development annually for the term of the benefit;

(b) A requirement for the military to provide an accounting of the expenditures of capital investment made by the military directly related to the qualified military project to the industrial development authority and the department of economic development annually for the term of the benefit;

(c) The process by which the industrial development authority shall monetize the tax credits annually and any transaction cost or administrative fee charged by the
industrial development authority to the military on an annual basis;

(d) A requirement for the industrial development authority to provide proof to the department of economic development of the payment made to the qualified military project annually, including the amount of such payment;

(e) The schedule of the maximum amount of tax credits which may be authorized in each year for the project and the specified term of the benefit, as provided by the department of economic development; and

(f) A requirement that the annual benefit paid shall be the lesser of:

a. The maximum amount of tax credits authorized; or
b. The actual calculated benefit derived from the number of new jobs and average salaries;

(15) "NAICS" or "NAICS industry classification", the classification provided by the most recent edition of the North American Industry Classification System as prepared by the Executive Office of the President, Office of Management and Budget;

(16) "New capital investment", shall include costs incurred by the qualified company at the project facility after acceptance by the qualified company of the proposal for benefits from the department or the approval notice of intent, whichever occurs first, for real or personal property, and may include the value of finance or capital leases for real or personal property for the term of such lease at the project facility executed after acceptance by the qualified company of the proposal for benefits from the department or the approval of the notice of intent;

(17) "New direct local revenue", the present value of the dollar amount of direct net new tax revenues of the
local political subdivisions likely to be produced by the project over a ten-year period as calculated by the department, excluding local earnings tax, and net new utility revenues, provided the local incentives include a discount or other direct incentives from utilities owned or operated by the political subdivision;

(18) "New job", the number of full-time employees located at the project facility that exceeds the project facility base employment less any decrease in the number of full-time employees at related facilities below the related facility base employment. No job that was created prior to the date of the notice of intent shall be deemed a new job;

(19) "New payroll", the amount of wages paid for all new jobs, located at the project facility during the qualified company's tax year that exceeds the project facility base payroll;

(20) "New product", a new model or line of a manufactured good that has not been manufactured in Missouri by a qualified manufacturing company at any time prior to the date of the notice of intent, or an existing brand, model, or line of a manufactured good that is redesigned;

(21) "Notice of intent", a form developed by the department and available online, completed by the qualified company, and submitted to the department stating the qualified company's intent to request benefits under this program. The notice of intent shall be accompanied with a detailed plan by the qualifying company to make good faith efforts to employ, at a minimum, commensurate with the percentage of minority populations in the state of Missouri, as reported in the previous decennial census, the following: racial minorities, contractors who are racial minorities, and contractors that, in turn, employ at a minimum racial
minorities commensurate with the percentage of minority populations in the state of Missouri, as reported in the previous decennial census. At a minimum, such plan shall include monitoring the effectiveness of outreach and recruitment strategies in attracting diverse applicants and linking with different or additional referral sources in the event that recruitment efforts fail to produce a diverse pipeline of applicants;

(22) "Percent of local incentives", the amount of local incentives divided by the amount of new direct local revenue;

(23) "Program", the Missouri works program established in sections 620.2000 to 620.2020;

(24) "Project facility", the building or buildings used by a qualified company at which new or retained jobs and any new capital investment are or will be located or by a qualified manufacturing company at which a manufacturing capital investment is or will be located. A project facility may include separate buildings located within sixty miles of each other such that their purpose and operations are interrelated; provided that where the buildings making up the project facility are not located within the same county, the average wage of the new payroll shall exceed the applicable percentage of the highest county average wage among the counties in which the buildings are located. Upon approval by the department, a subsequent project facility may be designated if the qualified company demonstrates a need to relocate to the subsequent project facility at any time during the project period. For qualified military projects, the term "project facility" means the military base or installation at which such qualified military project is or shall be located;
(25) "Project facility base employment", the greater of the number of full-time employees located at the project facility on the date of the notice of intent or, for the twelve-month period prior to the date of the notice of intent, the average number of full-time employees located at the project facility. In the event the project facility has not been in operation for a full twelve-month period, the average number of full-time employees for the number of months the project facility has been in operation prior to the date of the notice of intent;

(26) "Project facility base payroll", the annualized payroll for the project facility base employment or the total amount of taxable wages paid by the qualified company to full-time employees of the qualified company located at the project facility in the twelve months prior to the notice of intent. For purposes of calculating the benefits under this program, the amount of base payroll shall increase each year based on an appropriate measure, as determined by the department;

(27) "Project period", the time period within which benefits are awarded to a qualified company or within which the qualified company is obligated to perform under an agreement with the department, whichever is greater;

(28) "Projected net fiscal benefit", the total fiscal benefit to the state less any state benefits offered to the qualified company, as determined by the department;

(29) "Qualified company", a firm, partnership, joint venture, association, private or public corporation whether organized for profit or not, or headquarters of such entity registered to do business in Missouri that is the owner or operator of a project facility, certifies that it offers health insurance to all full-time employees of all
facilities located in this state, and certifies that it pays at least fifty percent of such insurance premiums. For the purposes of sections 620.2000 to 620.2020, the term "qualified company" shall not include:

(a) Gambling establishments (NAICS industry group 7132);

(b) Store front consumer-based retail trade establishments (under NAICS sectors 44 and 45), except with respect to any company headquartered in this state with a majority of its full-time employees engaged in operations not within the NAICS codes specified in this subdivision;

(c) Food and drinking places (NAICS subsector 722);

(d) Public utilities (NAICS 221 including water and sewer services);

(e) Any company that is delinquent in the payment of any nonprotested taxes or any other amounts due the state or federal government or any other political subdivision of this state;

(f) Any company requesting benefits for retained jobs that has filed for or has publicly announced its intention to file for bankruptcy protection. However, a company that has filed for or has publicly announced its intention to file for bankruptcy may be a qualified company provided that such company:

   a. Certifies to the department that it plans to reorganize and not to liquidate; and

   b. After its bankruptcy petition has been filed, it produces proof, in a form and at times satisfactory to the department, that it is not delinquent in filing any tax returns or making any payment due to the state of Missouri, including but not limited to all tax payments due after the filing of the bankruptcy petition and under the terms of the
plan of reorganization. Any taxpayer who is awarded benefits under this subsection and who files for bankruptcy under Chapter 7 of the United States Bankruptcy Code, Title 11 U.S.C., shall immediately notify the department and shall forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any withholding taxes already retained;

(g) Educational services (NAICS sector 61);

(h) Religious organizations (NAICS industry group 8131);

(i) Public administration (NAICS sector 92);

(j) Ethanol distillation or production;

(k) Biodiesel production; or

(l) Health care and social services (NAICS sector 62).

Notwithstanding any provision of this section to the contrary, the headquarters, administrative offices, or research and development facilities of an otherwise excluded business may qualify for benefits if the offices or facilities serve a multistate territory. In the event a national, state, or regional headquarters operation is not the predominant activity of a project facility, the jobs and investment of such operation shall be considered eligible for benefits under this section if the other requirements are satisfied;

(30) "Qualified manufacturing company", a company that:

(a) Is a qualified company that manufactures motor vehicles (NAICS group 3361);

(b) Manufactures goods at a facility in Missouri;

(c) Manufactures a new product or has commenced making a manufacturing capital investment to the project facility necessary for the manufacturing of such new product, or
modifies or expands the manufacture of an existing product or has commenced making a manufacturing capital investment for the project facility necessary for the modification or expansion of the manufacture of such existing product; and

(d) Continues to meet the requirements of paragraphs (a) to (c) of this subdivision for the project period;

(31) "Qualified military project", the expansion or improvement of a military base or installation within this state that causes:

(a) An increase of ten or more part-time or full-time military or civilian support personnel:
   a. Whose average salaries equal or exceed ninety percent of the county average wage; and
   b. Who are offered health insurance, with an entity of the United States Department of Defense paying at least fifty percent of such insurance premiums; and

(b) Investment in real or personal property at the base or installation expressly for the purposes of serving a new or expanded military activity or unit.

For the purposes of this subdivision, part-time military or civilian support personnel shall be converted to full-time new jobs by, in hire date order, counting one full-time new job for every thirty-five averaged hours worked per week by part-time military or civilian support personnel in jobs directly created by the qualified military project. For each such full-time new job, the sum of the wages of the part-time military or civilian support personnel combined and converted to form the new job shall be the wage for the one full-time new job. Each part-time military or civilian support personnel whose job is combined and converted for such a full-time new job shall be offered health insurance
as described in subparagraph b of paragraph (a) of this subdivision;

(32) "Related company", shall mean:

(a) A corporation, partnership, trust, or association controlled by the qualified company;

(b) An individual, corporation, partnership, trust, or association in control of the qualified company; or

(c) Corporations, partnerships, trusts or associations controlled by an individual, corporation, partnership, trust, or association in control of the qualified company.

As used in this paragraph, "control of a qualified company" shall mean:

a. Ownership, directly or indirectly, of stock possessing at least fifty percent of the total combined voting power of all classes of stock entitled to vote in the case of a qualified company that is a corporation;

b. Ownership of at least fifty percent of the capital or profit interest in such qualified company if it is a partnership or association;

c. Ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such qualified company if it is a trust, and ownership shall be determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

(33) "Related facility", a facility operated by the qualified company or a related company located in this state that is directly related to the operations of the project facility or in which operations substantially similar to the operations of the project facility are performed;

(34) "Related facility base employment", the greater of the number of full-time employees located at all related facilities on the date of the notice of intent or, for the
twelve-month period prior to the date of the notice of intent, the average number of full-time employees located at all related facilities of the qualified company or a related company located in this state;

(35) "Related facility base payroll", the annualized payroll of the related facility base payroll or the total amount of taxable wages paid by the qualified company to full-time employees of the qualified company located at a related facility in the twelve months prior to the filing of the notice of intent. For purposes of calculating the benefits under this program, the amount of related facility base payroll shall increase each year based on an appropriate measure, as determined by the department;

(36) "Rural area", a county in Missouri with a population less than seventy-five thousand or that does not contain an individual city with a population greater than fifty thousand according to the most recent federal decennial census;

(37) "Tax credits", tax credits issued by the department to offset the state taxes imposed by chapters 143 and 148, or which may be sold or refunded as provided for in this program;

(38) "Withholding tax", the state tax imposed by sections 143.191 to 143.265. For purposes of this program, the withholding tax shall be computed using a schedule as determined by the department based on average wages.

2. This section is subject to the provisions of section 196.1127.

620.2010. 1. In exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created, a qualified company may, for a period of five years from the date the
new jobs are created, or for a period of six years from the
date the new jobs are created if the qualified company is an
existing Missouri business, retain an amount equal to the
withholding tax as calculated under subdivision (38) of
section 620.2005 from the new jobs that would otherwise be
withheld and remitted by the qualified company under the
provisions of sections 143.191 to 143.265 if:

(1) The qualified company creates ten or more new
jobs, and the average wage of the new payroll equals or
exceeds ninety percent of the county average wage;

(2) The qualified company creates two or more new jobs
at a project facility located in a rural area, the average
wage of the new payroll equals or exceeds ninety percent of
the county average wage, and the qualified company commits
to making at least one hundred thousand dollars of new
capital investment at the project facility within two years;
or

(3) The qualified company creates two or more new jobs
at a project facility located within a zone designated under
sections 135.950 to 135.963, the average wage of the new
payroll equals or exceeds eighty percent of the county
average wage, and the qualified company commits to making at
least one hundred thousand dollars in new capital investment
at the project facility within two years of approval.

2. In addition to any benefits available under
subsection 1 of this section, the department may award a
qualified company that satisfies subdivision (1) of
subsection 1 of this section additional tax credits, issued
each year for a period of five years from the date the new
jobs are created, or for a period of six years from the date
the new jobs are created if the qualified company is an
existing Missouri business, in an amount equal to or less
than six percent of new payroll; provided that in no event
may the total amount of benefits awarded to a qualified
company under this section exceed nine percent of new
payroll in any calendar year. The amount of tax credits
awarded to a qualified company under this subsection shall
not exceed the projected net fiscal benefit to the state, as
determined by the department, and shall not exceed the least
amount necessary to obtain the qualified company's
commitment to initiate the project. In determining the
amount of tax credits to award to a qualified company under
this subsection or a qualified manufacturing company under
subsection 3 of this section, the department shall consider
the following factors:

(1) The significance of the qualified company's need
for program benefits;
(2) The amount of projected net fiscal benefit to the
state of the project and the period in which the state would
realize such net fiscal benefit;
(3) The overall size and quality of the proposed
project, including the number of new jobs, new capital
investment, manufacturing capital investment, proposed
wages, growth potential of the qualified company, the
potential multiplier effect of the project, and similar
factors;
(4) The financial stability and creditworthiness of
the qualified company;
(5) The level of economic distress in the area;
(6) An evaluation of the competitiveness of
alternative locations for the project facility, as
applicable; and
(7) The percent of local incentives committed.
3. (1) The department may award tax credits to a qualified manufacturing company that makes a manufacturing capital investment of at least five hundred million dollars not more than three years following the department's approval of a notice of intent and the execution of an agreement that meets the requirements of subsection 4 of this section. Such tax credits shall be issued no earlier than January 1, 2023, and may be issued each year for a period of five years. A qualified manufacturing company may qualify for an additional five-year period under this subsection if it makes an additional manufacturing capital investment of at least two hundred fifty million dollars within five years of the department's approval of the original notice of intent.

(2) The maximum amount of tax credits that any one qualified manufacturing company may receive under this subsection shall not exceed five million dollars per calendar year. The aggregate amount of tax credits awarded to all qualified manufacturing companies under this subsection shall not exceed ten million dollars per calendar year.

(3) If, at the project facility at any time during the project period, the qualified manufacturing company discontinues the manufacturing of the new product, or discontinues the modification or expansion of an existing product, and does not replace it with a subsequent or additional new product or with a modification or expansion of an existing product, the company shall immediately cease receiving any benefit awarded under this subsection for the remainder of the project period and shall forfeit all rights to retain or receive any benefit awarded under this subsection for the remainder of such period.
(4) Notwithstanding any other provision of law to the contrary, any qualified manufacturing company that is awarded benefits under this section shall not simultaneously receive tax credits or exemptions under sections 100.700 to 100.850 for the jobs created or retained or capital improvement that qualified for benefits under this section. The provisions of subsection 5 of section 285.530 shall not apply to a qualified manufacturing company that is awarded benefits under this section.

4. Upon approval of a notice of intent to receive tax credits under subsection 2, 3, 6, or 7 of this section, the department and the qualified company shall enter into a written agreement covering the applicable project period. The agreement shall specify, at a minimum:

(1) The committed number of new jobs, new payroll, and new capital investment, or the manufacturing capital investment and committed percentage of retained jobs for each year during the project period;

(2) The date or time period during which the tax credits shall be issued, which may be immediately or over a period not to exceed two years from the date of approval of the notice of intent;

(3) Clawback provisions, as may be required by the department;

(4) Financial guarantee provisions as may be required by the department, provided that financial guarantee provisions shall be required by the department for tax credits awarded under subsection 7 of this section; and

(5) Any other provisions the department may require.

5. In lieu of the benefits available under sections 1 and 2 of this section, and in exchange for the consideration provided by the new tax revenues and other economic stimuli
that will be generated by the new jobs created by the program, a qualified company may, for a period of five years from the date the new jobs are created, or for a period of six years from the date the new jobs are created if the qualified company is an existing Missouri business, retain an amount equal to the withholding tax as calculated under subdivision (38) of section 620.2005 from the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265 equal to:

(1) Six percent of new payroll for a period of five years from the date the required number of new jobs were created if the qualified company creates one hundred or more new jobs and the average wage of the new payroll equals or exceeds one hundred twenty percent of the county average wage of the county in which the project facility is located; or

(2) Seven percent of new payroll for a period of five years from the date the required number of jobs were created if the qualified company creates one hundred or more new jobs and the average wage of the new payroll equals or exceeds one hundred forty percent of the county average wage of the county in which the project facility is located.

The department shall issue a refundable tax credit for any difference between the amount of benefit allowed under this subsection and the amount of withholding tax retained by the company, in the event the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified company under this subsection.

6. In addition to the benefits available under subsection 5 of this section, the department may award a
qualified company that satisfies the provisions of subsection 5 of this section additional tax credits, issued each year for a period of five years from the date the new jobs are created, or for a period of six years from the date the new jobs are created if the qualified company is an existing Missouri business, in an amount equal to or less than three percent of new payroll; provided that in no event may the total amount of benefits awarded to a qualified company under this section exceed nine percent of new payroll in any calendar year. The amount of tax credits awarded to a qualified company under this subsection shall not exceed the projected net fiscal benefit to the state, as determined by the department, and shall not exceed the least amount necessary to obtain the qualified company's commitment to initiate the project. In determining the amount of tax credits to award to a qualified company under this subsection, the department shall consider the factors provided under subsection 2 of this section.

7. In lieu of the benefits available under subsections 1, 2, 5, and 6 of this section, and in exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs and new capital investment created by the program, the department may award a qualified company that satisfies the provisions of subdivision (1) of subsection 1 of this section tax credits, issued within one year following the qualified company's acceptance of the department's proposal for benefits, in an amount equal to or less than nine percent of new payroll. The amount of tax credits awarded to a qualified company under this subsection shall not exceed the projected net fiscal benefit to the state, as determined by the department, and shall not exceed the least
amount necessary to obtain the qualified company's commitment to initiate the project. In determining the amount of tax credits to award to a qualified company under this subsection, the department shall consider the factors provided under subsection 2 of this section and the qualified company's commitment to new capital investment and new job creation within the state for a period of not less than ten years. For the purposes of this subsection, each qualified company shall have an average wage of the new payroll that equals or exceeds one hundred percent of the county average wage. Notwithstanding the provisions of section 620.2020 to the contrary, this subsection, shall expire on June 30, 2025.

8. No benefits shall be available under this section for any qualified company that has performed significant, project-specific site work at the project facility, purchased machinery or equipment related to the project, or has publicly announced its intention to make new capital investment or manufacturing capital investment at the project facility prior to receipt of a proposal for benefits under this section or approval of its notice of intent, whichever occurs first.

9. In lieu of any other benefits under this chapter, the department of economic development may award a tax credit to an industrial development authority for a qualified military project in an amount equal to the estimated withholding taxes associated with the part-time and full-time civilian and military new jobs located at the facility and directly impacted by the project. The amount of the tax credit shall be calculated by multiplying:
(1) The average percentage of tax withheld, as provided by the department of revenue to the department of economic development;

(2) The average salaries of the jobs directly created by the qualified military project; and

(3) The number of jobs directly created by the qualified military project.

If the amount of the tax credit represents the least amount necessary to accomplish the qualified military project, the tax credits may be issued, but no tax credits shall be issued for a term longer than fifteen years. No qualified military project shall be eligible for tax credits under this subsection unless the department of economic development determines the qualified military project shall achieve a net positive fiscal impact to the state.

650.005. 1. There is hereby created a "Department of Public Safety" in charge of a director appointed by the governor with the advice and consent of the senate. The department's role will be to provide overall coordination in the state's public safety and law enforcement program, to provide channels of coordination with local and federal agencies in regard to public safety, law enforcement and with all correctional and judicial agencies in regard to matters pertaining to its responsibilities as they may interrelate with the other agencies or offices of state, local or federal governments.

2. All the powers, duties and functions of the state highway patrol, chapter 43 and others, are transferred by type II transfer to the department of public safety. The governor by and with the advice and consent of the senate shall appoint the superintendent of the patrol. With the
exception of sections 43.100 to 43.120 relating to financial procedures, the director of public safety shall succeed the state highways and transportation commission in approving actions of the superintendent and related matters as provided in chapter 43. Uniformed members of the patrol shall be selected in the manner provided by law and shall receive the compensation provided by law. Nothing in the Reorganization Act of 1974, however, shall be interpreted to affect the funding of appropriations or the operation of chapter 104 relating to retirement system coverage or section 226.160 relating to workers' compensation for members of the patrol.

3. All the powers, duties and functions of the supervisor of liquor control, chapter 311 and others, are transferred by type II transfer to the department of public safety. The supervisor shall be nominated by the department director and appointed by the governor with the advice and consent of the senate. The supervisor shall appoint such agents, assistants, deputies and inspectors as limited by appropriations. All employees shall have the qualifications provided by law and may be removed by the supervisor or director of the department as provided in section 311.670.

4. All the powers, duties and functions of the safety and fire prevention bureau of the department of public health and welfare are transferred by type I transfer to the director of public safety.

5. All the powers, duties and functions of the state fire marshal, chapter 320 and others, are transferred to the department of public safety by a type I transfer.

6. All the powers, duties and functions of the law enforcement assistance council administering federal grants, planning and the like relating to Public Laws 90-351, 90-445
and related acts of Congress are transferred by type I transfer to the director of public safety. The director of public safety shall appoint such advisory bodies as are required by federal laws or regulations. The council is abolished.

7. The director of public safety shall promulgate motor vehicle regulations and be ex officio a member of the safety compact commission in place of the director of revenue and all powers, duties and functions relating to chapter 307 are transferred by type I transfer to the director of public safety.

8. [The office of adjutant general and the state militia are assigned to the department of public safety; provided, however, nothing herein shall be construed to interfere with the powers and duties of the governor as provided in Article IV, Section 6 of the Constitution of the state of Missouri or chapter 41.

9.] All the powers, duties and functions of the Missouri boat commission, chapter 306 and others, are transferred by type I transfer to the "Missouri State Water Patrol", which is hereby created, in the department of public safety. The Missouri boat commission and the office of secretary to the commission are abolished. All deputy boat commissioners and all other employees of the commission who were employed on February 1, 1974, shall be transferred to the water patrol without further qualification. Effective January 1, 2011, all the powers, duties, and functions of the Missouri state water patrol are transferred to the division of water patrol within the Missouri state highway patrol as set out in section 43.390.

[10.] 9. The Missouri veterans's commission, chapter 42, is assigned to the department of public safety.
11. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2009, shall be invalid and void.

Section B. Because of the importance of military jobs to the state, the repeal and reenactment of sections 620.2005 and 620.2010 of this act is deemed necessary for the immediate preservation of the public health, welfare, peace, and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and the repeal and reenactment of sections 620.2005 and 620.2010 of this act shall be in full force and effect upon its passage and approval.

Section C. The enactment of section 41.035 and the repeal and reenactment of section 650.005 of this act shall become effective only upon approval by the voters of an amendment to article IV of the Constitution of Missouri that establishes the Missouri department of the National Guard.