

FIRST REGULAR SESSION

SENATE BILL NO. 415

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR BLACK.

0765S.01I

KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for contributions to certain benevolent organizations.

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

Section A. Chapter 135, RSMo, is amended by adding thereto
2 one new section, to be known as section 135.440, to read as
3 follows:

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

3 (1) "Contribution", a donation of cash; stocks, bonds,
4 or other marketable securities; or real property valued at
5 the current property tax-assessed valuation of the
6 property. If a property has not been assessed or has no
7 assessed valuation, then no credit shall be authorized for
8 the donation of the property;

9 (2) "Department", the department of mental health;

10 (3) "Director", the director of the department of
11 mental health;

12 (4) "Justice-involved individual", a person who is on
13 probation, paroled, discharged, or otherwise released from
14 any correctional facility of the department of corrections,
15 any county jail, or any mental health institution, where
16 such person has been confined within the previous year;

17 (5) "Qualified organization", an organization exempt
18 from taxation under Section 501(c)(3) of the Internal

19 Revenue Code, including any faith-based organization, peer-
20 or community-based organization, or recovery community
21 center or outreach that provides recovery support services
22 and assistance to justice-involved individuals and people in
23 recovery from substance use disorders. A qualified
24 organization shall not have an annual budget in excess of
25 five million dollars and shall not have any employees who
26 receive more than one hundred twenty-five thousand dollars
27 in compensation annually. A qualified organization does not
28 need to be contracted with this state as a recovery support
29 services provider, but shall meet the qualifications to be
30 contracted with this state as such a provider. No housing
31 organization shall be a qualified organization unless
32 accredited by the National Alliance of Recovery Residences
33 (NARR) or Adult and Teen Challenge (ATC) USA;

34 (6) "Recovery support services", includes care
35 coordination, recovery coaching, spiritual counseling, group
36 support, employment services, job training, educational
37 services, and recovery housing and transportation, in
38 coordination with substance use disorder service providers.
39 Recovery support services may be offered in a variety of
40 settings, including community, faith-based, and peer
41 recovery organizations. Recovery support programs shall be
42 person-centered and self-directed, allowing a recovering
43 individual to choose the provider;

44 (7) "State tax liability", in the case of a business
45 taxpayer, any liability incurred by such taxpayer under the
46 provisions of chapters 143, 148, and 153, excluding the
47 provisions of sections 143.191 to 143.265 and related
48 provisions; and in the case of an individual taxpayer, any
49 liability incurred by such taxpayer under the provisions of

chapter 143, excluding the provisions of sections 143.191 to 143.265 and related provisions;

(8) "Substance use disorder", any disorder identified in the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM-V or DSM-5), relating to one of ten classes of drugs, including alcohol; caffeine; cannabis; hallucinogens; inhalants; opioids; sedatives, hypnotics, or anxiolytics; stimulants, including amphetamine-type substances, cocaine, and other stimulants; tobacco; and other or unknown substances. Repeated use of a substance shall be considered a substance use disorder if the repeated use causes significant impairment, disability, a failure to meet responsibilities, health problems, impaired control, social problems, or other risks;

(9) "Taxpayer", a person, firm, partner in a firm, corporation, or shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed by the provisions of chapter 143; an insurance company paying an annual tax on its gross premium receipts in this state; a financial institution paying taxes to the state of Missouri or to any political subdivision of this state under the provisions of chapter 148; an express company that pays an annual tax on its gross receipts in this state under chapter 153; an individual subject to the state income tax imposed by the provisions of chapter 143; or any charitable organization that is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143.

2. Subject to appropriation, for all tax years beginning on or after January 1, 2026, a taxpayer shall be allowed to claim a tax credit against the taxpayer's state

82 tax liability in an amount equal to fifty percent of the
83 taxpayer's contribution to a qualified organization. No
84 contribution shall be used to purchase goods or services
85 from or to produce a direct financial benefit for the
86 contributor. The qualified organization shall use the
87 taxpayer's contribution to assist people in recovery from
88 substance use disorders by providing such people with
89 recovery support services including, but not limited to,
90 supportive housing.

91 3. Tax credits issued under this section shall not be
92 refundable; however, any tax credit that cannot be claimed
93 for the tax year in which the contribution is made may be
94 carried forward to the next four succeeding tax years until
95 the full credit has been claimed. No tax credits issued
96 under the provisions of this section shall be assigned,
97 transferred, or sold.

98 4. Except for any excess credit carried forward under
99 subsection 3 of this section, a taxpayer shall not be
100 allowed to claim a tax credit under this section unless the
101 total amount of the taxpayer's contribution or contributions
102 in the tax year to one or more qualified organizations has a
103 value of at least two hundred fifty dollars.

104 5. The director shall determine, at least annually,
105 which organizations in this state may be classified as
106 qualified organizations, according to the definition
107 provided under subsection 1 of this section. The director
108 may require an organization seeking to be classified as a
109 qualified organization to provide any information that is
110 reasonably necessary for the director to make such a
111 determination.

112 6. The director shall establish a procedure, in
113 consultation with the department of revenue, by which a

taxpayer can determine if an organization has been classified as a qualified organization.

7. (1) Upon receipt and acceptance of a contribution from a taxpayer, a qualified organization shall issue to the taxpayer a statement evidencing the receipt of such contribution, including the monetary value of such contribution.

(2) A qualified organization shall be permitted to decline a contribution from a taxpayer.

8. Each qualified organization shall provide information to the director of revenue relating to the identity of each taxpayer making a contribution to the qualified organization who is claiming a tax credit under this section and the amount of such taxpayer's contribution.

9. Notwithstanding any provision of this section to the contrary, the director of revenue shall not authorize more than two million five hundred thousand dollars in tax credits under this section in any calendar year. Tax credits shall be authorized on a first-come, first-served basis. In any given tax year, no more than twenty percent of the total tax credits available under this section shall be authorized for contributions to any particular qualified organization.

10. Under section 23.253 of the Missouri sunset act:

(1) The new program established under this section shall automatically sunset on December thirty-first six years after the effective date of this section unless reauthorized by an act of the general assembly;

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

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

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