

SENATE BILL NO. 707

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR BEAN.

3860S.01I

ADRIANE D. CROUSE, Secretary

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for the sale of ethanol fuel.

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 135.755, to read as
3 follows:

135.755. 1. For the purposes of this section, the
2 following terms shall mean:

3 (1) "Department", the Missouri department of revenue;

4 (2) "Higher ethanol blend", a fuel capable of being
5 dispensed directly into motor vehicle fuel tanks for
6 consumption that is comprised of at least fifteen percent
7 but not more than eighty-five percent ethanol;

8 (3) "Retail dealer", a person that owns or operates a
9 retail service station;

10 (4) "Retail service station", a location from which
11 higher ethanol blend is sold to the general public and is
12 dispensed directly into motor vehicle fuel tanks for
13 consumption.

14 2. For all tax years beginning on or after January 1,
15 2023, a retail dealer that sells higher ethanol blend at
16 such retail dealer's retail service station shall be allowed
17 a tax credit to be taken against the retail dealer's state
18 income tax liability. The amount of the credit shall equal

19 five cents per gallon of higher ethanol blend sold by the
20 retail dealer and dispensed through metered pumps at the
21 retail dealer's retail service station during the tax year
22 in which the tax credit is claimed. Tax credits authorized
23 pursuant to this section shall not be transferred, sold, or
24 assigned. If the amount of the tax credit exceeds the
25 taxpayer's state tax liability, the difference shall not be
26 refundable, but may be carried forward to any of the five
27 subsequent tax years. The total amount of tax credits
28 authorized pursuant to this section for any given fiscal
29 year shall not exceed four million dollars.

30 3. The tax credit allowed by this section shall be
31 claimed by such taxpayer at the time such taxpayer files a
32 return and shall be applied against the income tax liability
33 imposed by chapter 143 after reduction for all other credits
34 allowed thereon. The department may require any
35 documentation it deems necessary to implement the provisions
36 of this section.

37 4. The department shall promulgate rules to implement
38 the provisions of this section. Any rule or portion of a
39 rule, as that term is defined in section 536.010, that is
40 created under the authority delegated in this section shall
41 become effective only if it complies with and is subject to
42 all of the provisions of chapter 536 and, if applicable,
43 section 536.028. This section and chapter 536 are
44 nonseverable and if any of the powers vested with the
45 general assembly pursuant to chapter 536 to review, to delay
46 the effective date, or to disapprove and annul a rule are
47 subsequently held unconstitutional, then the grant of
48 rulemaking authority and any rule proposed or adopted after
49 August 28, 2022, shall be invalid and void.

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

52 (1) The provisions of this section shall automatically
53 sunset on December 31, 2028, unless reauthorized by an act
54 of the general assembly; and

55 (2) If such program is reauthorized, the program
56 authorized under this section shall automatically sunset
57 twelve years after the effective date of the reauthorization
58 of this section; and

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

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