

SECOND REGULAR SESSION

# SENATE BILL NO. 1188

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR COLEMAN.

4418S.02I

KRISTINA MARTIN, Secretary

## AN ACT

To repeal sections 32.125, 99.1205, 100.260, 100.270, 100.286, 100.293, 100.297, 100.850, 135.090, 135.110, 135.313, 135.326, 135.339, 135.341, 135.352, 135.432, 135.460, 135.487, 135.490, 135.500, 135.503, 135.505, 135.508, 135.516, 135.517, 135.520, 135.523, 135.526, 135.529, 135.530, 135.535, 135.545, 135.546, 135.562, 135.647, 135.679, 135.680, 135.682, 135.690, 135.700, 135.710, 135.750, 135.766, 135.772, 135.775, 135.778, 135.800, 135.950, 135.953, 135.957, 135.960, 135.963, 135.967, 135.968, 135.970, 135.973, 135.1125, 135.1150, 135.1180, 137.123, 143.119, 143.177, 143.436, 143.471, 148.030, 148.330, 148.350, 173.196, 190.465, 192.2015, 208.770, 320.092, 320.093, 348.302, 348.304, 348.306, 348.308, 348.310, 348.312, 348.316, 348.318, 348.505, 447.708, 620.635, 620.638, 620.641, 620.644, 620.647, 620.650, 620.653, 620.1875, 620.1878, 620.1881, 620.1884, 620.1887, 620.1890, 620.1910, 620.2010, 620.2020, and 620.2600, RSMo, and section 348.300 as enacted by senate bill no. 7, ninety-sixth general assembly, first extraordinary session, and section 348.300 as enacted by house bill no. 1, ninety-fourth general assembly, first extraordinary session, and to enact in lieu thereof forty-six new sections relating to tax credits.

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

Section A. Sections 32.125, 99.1205, 100.260, 100.270,  
2 100.286, 100.293, 100.297, 100.850, 135.090, 135.110, 135.313,  
3 135.326, 135.339, 135.341, 135.352, 135.432, 135.460, 135.487,  
4 135.490, 135.500, 135.503, 135.505, 135.508, 135.516, 135.517,  
5 135.520, 135.523, 135.526, 135.529, 135.530, 135.535, 135.545,  
6 135.546, 135.562, 135.647, 135.679, 135.680, 135.682, 135.690,

**EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

7 135.700, 135.710, 135.750, 135.766, 135.772, 135.775, 135.778,  
8 135.800, 135.950, 135.953, 135.957, 135.960, 135.963, 135.967,  
9 135.968, 135.970, 135.973, 135.1125, 135.1150, 135.1180,  
10 137.123, 143.119, 143.177, 143.436, 143.471, 148.030, 148.330,  
11 148.350, 173.196, 190.465, 192.2015, 208.770, 320.092, 320.093,  
12 348.302, 348.304, 348.306, 348.308, 348.310, 348.312, 348.316,  
13 348.318, 348.505, 447.708, 620.635, 620.638, 620.641, 620.644,  
14 620.647, 620.650, 620.653, 620.1875, 620.1878, 620.1881,  
15 620.1884, 620.1887, 620.1890, 620.1910, 620.2010, 620.2020, and  
16 620.2600, RSMo, and section 348.300 as enacted by senate bill  
17 no. 7, ninety-sixth general assembly, first extraordinary  
18 session, and section 348.300 as enacted by house bill no. 1,  
19 ninety-fourth general assembly, first extraordinary session,  
20 are repealed and forty-six new sections enacted in lieu thereof,  
21 to be known as sections 32.125, 100.260, 100.270, 100.286,  
22 100.293, 100.297, 100.850, 135.090, 135.110, 135.326, 135.339,  
23 135.341, 135.352, 135.432, 135.460, 135.487, 135.490, 135.530,  
24 135.562, 135.647, 135.690, 135.750, 135.772, 135.775, 135.778,  
25 135.800, 135.835, 135.1150, 135.1180, 137.123, 143.119,  
26 143.177, 143.436, 143.471, 148.030, 148.330, 148.350, 190.465,  
27 192.2015, 208.770, 320.092, 348.505, 447.708, 620.1910,  
28 620.2010, and 620.2020, to read as follows:

32.125. **1.** No rule or portion of a rule promulgated  
2 under the authority of this chapter shall become effective  
3 unless it has been promulgated pursuant to the provisions of  
4 section 536.024.

**2. Pursuant to section 23.253 of the Missouri sunset  
6 act:**

(1) The program authorized pursuant to sections 32.100  
8 to 32.125 shall automatically sunset August 28, 2032, unless  
9 reauthorized by an act of the general assembly;

10           (2) Sections 32.100 to 32.125 shall terminate on  
11 September first of the calendar year immediately following  
12 the calendar year in which the program authorized pursuant  
13 to sections 32.100 to 32.125 is sunset; and

14           (3) The provisions of this subsection shall not be  
15 construed to impair or impede the state's fulfillment of any  
16 obligations, including the authorization, issuance, or  
17 redemption of tax credits, incurred pursuant to sections  
18 32.100 to 32.125 prior to the date the program authorized  
19 pursuant to sections 32.100 to 32.125 is sunset.

100.260. 1. There are hereby created four special  
2 funds, to be known as the "Industrial Development and  
3 Reserve Fund", the "Industrial Development Guarantee Fund",  
4 the "Export Finance Fund", and the "Jobs Now Fund", into  
5 which the following may be deposited as and when received  
6 and designated for deposit in one of such funds:

7           (1) Any moneys appropriated by the general assembly  
8 for use by the board in carrying out the powers set forth in  
9 sections 100.250 to 100.297;

10           (2) Any moneys made available through the issuance of  
11 revenue bonds under the provisions of sections 100.250 to  
12 **[100.295] 100.297;**

13           (3) Any moneys received from grants or which are  
14 given, donated, or contributed to the fund from any source;

15           (4) Any moneys received in repayment of loans or from  
16 application fees, reserve participation fees, guarantee fees  
17 and premium payments as provided for under sections 100.250  
18 to 100.297;

19           (5) Any moneys received as interest on deposits or as  
20 income on approved investments of the fund;

21           (6) Any moneys obtained from the issuance of revenue  
22 bonds or notes by the board;

(7) Any moneys that were in the industrial development fund authorized by this section, the economic development reserve authorized by section 620.215, or the industrial revenue bond guarantee fund authorized by section 620.240, respectively, as of September 28, 1985; and

(8) Any moneys obtained from any other available source.

2. The development and reserve fund, the guarantee fund, the jobs now fund, and the export finance fund shall be administered by the board as provided in sections 100.250 to 100.297. Separate accounts may be created within the development and reserve fund and the guarantee fund for moneys specifically appropriated, donated or otherwise received for industrial development purposes. The board may also create such other separate accounts within any of such funds as deemed necessary or appropriate by the board to carry out the duties and purposes of sections 100.250 to 100.297. All such separate accounts may be administered by a corporate trustee on behalf of the board upon the terms and conditions established by the board.

3. Moneys in the jobs now fund, the development and reserve fund, the guarantee fund, and the export finance fund shall be invested by the board in the manner prescribed by the board and any interest earned on invested moneys shall accrue to the benefit of the respective fund.

4. None of the funds and accounts of the board shall be considered a state fund, and money deposited therein may not be appropriated therefrom, nor shall any money deposited therein be subject to the provisions of section 33.080.

5. The commissioner of administration shall annually calculate the increased amount of revenue to the state treasury due to the provisions of sections 135.155[, ] and

135.286[, 135.546, and subsection 7 of section 620.1039,] as enacted or modified by this act and shall allocate up to twelve million dollars of such revenue to the jobs now fund.

100.270. The board shall have the power to:

- (1) Sue and be sued in its official name;
- (2) Adopt and use an official seal;
- (3) Confer with agencies of the state and development agencies, and with representatives of business, industry, and labor for the purpose of promoting the economic development of this state;
- (4) Consider and review applications for loans to be made from the development and reserve fund or for loans, bonds or notes to be made by or secured by the development and reserve fund, the guarantee fund, the export finance fund or the infrastructure development fund or any other available money, under sections 100.250 to 100.297, and for grants or loans to be made by or secured by the jobs now fund;
- (5) Enter into agreements with development agencies, borrowers, participating lenders and others to implement any of the provisions of sections 100.250 to 100.297;
- (6) Direct disbursements from the development and reserve fund, the guarantee fund, the export finance fund, the infrastructure development fund, and the jobs now fund as provided in sections 100.250 to 100.297;
- (7) Administer the development and reserve fund, the guarantee fund, the export finance fund, the infrastructure development fund, and the jobs now fund and invest any portion of such funds not required for immediate disbursement in obligations of the United States, or any agency or instrumentality of the United States, in obligations of the state of Missouri and its political

30 subdivisions, in certificates of deposit and time deposits  
31 or other obligations of banks and savings and loan  
32 associations or in such other obligations as may be  
33 prescribed by the board;

34 (8) Apply for and accept gifts, grants,  
35 appropriations, loans or contributions to the development  
36 and reserve fund, the guarantee fund, the export finance  
37 fund, the infrastructure development fund, and the jobs now  
38 fund from any source, public or private, and enter into  
39 contracts or other transactions with any federal or state  
40 agency, any development agency, private organization, or any  
41 other source in furtherance of the purposes of sections  
42 100.250 to 100.297, and do any and all things necessary in  
43 order to avail itself of such aid and cooperation;

44 (9) Issue, from time to time, its negotiable revenue  
45 bonds or notes in such principal amounts as, in its opinion,  
46 shall be necessary to provide sufficient funds for achieving  
47 its purposes;

48 (10) Establish reserves to secure bonds, notes and  
49 loans issued or made by the board, development agencies or  
50 participating lenders;

51 (11) Make, purchase, or participate in the making or  
52 purchase, of loans, bonds, or notes to finance the costs of  
53 projects;

54 (12) Procure insurance, letters of credit, or other  
55 form of credit enhancement, to secure the payment of  
56 principal and interest on any loans, bonds or notes or other  
57 obligations of the board;

58 (13) Purchase, receive, take by grant, gift, devise,  
59 bequest or otherwise, lease, or otherwise acquire, own,  
60 hold, improve, employ, use and otherwise deal in and with,

61 real or personal property, or any interest therein, wherever  
62 situated;

63 (14) Sell, convey, lease, exchange, transfer or  
64 otherwise dispose of, all or any of its property, or any  
65 interest therein, wherever situated;

66 (15) Conduct hearings and other methods of  
67 examination, and authorize any of its members to do so, on  
68 any matter material for its information and necessary to the  
69 exercise of the duties of the board;

70 (16) Employ and fix the compensation of an executive  
71 director and such other agents or employees as it considers  
72 necessary;

73 (17) Adopt, alter, or repeal its own bylaws, rules,  
74 and regulations governing the manner in which its business  
75 may be transacted;

76 (18) Assess or charge a fee for each application it  
77 receives for funding for a project or a jobs now project and  
78 assess or charge other fees as the board determines to be  
79 reasonable to carry out its purposes, including, but not  
80 limited to, fees or premiums for loans made from the  
81 development and reserve fund and the export finance fund and  
82 for loans, bonds or notes secured by the development and  
83 reserve fund, the guarantee fund, the export finance fund or  
84 the infrastructure development fund or the jobs now fund;

85 (19) Make all expenditures which are incident and  
86 necessary to carry out its purposes and powers;

87 (20) Take such action, enter into such agreements and  
88 exercise all other powers and functions necessary or  
89 appropriate to carry out the duties and purposes set forth  
90 in sections 100.250 to 100.297;

91 (21) Insure, coinsure, guarantee loans and make loans  
92 relating to qualified export transactions and adopt

93 criteria, by means of rules and regulations, establishing  
94 which exporters shall be eligible for the insurance,  
95 coinsurance, loan guarantees and loans which may be extended  
96 by the board;

97 (22) Do all things necessary to ensure full  
98 participation by the state of Missouri in any federal  
99 program which may relate to the construction, repair,  
100 replacement or further development of the infrastructure of  
101 the state and its political subdivisions;

102 (23) Receive funds from the federal government for  
103 deposit into the infrastructure development fund or the jobs  
104 now fund and authorize disbursements therefrom. The board  
105 may enter into agreements with agencies of the federal  
106 government and may, on behalf of the state of Missouri, do  
107 all things necessary to ensure full participation by the  
108 state of Missouri in any federal program which may relate to  
109 the repair, replacement or further development of the  
110 infrastructure of the state and its political subdivisions;

111 (24) Set guidelines and priorities for loans, loan  
112 guarantees or grants from the infrastructure development  
113 fund. The board is the sole state agency authorized to set  
114 such guidelines and priorities with respect to the  
115 infrastructure development fund on behalf of the state or  
116 any of its political subdivisions, and loans, loan  
117 guarantees, or grants shall only be made upon approval of  
118 the board;

119 (25) Make equity investments in or otherwise acquire  
120 ownership interests in: for-profit and not-for-profit  
121 federal- or state-authorized community development  
122 corporations; small business investment companies, including  
123 minority or specialized small business investment companies;  
124 and microloan corporations and similar lending institutions,



when such investments are deemed to enhance the benefit of the public;

(26) Make investments in Missouri certified capital companies, as defined **[by] under this** subdivision **[(5) of subsection 2 of section 135.500]**, or other investment companies for investment in qualified Missouri businesses, as defined **[by] under this** subdivision **[(14) of subsection 2 of section 135.500]**. All investments made by the board for the eventual investment in qualified Missouri businesses shall be matched by an equivalent investment made by the certified capital company or other investment firm for investment into qualified Missouri businesses. All investments made into Missouri qualified businesses under the provisions of this subdivision shall be in the form of equity or unsecured debt financing. No investment shall be made by the board under the provisions of this subdivision without the approval of the director of the department of economic development. **For the purposes of this subdivision, the following terms mean:**

(a) "Certified capital company", any partnership, corporation, trust, or limited liability company, whether organized on a profit or not-for-profit basis, that is located, headquartered, and registered to conduct business in Missouri and has as its primary business activity the investment of cash in qualified Missouri businesses;

(b) "Qualified Missouri business", an independently owned and operated business that is headquartered and located in Missouri and is in need of venture capital and cannot obtain conventional financing. Such business shall have no more than two hundred employees, at least eighty percent of whom are employed in Missouri. Such business shall be involved in commerce for the purpose of

157 manufacturing, processing or assembling products, conducting  
158 research and development, or providing services in  
159 interstate commerce, but excluding retail, real estate, real  
160 estate development, insurance, and professional services  
161 provided by accountants, lawyers, or physicians. At the  
162 time a certified capital company or qualified investing  
163 entity makes an initial investment in a business, such  
164 business shall be a small business concern that meets the  
165 requirements of the United States Small Business  
166 Administration's qualification size standards for its  
167 venture capital program, as defined in Section 13 CFR  
168 121.301(c) of the Small Business Investment Act of 1958, as  
169 amended. Any business that is classified as a qualified  
170 Missouri business at the time of the first investment in  
171 such business by a Missouri certified capital company or  
172 qualified investing entity shall, for a period of seven  
173 years from the date of such first investment, remain  
174 classified as a qualified Missouri business and may receive  
175 follow-on investments from any Missouri certified capital  
176 company or qualified investing entity and such follow-on  
177 investments shall be qualified investments regardless of  
178 whether such business meets the other qualifications of this  
179 subsection at the time of such follow-on investments; and

180 (27) Make loans and grants from the jobs now fund in  
181 accordance with the provisions of section 100.293.

100.286. 1. Within the discretion of the board, the  
2 development and reserve fund, the infrastructure development  
3 fund or the export finance fund may be pledged to secure the  
4 payment of any bonds or notes issued by the board, or to  
5 secure the payment of any loan made by the board or a  
6 participating lender which loan:

7           (1) Is requested to finance any project or export  
8 trade activity;

9           (2) Is requested by a borrower who is demonstrated to  
10 be financially responsible;

11           (3) Can reasonably be expected to provide a benefit to  
12 the economy of this state;

13           (4) Is otherwise secured by a mortgage or deed of  
14 trust on real or personal property or other security  
15 satisfactory to the board; provided that loans to finance  
16 export trade activities may be secured by export accounts  
17 receivable or inventories of exportable goods satisfactory  
18 to the board;

19           (5) Does not exceed five million dollars;

20           (6) Does not have a term longer than five years if  
21 such loan is made to finance export trade activities; and

22           (7) Is, when used to finance export trade activities,  
23 made to small or medium size businesses or agricultural  
24 businesses, as may be defined by the board.

25           2. The board shall prescribe standards for the  
26 evaluation of the financial condition, business history, and  
27 qualifications of each borrower and the terms and conditions  
28 of loans which may be secured, and may require each  
29 application to include a financial report and evaluation by  
30 an independent certified public accounting firm, in addition  
31 to such examination and evaluation as may be conducted by  
32 any participating lender.

33           3. Each application for a loan secured by the  
34 development and reserve fund, the infrastructure development  
35 fund or the export finance fund shall be reviewed in the  
36 first instance by any participating lender to whom the  
37 application was submitted. If satisfied that the standards  
38 prescribed by the board are met and that the loan is

otherwise eligible to be secured by the development and reserve fund, the infrastructure development fund or the export finance fund, the participating lender shall certify the same and forward the application for final approval to the board.

4. The securing of any loans by the development and reserve fund, the infrastructure development fund or the export finance fund shall be conditioned upon approval of the application by the board, and receipt of an annual reserve participation fee, as prescribed by the board, submitted by or on behalf of the borrower.

5. The securing of any loan by the export finance fund for export trade activities shall be conditioned upon the board's compliance with any applicable treaties and international agreements, such as the general agreement on tariffs and trade and the subsidies code, to which the United States is then a party.

6. Any taxpayer, including 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, may, subject to the limitations provided under subsection 8 of this section, receive a tax credit against any tax otherwise due under the provisions of chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter 148, in the amount of fifty percent of any amount contributed in money or property by the taxpayer to the development and reserve fund, the infrastructure development fund or the export finance fund during the taxpayer's tax year, provided, however, the total tax credits awarded in any calendar year beginning after January 1, 1994, shall not be the greater of ten million

dollars or five percent of the average growth in general revenue receipts in the preceding three fiscal years. This limit may be exceeded only upon joint agreement by the commissioner of administration, the director of the department of economic development, and the director of the department of revenue that such action is essential to ensure retention or attraction of investment in Missouri. If the board receives, as a contribution, real property, the contributor at such contributor's own expense shall have two independent appraisals conducted by appraisers certified by the Master Appraisal Institute. Both appraisals shall be submitted to the board, and the tax credit certified by the board to the contributor shall be based upon the value of the lower of the two appraisals. The board shall not certify the tax credit until the property is deeded to the board. Such credit shall not apply to reserve participation fees paid by borrowers under sections 100.250 to 100.297. The portion of earned tax credits which exceeds the taxpayer's tax liability may be carried forward for up to five years.

7. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits allowed in subsection 6 of this section under the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer, hereinafter the assignor for the purpose of this subsection, may sell, assign, exchange or otherwise transfer earned tax credits:

(1) For no less than seventy-five percent of the par value of such credits; and

(2) In an amount not to exceed one hundred percent of annual earned credits.

The taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection, may use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter 148. Unused credits in the hands of the assignee may be carried forward for up to five years, provided all such credits shall be claimed within ten years following the tax years in which the contribution was made. The assignor shall enter into a written agreement with the assignee establishing the terms and conditions of the agreement and shall perfect such transfer by notifying the board in writing within thirty calendar days following the effective day of the transfer and shall provide any information as may be required by the board to administer and carry out the provisions of this section. Notwithstanding any other provision of law to the contrary, the amount received by the assignor of such tax credit shall be taxable as income of the assignor, and the excess of the par value of such credit over the amount paid by the assignee for such credit shall be taxable as income of the assignee.

8. Provisions of subsections 1 to 7 of this section to the contrary notwithstanding, no more than ten million dollars in tax credits provided under this section, may be authorized or approved annually. The limitation on tax credit authorization and approval provided under this subsection may be exceeded only upon mutual agreement, evidenced by a signed and properly notarized letter, by the commissioner of the office of administration, the director of the department of economic development, and the director of the department of revenue that such action is essential

to ensure retention or attraction of investment in Missouri provided, however, that in no case shall more than twenty-five million dollars in tax credits be authorized or approved during such year. Taxpayers shall file, with the board, an application for tax credits authorized under this section on a form provided by the board. The provisions of this subsection shall not be construed to limit or in any way impair the ability of the board to authorize tax credits for issuance for projects authorized or approved, by a vote of the board, on or before the thirtieth day following the effective date of this act, or a taxpayer's ability to redeem such tax credits.

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

**(1) The program authorized pursuant to this section shall automatically sunset August 28, 2032, unless reauthorized by an act of the general assembly;**

**(2) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized pursuant to this section is sunset; and**

**(3) The provisions of this subsection shall not be construed to impair or impede the state's fulfillment of any obligations, including the authorization, issuance, or redemption of tax credits, incurred pursuant to this section prior to the date the program authorized pursuant to this section is sunset.**

100.293. 1. This section[, ] and section 100.277[, and sections 135.950 to 135.973] shall be known and may be cited as the "Jobs Now Act".

2. There shall be created a "Jobs Now Recommendation Committee", comprised of representatives of the department

6 of economic development, the department of agriculture, the  
7 department of natural resources, and the department of  
8 transportation. The committee shall establish application  
9 materials and procedures for development agencies to apply  
10 to the board for grants or low-interest or interest-free  
11 loans for the purpose of funding jobs now projects.

12 3. Applications shall be submitted simultaneously to  
13 the committee and the board. The committee shall review the  
14 applications and prepare and submit analyses and  
15 recommendations to the board for a determination as to  
16 approval or denial of grants or loans from the jobs now fund.

17 4. In reviewing applications, the board shall give  
18 preference to redevelopment projects that protect natural  
19 resources or rehabilitate existing dilapidated or inadequate  
20 infrastructure in areas defined under section 135.530.

21 5. After reviewing applications and such other  
22 information as the board may require, the board may grant  
23 all or a part of a grant or loan request, provided the board  
24 determines:

25 (1) The jobs now project:

26 (a) Will not happen without the grant or loan from the  
27 board; or

28 (b) Will have a significant local economic impact; or

29 (c) Demonstrates high levels of job creation;

30 (2) In the case of a low-interest or interest-free  
31 loan, the jobs now project will generate sufficient revenues  
32 or the borrower will otherwise have sufficient revenues  
33 available to enable the borrower to repay the loan to the  
34 jobs now fund, along with any interest to be charged; and

35 (3) No loan or grant may exceed two million dollars.

100.297. 1. The board may authorize a tax credit, as  
2 described in this section, to the owner of any revenue bonds



3 or notes issued by the board pursuant to the provisions of  
4 sections 100.250 to 100.297, for infrastructure facilities  
5 as defined in subdivision (9) of section 100.255, if, prior  
6 to the issuance of such bonds or notes, the board determines  
7 that:

8 (1) The availability of such tax credit is a material  
9 inducement to the undertaking of the project in the state of  
10 Missouri and to the sale of the bonds or notes;

11 (2) The loan with respect to the project is adequately  
12 secured by a first deed of trust or mortgage or comparable  
13 lien, or other security satisfactory to the board.

14 2. Upon making the determinations specified in  
15 subsection 1 of this section, the board may declare that  
16 each owner of an issue of revenue bonds or notes shall be  
17 entitled, in lieu of any other deduction with respect to  
18 such bonds or notes, to a tax credit against any tax  
19 otherwise due by such owner pursuant to the provisions of  
20 chapter 143, excluding withholding tax imposed by sections  
21 143.191 to 143.261, chapter 147, or chapter 148, in the  
22 amount of one hundred percent of the unpaid principal of and  
23 unpaid interest on such bonds or notes held by such owner in  
24 the [taxable] tax year of such owner following the calendar  
25 year of the default of the loan by the borrower with respect  
26 to the project. The occurrence of a default shall be  
27 governed by documents authorizing the issuance of the  
28 bonds. The tax credit allowed pursuant to this section  
29 shall be available to the original owners of the bonds or  
30 notes or any subsequent owner or owners thereof. Once an  
31 owner is entitled to a claim, any such tax credits shall be  
32 transferable as provided in subsection 7 of section  
33 100.286. Notwithstanding any provision of Missouri law to  
34 the contrary, any portion of the tax credit to which any

owner of a revenue bond or note is entitled pursuant to this section which exceeds the total income tax liability of such owner of a revenue bond or note shall be carried forward and allowed as a credit against any future taxes imposed on such owner within the next ten years pursuant to the provisions of chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter 148. The eligibility of the owner of any revenue bond or note issued pursuant to the provisions of sections 100.250 to 100.297 for the tax credit provided by this section shall be expressly stated on the face of each such bond or note. The tax credit allowed pursuant to this section shall also be available to any financial institution or guarantor which executes any credit facility as security for bonds issued pursuant to this section to the same extent as if such financial institution or guarantor was an owner of the bonds or notes, provided however, in such case the tax credits provided by this section shall be available immediately following any default of the loan by the borrower with respect to the project. In addition to reimbursing the financial institution or guarantor for claims relating to unpaid principal and interest, such claim may include payment of any unpaid fees imposed by such financial institution or guarantor for use of the credit facility.

3. The aggregate principal amount of revenue bonds or notes outstanding at any time with respect to which the tax credit provided in this section shall be available shall not exceed fifty million dollars.

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

65           (1) The program authorized pursuant to this section  
66 shall automatically sunset August 28, 2032, unless  
67 reauthorized by an act of the general assembly;

68           (2) This section shall terminate on September first of  
69 the calendar year immediately following the calendar year in  
70 which the program authorized pursuant to this section is  
71 sunset; and

72           (3) The provisions of this subsection shall not be  
73 construed to impair or impede the state's fulfillment of any  
74 obligations, including the authorization, issuance, or  
75 redemption of tax credits, incurred pursuant to this section  
76 prior to the date the program authorized pursuant to this  
77 section is sunset.

100.850. 1. The approved company shall remit to the  
2 board a job development assessment fee, not to exceed five  
3 percent of the gross wages of each eligible employee whose  
4 job was created as a result of the economic development  
5 project, or not to exceed ten percent if the economic  
6 development project is located within a distressed community  
7 as defined in section 135.530, for the purpose of retiring  
8 bonds which fund the economic development project.

9           2. Any approved company remitting an assessment as  
10 provided in subsection 1 of this section shall make its  
11 payroll books and records available to the board at such  
12 reasonable times as the board shall request and shall file  
13 with the board documentation respecting the assessment as  
14 the board may require.

15           3. Any assessment remitted pursuant to subsection 1 of  
16 this section shall cease on the date the bonds are retired.

17           4. Any approved company which has paid an assessment  
18 for debt reduction shall be allowed a tax credit equal to  
19 the amount of the assessment. The tax credit may be claimed

20 against taxes otherwise imposed by chapters 143 and 148,  
21 except withholding taxes imposed under the provisions of  
22 sections 143.191 to 143.265, which were incurred during the  
23 tax period in which the assessment was made.

24       5. In no event shall the aggregate amount of tax  
25 credits authorized by subsection 4 of this section exceed  
26 twenty-five million dollars annually. Of such amount, nine  
27 hundred fifty thousand dollars shall be reserved for an  
28 approved project for a world headquarters of a business  
29 whose primary function is tax return preparation that is  
30 located in any home rule city with more than four hundred  
31 thousand inhabitants and located in more than one county,  
32 which amount reserved shall end in the year of the final  
33 maturity of the certificates issued for such approved  
34 project.

35       6. The director of revenue shall issue a refund to the  
36 approved company to the extent that the amount of credits  
37 allowed in subsection 4 of this section exceeds the amount  
38 of the approved company's income tax.

39       **7. Pursuant to section 23.253 of the Missouri sunset**  
40 **act:**

41       **(1) The program authorized pursuant to sections**  
42 **100.700 to 100.850 shall automatically sunset August 28,**  
43 **2032, unless reauthorized by an act of the general assembly;**

44       **(2) Sections 100.700 to 100.850 shall terminate on**  
45 **September first of the calendar year immediately following**  
46 **the calendar year in which the program authorized pursuant**  
47 **to sections 100.700 to 100.850 is sunset; and**

48       **(3) The provisions of this subsection shall not be**  
49 **construed to impair or impede the state's fulfillment of any**  
50 **obligations, including the authorization, issuance, or**  
51 **redemption of tax credits, incurred pursuant to sections**

52   **100.700 to 100.850 prior to the date the program authorized**  
53   **pursuant to this section is sunset.**

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

3       (1) "Homestead", the dwelling in Missouri owned by the  
4   surviving spouse and not exceeding five acres of land  
5   surrounding it as is reasonably necessary for use of the  
6   dwelling as a home. As used in this section, "homestead"  
7   shall not include any dwelling which is occupied by more  
8   than two families;

9       (2) "Public safety officer", any firefighter, police  
10   officer, capitol police officer, parole officer, probation  
11   officer, correctional employee, water patrol officer, park  
12   ranger, conservation officer, commercial motor vehicle  
13   enforcement officer, emergency medical responder, as defined  
14   in section 190.100, emergency medical technician, first  
15   responder, or highway patrolman employed by the state of  
16   Missouri or a political subdivision thereof who is killed in  
17   the line of duty, unless the death was the result of the  
18   officer's own misconduct or abuse of alcohol or drugs;

19       (3) "Surviving spouse", a spouse, who has not  
20   remarried, of a public safety officer.

21       2. For all tax years beginning on or after January 1,  
22   2008, a surviving spouse shall be allowed a credit against  
23   the tax otherwise due under chapter 143, excluding  
24   withholding tax imposed by sections 143.191 to 143.265, in  
25   an amount equal to the total amount of the property taxes on  
26   the surviving spouse's homestead paid during the tax year  
27   for which the credit is claimed. A surviving spouse may  
28   claim the credit authorized under this section for each tax  
29   year beginning the year of death of the public safety  
30   officer spouse until the tax year in which the surviving

31 spouse remarries. No credit shall be allowed for the tax  
32 year in which the surviving spouse remarries. If the amount  
33 allowable as a credit exceeds the income tax reduced by  
34 other credits, then the excess shall be considered an  
35 overpayment of the income tax. **The department shall**  
36 **prescribe the method for submitting applications for**  
37 **claiming the tax credit authorized under this section.**  
38 **After issuance of a tax credit certificate by the department**  
39 **of public safety, such tax credit shall be redeemed by**  
40 **filing a copy of the tax credit certificate with the**  
41 **taxpayer's income tax return for the tax year for which such**  
42 **credit was issued.**

43       3. (1) For all fiscal years beginning on or after  
44 July 1, 2027, the cumulative amount of tax credits issued  
45 annually to all taxpayers by the department of public safety  
46 under this section shall not exceed the total cap amount,  
47 which shall be an amount equal to the highest annual amount  
48 of tax credits issued in any one previous fiscal year, from  
49 fiscal year 2024 to fiscal year 2026, as determined and  
50 calculated by the department of revenue.

51       (2) If the amount of tax credits claimed in a fiscal  
52 year under this section exceeds the total cap determined  
53 under subdivision (1) of this subsection, tax credits shall  
54 be allowed based on the order in which they were issued.

55       4. On and after August 28, 2026, the department of  
56 public safety shall administer the tax credit provided under  
57 this section.

58       5. The department of [revenue] public safety shall  
59 promulgate rules to implement the provisions of this section.

60       [4.] 6. Any rule or portion of a rule, as that term is  
61 defined in section 536.010, that is created under the  
62 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, 2007, shall be invalid and void.

[5.] 7. Pursuant to section 23.253 of the Missouri sunset act:

(1) The program authorized under this section shall expire on December 31, 2027, unless reauthorized by the general assembly; and

(2) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset; and

(3) The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to redeem tax credits authorized on or before the date the program authorized under this section expires or a taxpayer's ability to redeem such tax credits.

135.110. 1. Any taxpayer who shall establish a new business facility shall be allowed a credit, each year for ten years, in an amount determined pursuant to subsection 2 or 3 of this section, whichever is applicable, against the tax imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or an insurance company which shall establish a new business facility by satisfying the requirements in subdivision (9) of section 135.100 shall be allowed a credit against the tax otherwise

imposed by chapter 148, and in the case of an insurance company exempt from the thirty percent employee requirement of section 135.230, against any obligation imposed pursuant to section 375.916, except that no taxpayer shall be entitled to multiple ten-year periods for subsequent expansions at the same facility, except as otherwise provided in this section. For the purpose of this section, the term "facility" shall mean, and be limited to, the facility or facilities which are located on the same site in which the new business facility is located, and in which the business conducted at such facility or facilities is directly related to the business conducted at the new business facility. Notwithstanding the provisions of this subsection, a taxpayer may be entitled to an additional ten-year period, and an additional six-year period after the expiration of such additional ten-year period, if a new business facility is expanded in the eighth, ninth or tenth year of the current ten-year period or in subsequent years following the expiration of the ten-year period, if the number of new business facility employees attributed to such expansion is at least twenty-five and the amount of new business facility investment attributed to such expansion is at least one million dollars. Credits may not be carried forward but shall be claimed for the [taxable] tax year during which commencement of commercial operations occurs at such new business facility, and for each of the nine succeeding [taxable] tax years. A letter of intent, as provided for in section 135.258, must be filed with the department of economic development no later than fifteen days prior to the commencement of commercial operations at the new business facility. The initial application for claiming tax credits must be made in the taxpayer's tax



42 period immediately following the tax period in which  
43 commencement of commercial operations began at the new  
44 business facility. This provision shall have effect on all  
45 initial applications filed on or after August 28, 1992. No  
46 credit shall be allowed pursuant to this section unless the  
47 number of new business facility employees engaged or  
48 maintained in employment at the new business facility for  
49 the [taxable] tax year for which the credit is claimed  
50 equals or exceeds two; except that the number of new  
51 business facility employees engaged or maintained in  
52 employment by a revenue-producing enterprise other than a  
53 revenue-producing enterprise defined in paragraphs (a) to  
54 (g) and (i) to (l) of subdivision (12) of section 135.100  
55 which establishes an office as defined in subdivision (9) of  
56 section 135.100 shall equal or exceed twenty-five.

57 2. For tax periods beginning after August 28, 1991, in  
58 the case of a taxpayer operating an existing business  
59 facility, the credit allowed by subsection 1 of this section  
60 shall offset the greater of:

61 (1) Some portion of the income tax otherwise imposed  
62 by chapter 143, excluding withholding tax imposed by  
63 sections 143.191 to 143.265, or in the case of an insurance  
64 company, the tax on the direct premiums, as defined in  
65 chapter 148, and in the case of an insurance company exempt  
66 from the thirty percent employee requirement of section  
67 135.230, against any obligation imposed pursuant to section  
68 375.916 with respect to such taxpayer's new business  
69 facility income for the [taxable] tax year for which such  
70 credit is allowed; or

71 (2) Up to fifty percent or, in the case of an economic  
72 development project located within a distressed community as  
73 defined in section 135.530, seventy-five percent of the

74 business income tax otherwise imposed by chapter 143,  
75 excluding withholding tax imposed by sections 143.191 to  
76 143.265, or in the case of an insurance company, the tax on  
77 the direct premiums, as defined in chapter 148, and in the  
78 case of an insurance company exempt from the thirty percent  
79 employee requirement of section 135.230, against any  
80 obligation imposed pursuant to section 375.916 if the  
81 business operates no other facilities in Missouri. In the  
82 case of an existing business facility operating more than  
83 one facility in Missouri, the credit allowed in subsection 1  
84 of this section shall offset up to the greater of the  
85 portion prescribed in subdivision (1) of this subsection or  
86 twenty-five percent or, in the case of an economic  
87 development project located within a distressed community as  
88 defined in section 135.530, thirty-five percent of the  
89 business' tax, except that no taxpayer operating more than  
90 one facility in Missouri shall be allowed to offset more  
91 than twenty-five percent or, in the case of an economic  
92 development project located within a distressed community as  
93 defined in section 135.530, thirty-five percent of the  
94 taxpayer's business income tax in any tax period under the  
95 method prescribed in this subdivision. Such credit shall be  
96 an amount equal to the sum of one hundred dollars or, in the  
97 case of an economic development project located within a  
98 distressed community as defined in section 135.530, one  
99 hundred fifty dollars for each new business facility  
100 employee plus one hundred dollars or, in the case of an  
101 economic development project located within a distressed  
102 community as defined in section 135.530, one hundred fifty  
103 dollars for each one hundred thousand dollars, or major  
104 fraction thereof (which shall be deemed to be fifty-one  
105 percent or more) in new business facility investment. For

the purpose of this section, tax credits earned by a taxpayer, who establishes a new business facility because it satisfies the requirements of paragraph (c) of subdivision (5) of section 135.100, shall offset the greater of the portion prescribed in subdivision (1) of this subsection or up to fifty percent or, in the case of an economic development project located within a distressed community as defined in section 135.530, seventy-five percent of the business' tax provided the business operates no other facilities in Missouri. In the case of a business operating more than one facility in Missouri, the credit allowed in subsection 1 of this section shall offset up to the greater of the portion prescribed in subdivision (1) of this subsection or twenty-five percent or, in the case of an economic development project located within a distressed community as defined in section 135.530, thirty-five percent of the business' tax, except that no taxpayer operating more than one facility in Missouri shall be allowed to offset more than twenty-five percent or, in the case of an economic development project located within a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's business income tax in any tax period under the method prescribed in this subdivision.

3. For tax periods beginning after August 28, 1991, in the case of a taxpayer not operating an existing business facility, the credit allowed by subsection 1 of this section shall offset the greater of:

(1) Some portion of the income tax otherwise imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or in the case of an insurance company, the tax on the direct premiums, as defined in chapter 148, and in the case of an insurance company exempt

from the thirty percent employee requirement of section 135.230, against any obligation imposed pursuant to section 375.916 with respect to such taxpayer's new business facility income for the [taxable] tax year for which such credit is allowed; or

(2) Up to one hundred percent of the business income tax otherwise imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or in the case of an insurance company, the tax on the direct premiums, as defined in chapter 148, and in the case of an insurance company exempt from the thirty percent employee requirement of section 135.230, against any obligation imposed pursuant to section 375.916 if the business has no other facilities operating in Missouri. In the case of a taxpayer not operating an existing business and operating more than one facility in Missouri, the credit allowed by subsection 1 of this section shall offset up to the greater of the portion prescribed in subdivision (1) of this subsection or twenty-five percent or, in the case of an economic development project located within a distressed community as defined in section 135.530, thirty-five percent of the business' tax, except that no taxpayer operating more than one facility in Missouri shall be allowed to offset more than twenty-five percent or, in the case of an economic development project located within a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's business income tax in any tax period under the method prescribed in this subdivision. Such credit shall be an amount equal to the sum of seventy-five dollars or, in the case of an economic development project located within a distressed community as defined in section 135.530, one hundred twenty-five dollars for each new business facility employee plus

seventy-five dollars or, in the case of an economic development project located within a distressed community as defined in section 135.530, one hundred twenty-five dollars for each one hundred thousand dollars, or major fraction thereof (which shall be deemed to be fifty-one percent or more) in new business facility investment.

4. The number of new business facility employees during any **[taxable] tax** year shall be determined by dividing by twelve the sum of the number of individuals employed on the last business day of each month of such **[taxable] tax** year. If the new business facility is in operation for less than the entire **[taxable] tax** year, the number of new business facility employees shall be determined by dividing the sum of the number of individuals employed on the last business day of each full calendar month during the portion of such **[taxable] tax** year during which the new business facility was in operation by the number of full calendar months during such period. For the purpose of computing the credit allowed by this section in the case of a facility which qualifies as a new business facility because it qualifies as a separate facility pursuant to subsection 6 of this section, and, in the case of a new business facility which satisfies the requirements of paragraph (c) of subdivision (5) of section 135.100, or subdivision (11) of section 135.100, the number of new business facility employees at such facility shall be reduced by the average number of individuals employed, computed as provided in this subsection, at the facility during the **[taxable] tax** year immediately preceding the **[taxable] tax** year in which such expansion, acquisition, or replacement occurred and shall further be reduced by the number of individuals employed by the taxpayer or related

202 taxpayer that was subsequently transferred to the new  
203 business facility from another Missouri facility and for  
204 which credits authorized in this section are not being  
205 earned, whether such credits are earned because of an  
206 expansion, acquisition, relocation or the establishment of a  
207 new facility.

208         5. For the purpose of computing the credit allowed by  
209 this section in the case of a facility which qualifies as a  
210 new business facility because it qualifies as a separate  
211 facility pursuant to subsection 6 of this section, and, in  
212 the case of a new business facility which satisfies the  
213 requirements of paragraph (c) of subdivision (5) of section  
214 135.100 or subdivision (11) of section 135.100, the amount  
215 of the taxpayer's new business facility investment in such  
216 facility shall be reduced by the average amount, computed as  
217 provided in subdivision (8) of section 135.100 for new  
218 business facility investment, of the investment of the  
219 taxpayer, or related taxpayer immediately preceding such  
220 expansion or replacement or at the time of acquisition.  
221 Furthermore, the amount of the taxpayer's new business  
222 facility investment shall also be reduced by the amount of  
223 investment employed by the taxpayer or related taxpayer  
224 which was subsequently transferred to the new business  
225 facility from another Missouri facility and for which  
226 credits authorized in this section are not being earned,  
227 whether such credits are earned because of an expansion,  
228 acquisition, relocation or the establishment of a new  
229 facility.

230         6. If a facility, which does not constitute a new  
231 business facility, is expanded by the taxpayer, the  
232 expansion shall be considered a separate facility eligible  
233 for the credit allowed by this section if:

(1) The taxpayer's new business facility investment in the expansion during the tax period in which the credits allowed in this section are claimed exceeds one hundred thousand dollars, or, if less, one hundred percent of the investment in the original facility prior to expansion and if the number of new business facility employees engaged or maintained in employment at the expansion facility for the [taxable] tax year for which credit is claimed equals or exceeds two, except that the number of new business facility employees engaged or maintained in employment at the expansion facility for the [taxable] tax year for which the credit is claimed equals or exceeds twenty-five if an office as defined in subdivision (9) of section 135.100 is established by a revenue-producing enterprise other than a revenue-producing enterprise defined in paragraphs (a) to (g) and (i) to (l) of subdivision (12) of section 135.100 and the total number of employees at the facility after the expansion is at least two greater than the total number of employees before the expansion, except that the total number of employees at the facility after the expansion is at least greater than the number of employees before the expansion by twenty-five, if an office as defined in subdivision (9) of section 135.100 is established by a revenue-producing enterprise other than a revenue-producing enterprise defined in paragraphs (a) to (g) and (i) to (l) of subdivision (12) of section 135.100; and

(2) The expansion otherwise constitutes a new business facility. The taxpayer's investment in the expansion and in the original facility prior to expansion shall be determined in the manner provided in subdivision (8) of section 135.100.

7. No credit shall be allowed pursuant to this section to a public utility, as such term is defined in section

386.020. Notwithstanding any provision of this subsection to the contrary, motor carriers, barge lines or railroads engaged in transporting property for hire, or any interexchange telecommunications company or local exchange telecommunications company that establishes a new business facility shall be eligible to qualify for credits allowed in this section.

8. For the purposes of the credit described in this section, in the case of a corporation described in section 143.471 or partnership, in computing Missouri's tax liability, this credit shall be allowed to the following:

(1) The shareholders of the corporation described in section 143.471;

(2) The partners of the partnership.

This credit shall be apportioned to the entities described in subdivisions (1) and (2) of this subsection in proportion to their share of ownership on the last day of the taxpayer's tax period.

9. Notwithstanding any provision of law to the contrary, any employee-owned engineering firm classified as SIC 8711, architectural firm as classified SIC 8712, or accounting firm classified SIC 8721 establishing a new business facility because it qualifies as a headquarters as defined in subsection 10 of this section, shall be allowed the credits described in subsection 11 of this section under the same terms and conditions prescribed in sections 135.100 to 135.150; provided:

(1) Such facility maintains an average of at least five hundred new business facility employees as defined in subdivision (6) of section 135.100 during the taxpayer's tax period in which such credits are being claimed; and



297           (2) Such facility maintains an average of at least  
298 twenty million dollars in new business facility investment  
299 as defined in subdivision (8) of section 135.100 during the  
300 taxpayer's tax period in which such credits are being  
301 claimed.

302           10. For the purpose of the credits allowed in  
303 subsection 9 of this section:

304           (1) "Employee-owned" means the business employees own  
305 directly or indirectly, including through an employee stock  
306 ownership plan or trust at least:

307           (a) Seventy-five percent of the total business stock,  
308 if the taxpayer is a corporation described in section  
309 143.441; or

310           (b) One hundred percent of the interest in the  
311 business if the taxpayer is a corporation described in  
312 section 143.471, a partnership, or a limited liability  
313 company; and

314           (2) "Headquarters" means:

315           (a) The administrative management of at least three  
316 integrated facilities operated by the taxpayer or related  
317 taxpayer; and

318           (b) The taxpayer's business has been headquartered in  
319 this state for more than fifty years.

320           11. The tax credits allowed in subsection 9 of this  
321 section shall be the greater of:

322           (1) Four hundred dollars for each new business  
323 facility employee as computed in subsection 4 of this  
324 section and four percent of new business facility investment  
325 as computed in subsection 5 of this section; or

326           (2) Five hundred dollars for each new business  
327 facility employee as computed in subsection 4 of this  
328 section, and five hundred dollars of each one hundred

thousand dollars of new business facility investment as computed in subsection 5 of this section.

12. For the purpose of the credit described in subsection 9 of this section, in the case of a small corporation described in section 143.471, or a partnership, or a limited liability company, the credits allowed in subsection 9 of this section shall be apportioned in proportion to the share of ownership of each shareholder, partner or stockholder on the last day of the taxpayer's tax period for which such credits are being claimed.

13. For the purpose of the credit described in subsection 9 of this section, tax credits earned, to the extent such credits exceed the taxpayer's Missouri tax on taxable business income, shall constitute an overpayment of taxes and in such case, be refunded to the taxpayer provided such refunds are used by the taxpayer to purchase specified facility items. For the purpose of the refund as authorized in this subsection, "specified facility items" means equipment, computers, computer software, copiers, tenant finishing, furniture and fixtures installed and in use at the new business facility during the taxpayer's **[taxable]** **tax** year. The taxpayer shall perfect such refund by attesting in writing to the director, subject to the penalties of perjury, the requirements prescribed in this subsection have been met and submitting any other information the director may require.

14. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits allowed in subsection 9 of this section under the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer, referred to as the assignor for the purpose of this

361 subsection, may sell, assign, exchange or otherwise transfer  
362 earned tax credits:

363 (1) For no less than seventy-five percent of the par  
364 value of such credits; and

365 (2) In an amount not to exceed one hundred percent of  
366 such earned credits.

367 The taxpayer acquiring the earned credits referred to as the  
368 assignee for the purpose of this subsection may use the  
369 acquired credits to offset up to one hundred percent of the  
370 tax liabilities otherwise imposed by chapter 143, excluding  
371 withholding tax imposed by sections 143.191 to 143.261, or  
372 chapter 148, or in the case of an insurance company exempt  
373 from the thirty percent employee requirement of section  
374 135.230, against any obligation imposed pursuant to section  
375 375.916. Unused credits in the hands of the assignee may be  
376 carried forward for up to five tax periods, provided all  
377 such credits shall be claimed within ten tax periods  
378 following the tax period in which commencement of commercial  
379 operations occurred at the new business facility. The  
380 assignor shall enter into a written agreement with the  
381 assignee establishing the terms and conditions of the  
382 agreement and shall perfect such transfer by notifying the  
383 director in writing within thirty calendar days following  
384 the effective date of the transfer and shall provide any  
385 information as may be required by the director to administer  
386 and carry out the provisions of this subsection.

387 Notwithstanding any other provision of law to the contrary,  
388 the amount received by the assignor of such tax credit shall  
389 be taxable as income of the assignor, and the difference  
390 between the amount paid by the assignee and the par value of  
391 the credits shall be taxable as income of the assignee.

392           15. (1) For all fiscal years beginning on or after  
393 July 1, 2027, the cumulative amount of tax credits issued  
394 annually to all taxpayers under this section shall not  
395 exceed the total cap amount, which shall be an amount equal  
396 to the highest annual amount of tax credits issued in any  
397 one previous fiscal year, from fiscal year 2024 to fiscal  
398 year 2026, as determined and calculated by the department.

399           (2) If the amount of tax credits claimed in a fiscal  
400 year under this section exceeds the total cap determined  
401 under subdivision (1) of this subsection, tax credits shall  
402 be allowed based on the order in which they were issued.

135.326. As used in sections 135.325 to 135.339, the  
2 following terms shall mean:

3           (1) "Business entity", person, firm, a partner in a  
4 firm, corporation or a shareholder in an S corporation doing  
5 business in the state of Missouri and subject to the state  
6 income tax imposed by the provisions of chapter 143, or a  
7 corporation subject to the annual corporation franchise tax  
8 imposed by the provisions of chapter 147, or an insurance  
9 company paying an annual tax on its gross premium receipts  
10 in this state, or other financial institution paying taxes  
11 to the state of Missouri or any political subdivision of  
12 this state under the provisions of chapter 148, or an  
13 express company which pays an annual tax on its gross  
14 receipts in this state pursuant to chapter 153;

15           (2) "Child", any individual who:

16           (a) Has not attained an age of at least eighteen  
17 years; or

18           (b) Is eighteen years of age or older but is  
19 physically or mentally incapable of caring for himself or  
20 herself;

21           (3) "Department", the department of social services;

(4) "Disability", a mental, physical, or emotional impairment that substantially limits one or more major life activities, whether the impairment is congenital or acquired by accident, injury or disease, and where the impairment is verified by medical findings;

[(4)] (5) "Nonrecurring adoption expenses", reasonable and necessary adoption fees, court costs, [attorney] attorney's fees, and other expenses which are directly related to the legal adoption of a child and which are not incurred in violation of federal, state, or local law;

[(5)] (6) "Special needs child", a child for whom it has been determined by the children's division, or by a child-placing agency licensed by the state, or by a court of competent jurisdiction to be a child:

(a) That cannot or should not be returned to the home of his or her parents; and

(b) Who has a specific factor or condition such as age, membership in a sibling group, medical condition or diagnosis, or disability because of which it is reasonable to conclude that such child cannot be easily placed with adoptive parents;

[(6)] (7) "State tax liability", any liability incurred by a taxpayer under the provisions of chapter 143, chapter 147, chapter 148, and chapter 153, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions.

135.339. 1. On and after August 28, 2026, the department of social services shall administer the tax credit provided under sections 135.325 to 135.339. The department shall prescribe the method for submitting applications for claiming the tax credit authorized under sections 135.325 to 135.339. After issuance of a tax credit

7 certificate by the department of social services, such tax  
8 credit shall be redeemed by filing a copy of the tax credit  
9 certificate with the taxpayer's income tax return for the  
10 tax year for which such credit was issued.

11 2. The director of revenue[, in consultation with the  
12 children's division,] and the director of the department of  
13 social services shall prescribe such rules and regulations  
14 necessary to carry out the provisions of sections 135.325 to  
15 135.339. No rule or portion of a rule promulgated under the  
16 authority of sections 135.325 to 135.339 shall become  
17 effective unless it has been promulgated pursuant to the  
18 provisions of section 536.024.

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

3 (1) "CASA", an entity which receives funding from the  
4 court-appointed special advocate fund established under  
5 section 476.777, including an association based in this  
6 state, affiliated with a national association, organized to  
7 provide support to entities receiving funding from the court-  
8 appointed special advocate fund;

9 (2) "Child advocacy centers", the regional child  
10 assessment centers listed in subsection 2 of section  
11 210.001, including an association based in this state,  
12 affiliated with a national association, and organized to  
13 provide support to entities listed in subsection 2 of  
14 section 210.001;

15 (3) "Contribution", the amount of donation to a  
16 qualified agency;

17 (4) "Crisis care center", entities contracted with  
18 this state which provide temporary care for children whose  
19 age ranges from birth through seventeen years of age whose  
20 parents or guardian are experiencing an unexpected and

21 unstable or serious condition that requires immediate action  
22 resulting in short-term care, usually three to five  
23 continuous, uninterrupted days, for children who may be at  
24 risk for child abuse, neglect, or in an emergency situation;

25 (5) "Department", the department of **[revenue] social**  
26 **services;**

27 (6) "Director", the director of the department of  
28 **[revenue] social services;**

29 (7) "Qualified agency", CASA, child advocacy centers,  
30 or a crisis care center;

31 (8) "Tax liability", the tax due under chapter 143  
32 other than taxes withheld under sections 143.191 to 143.265.

33 2. For all tax years beginning on or after January 1,  
34 2013, and ending on or before December 31, 2024, a tax  
35 credit may be claimed in an amount equal to up to fifty  
36 percent of a verified contribution to a qualified agency and  
37 shall be named the champion for children tax credit. For  
38 all tax years beginning on or after January 1, 2025, a tax  
39 credit may be claimed in an amount not to exceed seventy  
40 percent of a verified contribution to a qualified agency.  
41 The minimum amount of any tax credit issued shall not be  
42 less than fifty dollars and shall be applied to taxes due  
43 under chapter 143, excluding sections 143.191 to 143.265.  
44 For all tax years beginning on or after January 1, 2025, a  
45 taxpayer shall not be allowed to claim a tax credit under  
46 this section in excess of fifty thousand dollars in any tax  
47 year. A contribution verification shall be issued to the  
48 taxpayer by the agency receiving the contribution. Such  
49 contribution verification shall include the taxpayer's name,  
50 Social Security number, amount of tax credit, amount of  
51 contribution, the name and address of the agency receiving  
52 the credit, and the date the contribution was made. The tax

53 credit provided under this subsection shall be initially  
54 filed for the year in which the verified contribution is  
55 made.

56 3. The cumulative amount of the tax credits [redeemed]  
57 **issued** shall not exceed one million dollars for all fiscal  
58 years ending on or before June 30, 2019; one million five  
59 hundred thousand dollars for all fiscal years beginning on  
60 or after July 1, 2019, and ending on or before June 30,  
61 2025; and two million five hundred thousand dollars for all  
62 fiscal years beginning on or after July 1, 2025. The amount  
63 available shall be equally divided among the three qualified  
64 agencies: CASA, child advocacy centers, or crisis care  
65 centers, to be used towards tax credits issued. In the  
66 event tax credits claimed under one agency do not total the  
67 allocated amount for that agency, the unused portion for  
68 that agency will be made available to the remaining agencies  
69 equally. In the event the total amount of tax credits  
70 claimed for any one agency exceeds the amount available for  
71 that agency, the amount [redeemed] **issued** shall and will be  
72 apportioned equally to all eligible taxpayers claiming the  
73 credit under that agency.

74 4. Prior to December thirty-first of each year, each  
75 qualified agency shall apply to the department of social  
76 services in order to verify their qualified agency status  
77 **and apply for the champion for children tax credit.** Upon a  
78 determination that the agency is eligible to be a qualified  
79 agency, the department of social services shall provide a  
80 letter of eligibility **and the tax credit certificate** to such  
81 agency. No later than February first of each year, the  
82 department of social services shall provide a list of  
83 qualified agencies to the department of revenue. All tax  
84 credit applications to claim the champion for children tax



85 credit shall be filed between July first and April fifteenth  
86 of each fiscal year. A taxpayer shall **[apply for] redeem**  
87 the champion for children tax credit by attaching a copy of  
88 the contribution verification provided by a qualified agency  
89 **and the tax credit certificate** to such taxpayer's income tax  
90 return.

91 5. Any amount of tax credit which exceeds the tax due  
92 or which is applied for and otherwise eligible for issuance  
93 but not issued shall not be refunded but may be carried over  
94 to any subsequent tax year, not to exceed a total of five  
95 years.

96 6. Tax credits may not be assigned, transferred or  
97 sold.

98 7. In the event a full or partial credit denial, due  
99 to the cumulative maximum amount of credits being redeemed  
100 for the fiscal year, causes an income tax balance due to be  
101 owed to the state by the taxpayer, the taxpayer shall not be  
102 held liable for any addition to tax, penalty, or interest on  
103 that income tax balance due, provided the balance is paid,  
104 or approved payment arrangements have been made, within  
105 sixty days from the issuance of the notice of credit denial.

106 8. The department **of social services** may promulgate  
107 such rules or regulations as are necessary to administer the  
108 provisions of this section. Any rule or portion of a rule,  
109 as that term is defined in section 536.010, that is created  
110 under the authority delegated in this section shall become  
111 effective only if it complies with and is subject to all of  
112 the provisions of chapter 536 and, if applicable, section  
113 536.028. This section and chapter 536 are nonseverable and  
114 if any of the powers vested with the general assembly  
115 pursuant to chapter 536 to review, to delay the effective  
116 date, or to disapprove and annul a rule are subsequently

117 held unconstitutional, then the grant of rulemaking  
118 authority and any rule proposed or adopted after August 28,  
119 2013, shall be invalid and void.

120 9. Pursuant to section 23.253, of the Missouri sunset  
121 act:

122 (1) The program authorized under this section shall be  
123 reauthorized as of August 28, 2025, and shall expire on  
124 December 31, 2031, unless reauthorized by the general  
125 assembly; and

126 (2) This section shall terminate on September first of  
127 the calendar year immediately following the calendar year in  
128 which the program authorized under this section is sunset;  
129 and

130 (3) The provisions of this subsection shall not be  
131 construed to limit or in any way impair the department's  
132 ability to redeem tax credits authorized on or before the  
133 date the program authorized under this section expires or a  
134 taxpayer's ability to redeem such credits.

135 10. Beginning on March 29, 2013, any verified  
136 contribution to a qualified agency made on or after January  
137 1, 2013, shall be eligible for tax credits as provided by  
138 this section.

139 **11. On and after August 28, 2026, the department of**  
140 **social services shall administer the tax credit provided**  
141 **under this section.**

135.352. 1. A taxpayer owning an interest in a  
2 qualified Missouri project shall, subject to the limitations  
3 provided under the provisions of subsection 3 of this  
4 section, be allowed a state tax credit, whether or not  
5 allowed a federal tax credit, to be termed the Missouri low-  
6 income housing tax credit, if the commission issues an  
7 eligibility statement for that project.

8           2. For qualified Missouri projects placed in service  
9 after January 1, 1997, the Missouri low-income housing tax  
10 credit available to a project shall be such amount as the  
11 commission shall determine is necessary to ensure the  
12 feasibility of the project, up to an amount equal to the  
13 federal low-income housing tax credit for a qualified  
14 Missouri project, for a federal tax period, and such amount  
15 shall be subtracted from the amount of state tax otherwise  
16 due for the same tax period.

17           3. No more than six million dollars in tax credits  
18 shall be authorized each fiscal year for projects financed  
19 through tax-exempt bond issuance.

20           4. The Missouri low-income housing tax credit shall be  
21 taken against the taxes and in the order specified pursuant  
22 to section 32.115. The credit authorized by this section  
23 shall not be refundable. Any amount of credit that exceeds  
24 the tax due for a taxpayer's taxable year may be carried  
25 back to any of the taxpayer's three prior taxable years or  
26 carried forward to any of the taxpayer's five subsequent  
27 taxable years.

28           5. All or any portion of Missouri tax credits issued  
29 in accordance with the provisions of sections 135.350 to  
30 135.362 may be allocated to parties who are eligible  
31 pursuant to the provisions of subsection 1 of this section.  
32 Beginning January 1, 1995, for qualified projects which  
33 began on or after January 1, 1994, an owner of a qualified  
34 Missouri project shall certify to the director the amount of  
35 credit allocated to each taxpayer. The owner of the project  
36 shall provide to the director appropriate information so  
37 that the low-income housing tax credit can be properly  
38 allocated.

39           6. In the event that recapture of Missouri low-income  
40 housing tax credits is required pursuant to subsection 2 of  
41 section 135.355, any statement submitted to the director as  
42 provided in this section shall include the proportion of the  
43 state credit required to be recaptured, the identity of each  
44 taxpayer subject to the recapture and the amount of credit  
45 previously allocated to such taxpayer.

46           7. The director of the department may promulgate rules  
47 and regulations necessary to administer the provisions of  
48 this section. No rule or portion of a rule promulgated  
49 pursuant to the authority of this section shall become  
50 effective unless it has been promulgated pursuant to the  
51 provisions of section 536.024.

52           **8. The tax credits authorized under the provisions of**  
53 **sections 135.350 to 135.362 shall not be subject to**  
54 **appropriations, as provided under subsection 4 of section**  
55 **135.835.**

135.432. 1. The department of economic development  
2 shall promulgate such rules and regulations as are necessary  
3 to implement the provisions of sections 135.400 to 135.430.

4           2. No rule or portion of a rule promulgated under the  
5 authority of this chapter shall become effective until it  
6 has been approved by the joint committee on administrative  
7 rules in accordance with the procedures provided in this  
8 section, and the delegation of the legislative authority to  
9 enact law by the adoption of such rules is dependent upon  
10 the power of the joint committee on administrative rules to  
11 review and suspend rules pending ratification by the senate  
12 and the house of representatives as provided in this section.

13           3. Upon filing any proposed rule with the secretary of  
14 state, the department shall concurrently submit such

15 proposed rule to the committee, which may hold hearings upon  
16 any proposed rule or portion thereof at any time.

17 4. A final order of rulemaking shall not be filed with  
18 the secretary of state until thirty days after such final  
19 order of rulemaking has been received by the committee. The  
20 committee may hold one or more hearings upon such final  
21 order of rulemaking during the thirty-day period. If the  
22 committee does not disapprove such order of rulemaking  
23 within the thirty-day period, the department may file such  
24 order of rulemaking with the secretary of state and the  
25 order of rulemaking shall be deemed approved.

26 5. The committee may, by majority vote of the members,  
27 suspend the order of rulemaking or portion thereof by action  
28 taken prior to the filing of the final order of rulemaking  
29 only for one or more of the following grounds:

30 (1) An absence of statutory authority for the proposed  
31 rule;

32 (2) An emergency relating to public health, safety or  
33 welfare;

34 (3) The proposed rule is in conflict with state law;

35 (4) A substantial change in circumstance since  
36 enactment of the law upon which the proposed rule is based.

37 6. If the committee disapproves any rule or portion  
38 thereof, the department shall not file such disapproved  
39 portion of any rule with the secretary of state and the  
40 secretary of state shall not publish in the Missouri  
41 Register any final order of rulemaking containing the  
42 disapproved portion.

43 7. If the committee disapproves any rule or portion  
44 thereof, the committee shall report its findings to the  
45 senate and the house of representatives. No rule or portion  
46 thereof disapproved by the committee shall take effect so

47 long as the senate and the house of representatives ratify  
48 the act of the joint committee by resolution adopted in each  
49 house within thirty legislative days after such rule or  
50 portion thereof has been disapproved by the joint committee.

51 8. Upon adoption of a rule as provided in this  
52 section, any such rule or portion thereof may be suspended  
53 or revoked by the general assembly either by bill or,  
54 pursuant to Section 8, Article IV of the Constitution of  
55 Missouri, by concurrent resolution upon recommendation of  
56 the joint committee on administrative rules. The committee  
57 shall be authorized to hold hearings and make  
58 recommendations pursuant to the provisions of section  
59 536.037. The secretary of state shall publish in the  
60 Missouri Register, as soon as practicable, notice of the  
61 suspension or revocation.

62 9. Pursuant to section 23.253 of the Missouri sunset  
63 act:

64 (1) The program authorized pursuant to sections  
65 135.400 to 135.432 shall automatically sunset August 28,  
66 2032, unless reauthorized by an act of the general assembly;

67 (2) Sections 135.400 to 135.432 shall terminate on  
68 September first of the calendar year immediately following  
69 the calendar year in which the program authorized pursuant  
70 to sections 135.400 to 135.432 is sunset; and

71 (3) The provisions of this subsection shall not be  
72 construed to impair or impede the state's fulfillment of any  
73 obligations, including the authorization, issuance, or  
74 redemption of tax credits, incurred pursuant to sections  
75 135.400 to 135.432 prior to the date the program authorized  
76 pursuant to this section is sunset.

135.460. 1. This section and sections 620.1100 and  
2 620.1103 shall be known and may be cited as the "Youth  
3 Opportunities and Violence Prevention Act".

4 2. As used in this section, the term "taxpayer" shall  
5 include corporations as defined in section 143.441 or  
6 143.471, any charitable organization which is exempt from  
7 federal income tax and whose Missouri unrelated business  
8 taxable income, if any, would be subject to the state income  
9 tax imposed under chapter 143, and individuals, individual  
10 proprietorships and partnerships.

11 3. A taxpayer shall be allowed a tax credit against  
12 the tax otherwise due pursuant to chapter 143, excluding  
13 withholding tax imposed by sections 143.191 to 143.265,  
14 chapter 147, chapter 148, or chapter 153 in an amount equal  
15 to thirty percent for property contributions and seventy  
16 percent for monetary contributions of the amount such  
17 taxpayer contributed to the programs described in subsection  
18 5 of this section, not to exceed two hundred thousand  
19 dollars per [taxable] tax year, per taxpayer; except as  
20 otherwise provided in subdivision (5) of subsection 5 of  
21 this section. The department of economic development shall  
22 prescribe the method for claiming the tax credits allowed in  
23 this section. No rule or portion of a rule promulgated  
24 under the authority of this section shall become effective  
25 unless it has been promulgated pursuant to the provisions of  
26 chapter 536. All rulemaking authority delegated prior to  
27 June 27, 1997, is of no force and effect and repealed;  
28 however, nothing in this section shall be interpreted to  
29 repeal or affect the validity of any rule filed or adopted  
30 prior to June 27, 1997, if such rule complied with the  
31 provisions of chapter 536. The provisions of this section  
32 and chapter 536 are nonseverable and if any of the powers

vested with the general assembly pursuant to chapter 536, including the ability to review, to delay the effective date, or to disapprove and annul a rule or portion of a rule, are subsequently held unconstitutional, then the purported grant of rulemaking authority and any rule so proposed and contained in the order of rulemaking shall be invalid and void.

4. The tax credits allowed by this section shall be claimed by the taxpayer to offset the taxes that become due in the taxpayer's tax period in which the contribution was made. Any tax credit not used in such tax period may be carried over the next five succeeding tax periods.

5. The tax credit allowed by this section may only be claimed for monetary or property contributions to public or private programs authorized to participate pursuant to this section by the department of economic development and may be claimed for the development, establishment, implementation, operation, and expansion of the following activities and programs:

(1) An adopt-a-school program. Components of the adopt-a-school program shall include donations for school activities, seminars, and functions; school-business employment programs; and the donation of property and equipment of the corporation to the school;

(2) Expansion of programs to encourage school dropouts to reenter and complete high school or to complete a graduate equivalency degree program;

(3) Employment programs. Such programs shall initially, but not exclusively, target unemployed youth living in poverty and youth living in areas with a high incidence of crime;

(4) New or existing youth clubs or associations;



65           (5) Employment/internship/apprenticeship programs in  
66 business or trades for persons less than twenty years of  
67 age, in which case the tax credit claimed pursuant to this  
68 section shall be equal to one-half of the amount paid to the  
69 intern or apprentice in that tax year, except that such  
70 credit shall not exceed ten thousand dollars per person;

71           (6) Mentor and role model programs;

72           (7) Drug and alcohol abuse prevention training  
73 programs for youth;

74           (8) Donation of property or equipment of the taxpayer  
75 to schools, including schools which primarily educate  
76 children who have been expelled from other schools, or  
77 donation of the same to municipalities, or not-for-profit  
78 corporations or other not-for-profit organizations which  
79 offer programs dedicated to youth violence prevention as  
80 authorized by the department;

81           (9) Not-for-profit, private or public youth activity  
82 centers;

83           (10) Nonviolent conflict resolution and mediation  
84 programs;

85           (11) Youth outreach and counseling programs.

86           6. Any program authorized in subsection 5 of this  
87 section shall, at least annually, submit a report to the  
88 department of economic development outlining the purpose and  
89 objectives of such program, the number of youth served, the  
90 specific activities provided pursuant to such program, the  
91 duration of such program and recorded youth attendance where  
92 applicable.

93           7. The department of economic development shall, at  
94 least annually submit a report to the Missouri general  
95 assembly listing the organizations participating, services

offered and the number of youth served as the result of the implementation of this section.

8. The tax credit allowed by this section shall apply to all **[taxable] tax** years beginning after December 31, 1995.

9. For the purposes of the credits described in this section, in the case of a corporation described in section 143.471, partnership, limited liability company described in section 347.015, cooperative, marketing enterprise, or partnership, in computing Missouri's tax liability, such credits shall be allowed to the following:

(1) The shareholders of the corporation described in section 143.471;

(2) The partners of the partnership;

(3) The members of the limited liability company; and

(4) Individual members of the cooperative or marketing enterprise.

Such credits shall be apportioned to the entities described in subdivisions (1) and (2) of this subsection in proportion to their share of ownership on the last day of the taxpayer's tax period.

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

(1) The program authorized pursuant to this section shall automatically sunset August 28, 2032, unless reauthorized by an act of the general assembly;

(2) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized pursuant to this section is sunset; and

(3) The provisions of this subsection shall not be construed to impair or impede the state's fulfillment of any

127 obligations, including the authorization, issuance, or  
128 redemption of tax credits, incurred pursuant to this section  
129 prior to the date the program authorized pursuant to this  
130 section is sunset.

135.487. 1. To obtain any credit allowed pursuant to  
2 sections 135.475 to 135.487, a taxpayer shall submit to the  
3 department, for preliminary approval, an application for tax  
4 credit. The director shall, upon final approval of an  
5 application and presentation of acceptable proof of  
6 substantial completion of construction, issue the taxpayer a  
7 certificate of tax credit. The director shall issue all  
8 credits allowed pursuant to sections 135.475 to 135.487 in  
9 the order the applications are received. In the case of a  
10 taxpayer other than an owner-occupant, the director shall  
11 not delay the issuance of a tax credit pursuant to sections  
12 135.475 to 135.487 until the sale of a residence at market  
13 rate for owner-occupancy. A taxpayer, [taxpayer] other than  
14 an owner-occupant who receives a certificate of tax credit  
15 pursuant to sections 135.475 to 135.487, shall, within  
16 thirty days of the date of the sale of a residence, furnish  
17 to the director satisfactory proof that such residence was  
18 sold at market rate for owner-occupancy. If the director  
19 reasonably determines that a residence was not in good faith  
20 intended for long-term owner occupancy, the director make  
21 revoke any tax credits issued and seek recovery of any tax  
22 credits issued pursuant to section 620.017.

23 2. The department may cooperate with a municipality or  
24 a county in which a project is located to help identify the  
25 location of the project, the type and eligibility of the  
26 project, the estimated cost of the project and the  
27 completion date of the project.

28           3. The department may promulgate such rules or  
29 regulations or issue administrative guidelines as are  
30 necessary to administer the provisions of sections 135.475  
31 to 135.487. No rule or portion of a rule promulgated  
32 pursuant to the authority of this section shall become  
33 effective unless it has been promulgated pursuant to the  
34 provisions of chapter 536.

35           4. The department shall conduct annually a  
36 comprehensive program evaluation illustrating where the tax  
37 credits allowed pursuant to sections 135.475 to 135.487 are  
38 being utilized, explaining the economic impact of such  
39 program and making recommendations on appropriate program  
40 modifications to ensure the program's success.

41           **5. Pursuant to section 23.253 of the Missouri sunset**  
42 **act:**

43           **(1) The program authorized pursuant to sections**  
44 **135.475 to 135.487 shall automatically sunset August 28,**  
45 **2032, unless reauthorized by an act of the general assembly;**

46           **(2) Sections 135.475 to 135.487 shall terminate on**  
47 **September first of the calendar year immediately following**  
48 **the calendar year in which the program authorized pursuant**  
49 **to sections 135.475 to 135.487 is sunset; and**

50           **(3) The provisions of this subsection shall not be**  
51 **construed to impair or impede the state's fulfillment of any**  
52 **obligations, including the authorization, issuance, or**  
53 **redemption of tax credits, incurred pursuant to sections**  
54 **135.475 to 135.487 prior to the date the program authorized**  
55 **pursuant to this section is sunset.**

135.490. 1. In order to encourage and foster  
2 community improvement, an eligible small business, as  
3 defined in Section 44 of the Internal Revenue Code, shall be  
4 allowed a credit not to exceed five thousand dollars against

5 the tax otherwise due pursuant to chapter 143, not including  
6 sections 143.191 to 143.265, in an amount equal to fifty  
7 percent of all eligible access expenditures exceeding the  
8 monetary cap provided by Section 44 of the Internal Revenue  
9 Code. For purposes of this section, "eligible access  
10 expenditures" means amounts paid or incurred by the taxpayer  
11 in order to comply with applicable access requirements  
12 provided by the Americans With Disabilities Act of 1990, as  
13 further defined in Section 44 of the Internal Revenue Code  
14 and federal rulings interpreting Section 44 of the Internal  
15 Revenue Code.

16       **2. The department of economic development shall**  
17 **prescribe the method for submitting applications for**  
18 **claiming the tax credit allowed by this section. After**  
19 **issuance of a tax credit certificate by the department of**  
20 **economic development, such tax credit shall be [claimed]**  
21 **redeemed by [the taxpayer at the time such taxpayer files a]**  
22 **filing a copy of the tax credit certificate with the**  
23 **taxpayer's income tax return for the tax year for which such**  
24 **credit was issued.** Any amount of tax credit which exceeds  
25 the tax due shall be carried over to any subsequent  
26 **[taxable] tax** year, but shall not be refunded and shall not  
27 be transferable.

28       **3. On and after August 28, 2026,** the director of the  
29 department of economic development **[and the director of the**  
30 **department of revenue]** shall **[jointly]** administer the tax  
31 credit authorized by this section. **[Both]** The director of  
32 the department of economic development **[and the director of**  
33 **the department of revenue are]** **is** authorized to promulgate  
34 rules and regulations necessary to administer the provisions  
35 of this section. No rule or portion of a rule promulgated  
36 pursuant to the authority of this section shall become

effective unless it has been promulgated pursuant to the provisions of chapter 536.

4. The provisions of this section shall become effective on January 1, 2000, and shall apply to all [taxable] tax years beginning after December 31, 1999.

5. (1) For all fiscal years beginning on or after July 1, 2027, the cumulative amount of tax credits issued annually to all taxpayers by the department of economic development under this section shall not exceed the total cap amount, which shall be an amount equal to the highest annual amount of tax credits issued in any one previous fiscal year, from fiscal year 2024 to fiscal year 2026, as determined and calculated by the department.

(2) If the amount of tax credits claimed in a fiscal year under this section exceeds the total cap determined under subdivision (1) of this subsection, tax credits shall be allowed based on the order in which they were issued.

6. Pursuant to section 23.253 of the Missouri sunset act:

(1) The program authorized pursuant to this section shall automatically sunset August 28, 2032, unless reauthorized by an act of the general assembly;

(2) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized pursuant to this section is sunset; and

(3) The provisions of this subsection shall not be construed to impair or impede the state's fulfillment of any obligations, including the authorization, issuance, or redemption of tax credits, incurred pursuant to this section prior to the date the program authorized pursuant to this section is sunset.

135.530. For the purposes of sections [100.010,]  
2 100.710, 100.850, 135.110, [135.200, 135.258, 135.313,]  
3 135.403, 135.405, [135.503,] 135.530, [135.545,] **and**  
4 215.030, [348.300, 348.302, and 620.1400 to 620.1460,]  
5 "distressed community" means either a Missouri municipality  
6 within a metropolitan statistical area which has a median  
7 household income of under seventy percent of the median  
8 household income for the metropolitan statistical area,  
9 according to the United States Census Bureau's American  
10 Community Survey, based on the most recent of five-year  
11 period estimate data in which the final year of the estimate  
12 ends in either zero or five, or a United States census block  
13 group or contiguous group of block groups within a  
14 metropolitan statistical area which has a population of at  
15 least two thousand five hundred, and each block group having  
16 a median household income of under seventy percent of the  
17 median household income for the metropolitan area in  
18 Missouri, according to the United States Census Bureau's  
19 American Community Survey, based on the most recent of five-  
20 year period estimate data in which the final year of the  
21 estimate ends in either zero or five. In addition the  
22 definition shall include municipalities not in a  
23 metropolitan statistical area, with a median household  
24 income of under seventy percent of the median household  
25 income for the nonmetropolitan areas in Missouri according  
26 to the United States Census Bureau's American Community  
27 Survey, based on the most recent of five-year period  
28 estimate data in which the final year of the estimate ends  
29 in either zero or five or a census block group or contiguous  
30 group of block groups which has a population of at least two  
31 thousand five hundred with each block group having a median  
32 household income of under seventy percent of the median

household income for the nonmetropolitan areas of Missouri, according to the United States Census Bureau's American Community Survey, based on the most recent of five-year period estimate data in which the final year of the estimate ends in either zero or five. In metropolitan statistical areas, the definition shall include areas that were designated as either a federal empowerment zone; or a federal enhanced enterprise community; or a state enterprise zone that was originally designated before January 1, 1986, but shall not include expansions of such state enterprise zones done after March 16, 1988.

135.562. 1. If any taxpayer with a federal adjusted gross income of thirty thousand dollars or less incurs costs for the purpose of making all or any portion of such taxpayer's principal dwelling accessible to an individual with a disability who permanently resides with the taxpayer, such taxpayer shall receive a tax credit against such taxpayer's Missouri income tax liability in an amount equal to the lesser of one hundred percent of such costs or two thousand five hundred dollars per taxpayer, per tax year.

2. Any taxpayer with a federal adjusted gross income greater than thirty thousand dollars but less than sixty thousand dollars who incurs costs for the purpose of making all or any portion of such taxpayer's principal dwelling accessible to an individual with a disability who permanently resides with the taxpayer shall receive a tax credit against such taxpayer's Missouri income tax liability in an amount equal to the lesser of fifty percent of such costs or two thousand five hundred dollars per taxpayer per tax year. No taxpayer shall be eligible to receive tax credits under this section in any tax year immediately



21 following a tax year in which such taxpayer received tax  
22 credits under the provisions of this section.

23 3. Tax credits issued under this section may be  
24 refundable in an amount not to exceed two thousand five  
25 hundred dollars per tax year.

26 4. Eligible costs for which the credit may be claimed  
27 include:

- 28 (1) Constructing entrance or exit ramps;
- 29 (2) Widening exterior or interior doorways;
- 30 (3) Widening hallways;
- 31 (4) Installing handrails or grab bars;
- 32 (5) Moving electrical outlets and switches;
- 33 (6) Installing stairway lifts;
- 34 (7) Installing or modifying fire alarms, smoke  
35 detectors, and other alerting systems;
- 36 (8) Modifying hardware of doors; or
- 37 (9) Modifying bathrooms.

38 5. The tax credits allowed, including the maximum  
39 amount that may be claimed, under this section shall be  
40 reduced by an amount sufficient to offset any amount of such  
41 costs a taxpayer has already deducted from such taxpayer's  
42 federal adjusted gross income or to the extent such taxpayer  
43 has applied any other state or federal income tax credit to  
44 such costs.

45 6. [A taxpayer shall claim a] **The tax** credit allowed  
46 by this section [in the same tax year as the credit is  
47 issued, and at the time such], **after issuance of a tax**  
48 **credit certificate by the department of economic**  
49 **development, shall be redeemed by filing a copy of the tax**  
50 **credit certificate when the** taxpayer files his or her  
51 Missouri income tax return[;] **for the tax year for which**

52 **such credit was issued**, provided that such return is timely  
53 filed.

54 7. The department **of economic development** may, in  
55 consultation with the department of social services,  
56 promulgate such rules or regulations as are necessary to  
57 administer the provisions of this section. Any rule or  
58 portion of a rule, as that term is defined in section  
59 536.010, that is created under the authority delegated in  
60 this section shall become effective only if it complies with  
61 and is subject to all of the provisions of chapter 536 and,  
62 if applicable, section 536.028. This section and chapter  
63 536 are nonseverable and if any of the powers vested with  
64 the general assembly pursuant to chapter 536 to review, to  
65 delay the effective date or to disapprove and annul a rule  
66 are subsequently held unconstitutional, then the grant of  
67 rulemaking authority and any rule proposed or adopted after  
68 August 28, 2007, shall be invalid and void.

69 8. The provisions of this section shall apply to all  
70 tax years beginning on or after January 1, 2008.

71 9. The provisions of this section shall expire  
72 December 31, 2025, unless reauthorized by the general  
73 assembly. This section shall terminate on September first  
74 of the calendar year immediately following the calendar year  
75 in which the program authorized under this section is  
76 sunset. The provisions of this subsection shall not be  
77 construed to limit or in any way impair the [department's]  
78 **department of revenue's** ability to redeem tax credits  
79 authorized on or before the date the program authorized  
80 under this section expires or a taxpayer's ability to redeem  
81 such tax credits.

82 10. In no event shall the aggregate amount of all tax  
83 credits allowed under this section exceed one hundred

thousand dollars in any given fiscal year. The tax credits issued pursuant to this section shall be on a first-come, first-served filing basis.

**11. On and after August 28, 2026, the department of economic development shall administer the tax credit provided under this section.**

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

(1) **"Department", the department of social services;**

(2) "Local food pantry", any food pantry that is:

(a) Exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as amended; and

(b) Distributing emergency food supplies to Missouri low-income people who would otherwise not have access to food supplies in the area in which the taxpayer claiming the tax credit under this section resides;

**[(2)] (3) "Local homeless shelter", any homeless shelter that is:**

(a) Exempt from taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended; and

(b) Providing temporary living arrangements, in the area in which the taxpayer claiming the tax credit under this section resides, for individuals and families who otherwise lack a fixed, regular, and adequate nighttime residence and lack the resources or support networks to obtain other permanent housing;

**[(3)] (4) "Local soup kitchen", any soup kitchen that is:**

(a) Exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as amended; and

(b) Providing prepared meals through an established congregate feeding operation to needy, low-income persons

27 including, but not limited to, homeless persons in the area  
28 in which the taxpayer claiming the tax credit under this  
29 section resides;

30 [(4)] (5) "Taxpayer", an individual, a firm, a partner  
31 in a firm, corporation, or a shareholder in an S corporation  
32 doing business in this state and subject to the state income  
33 tax imposed by chapter 143, excluding withholding tax  
34 imposed by sections 143.191 to 143.265.

35 2. (1) Beginning on March 29, 2013, any donation of  
36 cash or food made to a local food pantry on or after January  
37 1, 2013, unless such food is donated after the food's  
38 expiration date, shall be eligible for tax credits as  
39 provided by this section.

40 (2) Beginning on August 28, 2018, any donation of cash  
41 or food made to a local soup kitchen or local homeless  
42 shelter on or after January 1, 2018, unless such food is  
43 donated after the food's expiration date, shall be eligible  
44 for a tax credit as provided under this section.

45 (3) Any taxpayer who makes a donation that is eligible  
46 for a tax credit under this section shall be allowed a  
47 credit against the tax otherwise due under chapter 143,  
48 excluding withholding tax imposed by sections 143.191 to  
49 143.265, in an amount equal to fifty percent of the value of  
50 the donations made to the extent such amounts that have been  
51 subtracted from federal adjusted gross income or federal  
52 taxable income are added back in the determination of  
53 Missouri adjusted gross income or Missouri taxable income  
54 before the credit can be [claimed] **redeemed**. Each taxpayer  
55 claiming a tax credit under this section shall file an  
56 affidavit with the [income tax return] **application to the**  
57 **department of social services** verifying the amount of their  
58 contributions. **The department shall prescribe the method**

59 for submitting applications for claiming the tax credit  
60 allowed by this section. After issuance of a tax credit  
61 certificate by the department, such tax credit shall be  
62 redeemed by filing a copy of the tax credit certificate with  
63 the taxpayer's income tax return for the tax year for which  
64 such credit was issued. The amount of the tax credit  
65 claimed shall not exceed the amount of the taxpayer's state  
66 tax liability for the tax year that the credit is claimed  
67 and shall not exceed two thousand five hundred dollars per  
68 taxpayer claiming the credit. Any amount of credit that the  
69 taxpayer is prohibited by this section from claiming in a  
70 tax year shall not be refundable, but may be carried forward  
71 to any of the taxpayer's three subsequent tax years. No tax  
72 credit granted under this section shall be transferred,  
73 sold, or assigned. No taxpayer shall be eligible to receive  
74 a credit pursuant to this section if such taxpayer employs  
75 persons who are not authorized to work in the United States  
76 under federal law. No taxpayer shall be able to claim more  
77 than one credit under this section for a single donation.

78 3. The cumulative amount of tax credits under this  
79 section which may be allocated to all taxpayers contributing  
80 to a local food pantry, local soup kitchen, or local  
81 homeless shelter in any one fiscal year shall not exceed one  
82 million seven hundred fifty thousand dollars. The [director  
83 of revenue] department shall establish a procedure by which  
84 the cumulative amount of tax credits issued is apportioned  
85 among all taxpayers [claiming] filing an application for the  
86 credit [by April fifteenth of the] in that fiscal year [in  
87 which the tax credit is claimed]. To the maximum extent  
88 possible, the [director of revenue] department shall  
89 establish the procedure described in this subsection in such  
90 a manner as to ensure that taxpayers can claim all the tax

91 credits possible up to the cumulative amount of tax credits  
92 available for the fiscal year.

93 4. Any local food pantry, local soup kitchen, or local  
94 homeless shelter may accept or reject any donation of food  
95 made under this section for any reason. For purposes of  
96 this section, any donations of food accepted by a local food  
97 pantry, local soup kitchen, or local homeless shelter shall  
98 be valued at fair market value, or at wholesale value if the  
99 taxpayer making the donation of food is a retail grocery  
100 store, food broker, wholesaler, or restaurant.

101 5. The department of [revenue] **social services** shall  
102 promulgate rules to implement the provisions of this  
103 section. Any rule or portion of a rule, as that term is  
104 defined in section 536.010, that is created under the  
105 authority delegated in this section shall become effective  
106 only if it complies with and is subject to all of the  
107 provisions of chapter 536 and, if applicable, section  
108 536.028. This section and chapter 536 are nonseverable and  
109 if any of the powers vested with the general assembly  
110 pursuant to chapter 536 to review, to delay the effective  
111 date, or to disapprove and annul a rule are subsequently  
112 held unconstitutional, then the grant of rulemaking  
113 authority and any rule proposed or adopted after August 28,  
114 2007, shall be invalid and void.

115 6. Under section 23.253 of the Missouri sunset act:

116 (1) The program authorized under this section shall be  
117 reauthorized as of August 28, 2018, and shall expire on  
118 December 31, 2026, unless reauthorized by the general  
119 assembly; and

120 (2) This section shall terminate on September first of  
121 the calendar year immediately following the calendar year in

which the program authorized under this section is sunset;  
and

(3) The provisions of this subsection shall not be construed to limit or in any way impair a taxpayer's ability to redeem tax credits authorized on or before the date the program authorized under this section expires.

**7. On and after August 28, 2026, the department of social services shall administer the tax credit provided under this section.**

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

(1) "Community-based faculty preceptor", a physician or physician assistant who is licensed in Missouri and provides preceptorships to Missouri medical students or physician assistant students without direct compensation for the work of precepting;

(2) "Department", the Missouri department of health and senior services;

(3) "Division", the division of professional registration of the department of commerce and insurance;

(4) "Federally Qualified Health Center (FQHC)", a reimbursement designation from the Bureau of Primary Health Care and the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services;

(5) "Medical student", an individual enrolled in a Missouri medical college approved and accredited as reputable by the American Medical Association or the Liaison Committee on Medical Education or enrolled in a Missouri osteopathic college approved and accredited as reputable by the Commission on Osteopathic College Accreditation;

(6) "Medical student core preceptorship" or "physician assistant student core preceptorship", a preceptorship for a

24 medical student or physician assistant student that provides  
25 a minimum of one hundred twenty hours of community-based  
26 instruction in family medicine, internal medicine,  
27 pediatrics, psychiatry, or obstetrics and gynecology under  
28 the guidance of a community-based faculty preceptor. A  
29 community-based faculty preceptor may add together the  
30 amounts of preceptorship instruction time separately  
31 provided to multiple students in determining whether he or  
32 she has reached the minimum hours required under this  
33 subdivision, but the total preceptorship instruction time  
34 provided shall equal at least one hundred twenty hours in  
35 order for such preceptor to be eligible for the tax credit  
36 authorized under this section;

37 (7) "Physician assistant student", an individual  
38 participating in a Missouri physician assistant program  
39 accredited by the Accreditation Review Commission on  
40 Education for the Physician Assistant or its successor  
41 organization;

42 (8) "Taxpayer", any individual, firm, partner in a  
43 firm, corporation, or shareholder in an S corporation doing  
44 business in this state and subject to the state income tax  
45 imposed under chapter 143, excluding withholding tax imposed  
46 under sections 143.191 to 143.265.

47 2. (1) Beginning January 1, 2023, any community-based  
48 faculty preceptor who serves as the community-based faculty  
49 preceptor for a medical student core preceptorship or a  
50 physician assistant student core preceptorship shall be  
51 allowed a credit against the tax otherwise due under chapter  
52 143, excluding withholding tax imposed under sections  
53 143.191 to 143.265, in an amount equal to one thousand  
54 dollars for each preceptorship, up to a maximum of three  
55 thousand dollars per tax year, if he or she completes up to



56 three preceptorship rotations during the tax year and did  
57 not receive any direct compensation for the preceptorships.

58 (2) To receive the credit allowed by this section, a  
59 community-based faculty preceptor shall claim such credit on  
60 his or her return for the tax year in which he or she  
61 completes the preceptorship rotations and shall submit  
62 supporting documentation as prescribed by the division and  
63 the department.

64 (3) In no event shall the total amount of a tax credit  
65 authorized under this section exceed a taxpayer's income tax  
66 liability for the tax year for which such credit is  
67 claimed. No tax credit authorized under this section shall  
68 be allowed a taxpayer against his or her tax liability for  
69 any prior or succeeding tax year.

70 (4) No more than two hundred preceptorship tax credits  
71 shall be authorized under this section for any one calendar  
72 year. The tax credits shall be awarded on a first-come,  
73 first-served basis. The division and the department shall  
74 jointly promulgate rules for determining the manner in which  
75 taxpayers who have obtained certification under this section  
76 are able to claim the tax credit. The cumulative amount of  
77 tax credits awarded under this section shall not exceed two  
78 hundred thousand dollars per year.

79 (5) Notwithstanding the provisions of subdivision (4)  
80 of this subsection, the department is authorized to exceed  
81 the two hundred thousand dollars per year tax credit program  
82 cap in any amount not to exceed the amount of funds  
83 remaining in the medical preceptor fund, as established  
84 under subsection 3 of this section, as of the end of the  
85 most recent tax year, after any required transfers to the  
86 general revenue fund have taken place in accordance with the  
87 provisions of subsection 3 of this section.

88           3. (1) Funding for the tax credit program authorized  
89 under this section shall be generated by the division from a  
90 license fee increase of seven dollars per license for  
91 physicians and surgeons and from a license fee increase of  
92 three dollars per license for physician assistants. The  
93 license fee increases shall take effect beginning January 1,  
94 2023, based on the underlying license fee rates prevailing  
95 on that date. The underlying license fee rates shall be  
96 determined under section 334.090 and all other applicable  
97 provisions of chapter 334.

98           (2) (a) There is hereby created in the state treasury  
99 the "Medical Preceptor Fund", which shall consist of moneys  
100 collected under this subsection. The state treasurer shall  
101 be custodian of the fund. In accordance with sections  
102 30.170 and 30.180, the state treasurer may approve  
103 disbursements. The fund shall be a dedicated fund and, upon  
104 appropriation, moneys in the fund shall be used solely by  
105 the department and the division for the administration of  
106 the tax credit program authorized under this section.  
107 Notwithstanding the provisions of section 33.080 to the  
108 contrary, any moneys remaining in the fund at the end of the  
109 biennium shall not revert to the credit of the general  
110 revenue fund. The state treasurer shall invest moneys in  
111 the medical preceptor fund in the same manner as other funds  
112 are invested. Any interest and moneys earned on such  
113 investments shall be credited to the fund.

114           (b) Notwithstanding any provision of this chapter or  
115 any other provision of law to the contrary, all revenue from  
116 the license fee increases described under subdivision (1) of  
117 this subsection shall be deposited in the medical preceptor  
118 fund. After the end of every tax year, an amount equal to  
119 the total dollar amount of all tax credits claimed under

120 this section shall be transferred from the medical preceptor  
121 fund to the state's general revenue fund established under  
122 section 33.543. Any excess moneys in the medical preceptor  
123 fund shall remain in the fund and shall not be transferred  
124 to the general revenue fund.

125 4. (1) The department shall administer the tax credit  
126 program authorized under this section. Each taxpayer  
127 claiming a tax credit under this section shall file an  
128 application with the department verifying the number of  
129 hours of instruction and the amount of the tax credit  
130 claimed. The hours claimed on the application shall be  
131 verified by the college or university department head or the  
132 program director on the application. The certification by  
133 the department affirming the taxpayer's eligibility for the  
134 tax credit provided to the taxpayer shall be filed with the  
135 taxpayer's income tax return.

136 (2) No amount of any tax credit allowed under this  
137 section shall be refundable. No tax credit allowed under  
138 this section shall be transferred, sold, or assigned. No  
139 taxpayer shall be eligible to receive the tax credit  
140 authorized under this section if such taxpayer employs  
141 persons who are not authorized to work in the United States  
142 under federal law.

143 5. The department of commerce and insurance and the  
144 department of health and senior services shall jointly  
145 promulgate rules to implement the provisions of this  
146 section. Any rule or portion of a rule, as that term is  
147 defined in section 536.010, that is created under the  
148 authority delegated in this section shall become effective  
149 only if it complies with and is subject to all of the  
150 provisions of chapter 536 and, if applicable, section  
151 536.028. 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, 2022, shall be invalid and void.

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

(1) The program authorized pursuant to this section shall automatically sunset August 28, 2032, unless reauthorized by an act of the general assembly;

(2) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized pursuant to this section is sunset; and

(3) The provisions of this subsection shall not be construed to impair or impede the state's fulfillment of any obligations, including the authorization, issuance, or redemption of tax credits, incurred pursuant to this section prior to the date the program authorized pursuant to this section is sunset.

135.750. 1. This section shall be known and may be referred to as the "Show MO Act".

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

(1) "Above-the-line individual", any individual hired or credited on screen for a qualified motion media production project as any type of producer, principal cast that is at a Screen Actors Guild Schedule F and above payment rate, screenwriter, and the director;

(2) "Qualified motion media production project", any film or series production, including videos, commercials, video games, webisodes, music videos, content-based mobile

12 applications, virtual reality, augmented reality, multi-  
13 media, and new media, as well as standalone visual effects  
14 and postproduction for such motion media production project,  
15 as approved by the department of economic development and  
16 the office of the Missouri film commission, that features a  
17 statement and logo designated by the department of economic  
18 development in the credits of the completed production  
19 indicating that the project was filmed in Missouri and that  
20 is under thirty minutes in length with expected qualifying  
21 expenses in excess of fifty thousand dollars or is over  
22 thirty minutes in length with expected qualifying expenses  
23 in excess of one hundred thousand dollars. Regardless of  
24 the production costs, qualified motion media project shall  
25 not include any:

- 26 (a) News or current events programming;
- 27 (b) Talk show;
- 28 (c) Production produced primarily for industrial,  
29 corporate, or institutional purposes, and for internal use;
- 30 (d) Sports event or sports program;
- 31 (e) Gala presentation or awards show;
- 32 (f) Infomercial or any production that directly  
33 solicits funds;
- 34 (g) Political ad;
- 35 (h) Production that is considered obscene, as defined  
36 in section 573.010;

37 (3) "Qualifying expenses", the sum of the total amount  
38 spent in this state for the following by a production  
39 company in connection with a qualified motion media  
40 production project:

- 41 (a) Goods and services leased or purchased by the  
42 production company. For goods with a purchase price of  
43 twenty-five thousand dollars or more, the amount included in

44 qualifying expenses shall be the purchase price less the  
45 fair market value of the goods at the time the production is  
46 completed;

47 (b) Compensation and wages paid by the production  
48 company on which the production company remitted withholding  
49 payments to the department of revenue under chapter 143.

50 For purposes of this section, compensation and wages paid to  
51 all above-the-line individuals shall be limited to twenty-  
52 five percent of the overall qualifying expenses;

53 (4) "Tax credit", a credit against the tax otherwise  
54 due under chapter 143, excluding withholding tax imposed by  
55 sections 143.191 to 143.265, or otherwise due under chapter  
56 148;

57 (5) "Taxpayer", any individual, partnership, or  
58 corporation as described in section 143.441, 143.471, or  
59 section 148.370 that is subject to the tax imposed in  
60 chapter 143, excluding withholding tax imposed by sections  
61 143.191 to 143.265, or the tax imposed in chapter 148 or any  
62 charitable organization which is exempt from federal income  
63 tax and whose Missouri unrelated business taxable income, if  
64 any, would be subject to the state income tax imposed under  
65 chapter 143.

66 3. (1) For all tax years beginning on or after  
67 January 1, 2023, a taxpayer shall be allowed a tax credit  
68 equal to twenty percent of qualifying expenses.

69 (2) An additional five percent may be earned for  
70 qualifying expenses if at least fifty percent of the  
71 qualified motion media production project is filmed in  
72 Missouri.

73 (3) An additional five percent may be earned for  
74 qualifying expenses if at least fifteen percent of the

75 qualified motion media production project that is filmed in  
76 Missouri takes place in a rural or blighted area in Missouri.

77 (4) An additional five percent may be earned for  
78 qualifying expenses if at least three departments of the  
79 qualified motion media production hire a Missouri resident  
80 ready to advance to the next level in a specialized craft  
81 position or learn a new skillset.

82 (5) An additional five percent may be earned for  
83 qualifying expenses if the department of economic  
84 development determines that the script of the qualified  
85 motion media production project positively markets a city or  
86 region of the state, the entire state, or a tourist  
87 attraction located in the state, and the qualified motion  
88 media production provides no less than five high resolution  
89 photographs containing cast with the rights cleared for  
90 promotional use by the Missouri film commission, accompanied  
91 by a list with the title of production, location, names, and  
92 titles of the individuals shown in the photography and  
93 photographer credit.

94 (6) The total dollar amount of tax credits authorized  
95 pursuant to subdivision (1) of this subsection shall be  
96 increased by ten percent for qualified film production  
97 projects located in a county of the second, third, or fourth  
98 class.

99 (7) Activities qualifying a taxpayer for the tax  
100 credit pursuant to this subsection shall be approved by the  
101 office of the Missouri film commission and the department of  
102 economic development.

103 4. A qualified motion media production project shall  
104 not be eligible for tax credits pursuant to this section  
105 unless such project employs at least the following number of

106 Missouri registered apprentices or veterans residing in  
107 Missouri with transferable skills:

108       (1) If the qualifying expenses are less than five  
109 million dollars, two;

110       (2) If the qualifying expenses are at least five  
111 million dollars but less than ten million dollars, three;

112       (3) If the qualifying expenses are at least ten  
113 million dollars but less than fifteen million dollars, six;  
114 or

115       (4) If the qualifying expenses are at least fifteen  
116 million dollars, eight.

117       5. Taxpayers shall apply for the motion media  
118 production tax credit by submitting an application to the  
119 department of economic development, on a form provided by  
120 the department. As part of the application, the expected  
121 qualifying expenses of the qualified motion media production  
122 project shall be documented. In addition, the application  
123 shall include an economic impact statement, showing the  
124 economic impact from the activities of the qualified motion  
125 media production project. Such economic impact statement  
126 shall indicate the impact on the region of the state in  
127 which the qualified motion media production or production-  
128 related activities are located and on the state as a whole.  
129 Final applications shall be accompanied by a report by a  
130 certified public accountant licensed by the state of  
131 Missouri, prepared at the expense of the applicant,  
132 attesting that the amounts in the final application are  
133 qualifying expenses.

134       6. For all tax years beginning on or after January 1,  
135 2023, the total amount of tax credits authorized by this  
136 section for film production shall not exceed a total of  
137 eight million dollars per year, and the total amount of all



tax credits authorized by this section for series production shall not exceed a total of eight million dollars per year. Taxpayers may carry forward unused credits for up to five tax periods, provided all such credits shall be claimed within ten tax periods following the tax period in which the qualified motion media production or production-related activities for which the credits are certified by the department occurred.

7. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits allowed in subsection 3 of this section. The taxpayer acquiring the tax credits may use the acquired credits to offset the tax liabilities otherwise imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or chapter 148. Unused acquired credits may be carried forward for up to five tax periods, provided all such credits shall be claimed within ten tax periods following the tax period in which the qualified motion media production or production-related activities for which the credits are certified by the department occurred.

8. The tax credit authorized by this section shall be considered a business recruitment tax credit, as defined in section 135.800, and shall be subject to the provisions of sections 135.800 to 135.830.

9. The department of economic development may adopt such rules, statements of policy, procedures, forms, and guidelines as may be necessary to implement the provisions of this section. 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, 2023, shall be invalid and void.

10. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the program authorized under this section shall automatically sunset on December 31, 2029, unless reauthorized by an act of the general assembly; and

(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

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

(4) The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to redeem tax credits authorized on or before the date the program authorized pursuant to this section expires, or a taxpayer's ability to redeem such tax credits.

11. (1) Notwithstanding the provisions of subsection 10 of this section to the contrary, the provisions of this section shall automatically terminate and expire one year after the department of economic development determines that all other state and local governments in the United States of America have terminated or let lapse their tax credit or

other governmental incentive program for the film production industry, regardless of whether such credits or programs are now in effect or first commence after August 28, 2023. The department of economic development shall notify the revisor of statutes upon the department's determination that the tax credit authorized by this section shall terminate pursuant to this subsection.

(2) The provisions of this subsection shall not be construed to limit or in any way impair the ability of any taxpayer that has met the requirements in this section prior to the termination of this section to participate in the program authorized under this section. The provisions of this section shall not be construed to limit or in any way impair the department of revenue's ability to redeem tax credits qualified for on or before the date the program authorized pursuant to this section expires.

**12. The tax credits authorized under this section shall not be subject to appropriations, as provided under subsection 4 of section 135.835.**

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

(1) "Department", the Missouri department of **[revenue] agriculture;**

(2) "Distributor", a person, firm, or corporation doing business in this state that:

(a) Produces, refines, blends, compounds, or manufactures motor fuel;

(b) Imports motor fuel into the state; or

(c) Is engaged in distribution of motor fuel;

(3) "Higher ethanol blend", a fuel capable of being dispensed directly into motor vehicle fuel tanks for

consumption that is comprised of at least fifteen percent but not more than eighty-five percent ethanol;

(4) "Retail dealer", a person, firm, or corporation doing business in this state that owns or operates a retail service station in this state;

(5) "Retail service station", a location in this state from which higher ethanol blend is sold to the general public and is dispensed directly into motor vehicle fuel tanks for consumption.

2. For all tax years beginning on or after January 1, 2023, a retail dealer that sells higher ethanol blend at such retail dealer's retail service station or a distributor that sells higher ethanol blend directly to the final user located in this state shall be allowed a tax credit to be taken against the retail dealer's or distributor's state income tax liability. The amount of the credit shall equal five cents per gallon of higher ethanol blend sold by the retail dealer and dispensed through metered pumps at the retail dealer's retail service station or by a distributor directly to the final user located in this state during the tax year for which the tax credit is claimed. For any retail dealer or distributor with a tax year beginning prior to January 1, 2023, but ending during the 2023 calendar year, such retail dealer or distributor shall be allowed a tax credit for the amount of higher ethanol blend sold during the portion of such tax year that occurs during the 2023 calendar year. Tax credits authorized pursuant to this section shall not be transferred, sold, or assigned. If the amount of the tax credit exceeds the taxpayer's state tax liability, the difference shall not be refundable but may be carried forward to any of the five subsequent tax years. The total amount of tax credits issued pursuant to this

45 section for any given fiscal year shall not exceed five  
46 million dollars.

47 3. In the event the total amount of tax credits  
48 claimed under this section exceeds the amount of available  
49 tax credits, the tax credits shall be apportioned among all  
50 eligible retail dealers and distributors claiming a tax  
51 credit by April fifteenth, or as directed by section  
52 143.851, of the fiscal year in which the tax credit is  
53 claimed.

54 4. **The department shall prescribe the method for**  
55 **submitting applications for claiming** the tax credit allowed  
56 by this section [shall be claimed by such taxpayer at the  
57 time such taxpayer files a return and]. **After issuance of a**  
58 **tax credit certificate by the department, such tax credit**  
59 **shall be redeemed by filing a copy of the tax credit**  
60 **certificate with the taxpayer's income tax return for the**  
61 **tax year for which such credit was issued. Such tax credit**  
62 shall be applied against the income tax liability imposed by  
63 chapter 143, excluding the withholding tax imposed by  
64 sections 143.191 to 143.265, after reduction for all other  
65 credits allowed thereon. The department may require any  
66 documentation it deems necessary to implement the provisions  
67 of this section.

68 5. The department **of agriculture** shall promulgate  
69 rules to implement the provisions of this section. Any rule  
70 or portion of a rule, as that term is defined in section  
71 536.010, that is created under the authority delegated in  
72 this section shall become effective only if it complies with  
73 and is subject to all of the provisions of chapter 536 and,  
74 if applicable, section 536.028. This section and chapter  
75 536 are nonseverable and if any of the powers vested with  
76 the general assembly pursuant to chapter 536 to review, to

77 delay the effective date, or to disapprove and annul a rule  
78 are subsequently held unconstitutional, then the grant of  
79 rulemaking authority and any rule proposed or adopted after  
80 January 2, 2023, shall be invalid and void.

81 6. Under section 23.253 of the Missouri sunset act:

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

85 (2) If such program is reauthorized, the program  
86 authorized under this section shall automatically sunset  
87 twelve years after the effective date of the reauthorization  
88 of this section; and

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

92 **7. On and after August 28, 2026, the department of**  
93 **agriculture shall administer the tax credit provided under**  
94 **this section.**

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

3 (1) "Biodiesel blend", a blend of diesel fuel and  
4 biodiesel fuel of at least five percent and not more than  
5 twenty percent for on-road and off-road diesel-fueled  
6 vehicle use;

7 (2) "Biodiesel fuel", a renewable, biodegradable, mono  
8 alkyl ester combustible liquid fuel that is derived from  
9 agricultural and other plant oils or animal fats and that  
10 meets the most recent version of the ASTM International  
11 D6751 Standard Specification for Biodiesel Fuel Blend  
12 Stock. A fuel shall be deemed to be biodiesel fuel if the  
13 fuel consists of a pure B100 or B99 ratio. Biodiesel  
14 produced from palm oil is not biodiesel fuel for the

15 purposes of this section unless the palm oil is contained  
16 within waste oil and grease collected within the United  
17 States;

18 (3) "B99", a blend of ninety-nine percent biodiesel  
19 fuel that meets the most recent version of the ASTM  
20 International D6751 Standard Specification for Biodiesel  
21 Fuel Blend Stock with a minimum of one-tenth of one percent  
22 and maximum of one percent diesel fuel that meets the most  
23 recent version of the ASTM International D975 Standard  
24 Specification for Diesel Fuel;

25 (4) "Department", the Missouri department of [revenue]  
26 **agriculture**;

27 (5) "Distributor", a person, firm, or corporation  
28 doing business in this state that:

29 (a) Produces, refines, blends, compounds, or  
30 manufactures motor fuel;

31 (b) Imports motor fuel into the state; or

32 (c) Is engaged in distribution of motor fuel;

33 (6) "Retail dealer", a person, firm, or corporation  
34 doing business in this state that owns or operates a retail  
35 service station in this state;

36 (7) "Retail service station", a location in this state  
37 from which biodiesel blend is sold to the general public and  
38 is dispensed directly into motor vehicle fuel tanks for  
39 consumption at retail.

40 2. For all tax years beginning on or after January 1,  
41 2023, a retail dealer that sells a biodiesel blend at a  
42 retail service station or a distributor that sells a  
43 biodiesel blend directly to the final user located in this  
44 state shall be allowed a tax credit to be taken against the  
45 retail dealer or distributor's state income tax liability.  
46 For any retail dealer or distributor with a tax year

beginning prior to January 1, 2023, but ending during the 2023 calendar year, such retail dealer or distributor shall be allowed a tax credit for the amount of biodiesel blend sold during the portion of such tax year that occurs during the 2023 calendar year. The amount of the credit shall be equal to:

(1) Two cents per gallon of biodiesel blend of at least five percent but not more than ten percent sold by the retail dealer at a retail service station or by a distributor directly to the final user located in this state during the tax year for which the tax credit is claimed; and

(2) Five cents per gallon of biodiesel blend in excess of ten percent but not more than twenty percent sold by the retail dealer at a retail service station or by a distributor directly to the final user located in this state during the tax year for which the tax credit is claimed.

3. Tax credits authorized under this section shall not be transferred, sold, or assigned. If the amount of the tax credit exceeds the taxpayer's state tax liability, the difference shall be refundable. The total amount of tax credits issued under this section for any given fiscal year shall not exceed sixteen million dollars.

4. In the event the total amount of tax credits claimed under this section exceeds the amount of available tax credits, the tax credits shall be apportioned among all eligible retail dealers and distributors claiming a tax credit by April fifteenth, or as directed by section 143.851, of the fiscal year in which the tax credit is claimed.

5. **The department shall prescribe the method for submitting applications for claiming** the tax credit allowed by this section [shall be claimed by such taxpayer at the



79 time such taxpayer files a return] and **such tax credit** shall  
80 be applied against the income tax liability imposed by  
81 chapter 143, excluding the withholding tax imposed by  
82 sections 143.191 to 143.265, after reduction for all other  
83 credits allowed thereon. The department may require any  
84 documentation it deems necessary to administer the  
85 provisions of this section. **The tax credit allowed by this**  
86 **section, after issuance by the department, shall be redeemed**  
87 **on the taxpayer's income tax return for the tax year for**  
88 **which such credit was issued.**

89 6. Notwithstanding the provisions of section 32.057 to  
90 the contrary, the department may work with the division of  
91 weights and measures within the department of agriculture to  
92 validate that the biodiesel blend a retail dealer or  
93 distributor claims for the tax credit authorized under this  
94 section contains a sufficient percentage of biodiesel fuel.

95 7. The department **of agriculture** shall promulgate  
96 rules to implement and administer the provisions of this  
97 section. Any rule or portion of a rule, as that term is  
98 defined in section 536.010, that is created pursuant to the  
99 authority delegated in this section shall become effective  
100 only if it complies with and is subject to all of the  
101 provisions of chapter 536 and, if applicable, section  
102 536.028. This section and chapter 536 are nonseverable and  
103 if any of the powers vested with the general assembly  
104 pursuant to chapter 536 to review, to delay the effective  
105 date, or to disapprove and annul a rule are subsequently  
106 held unconstitutional, then the grant of rulemaking  
107 authority and any rule proposed or adopted after January 2,  
108 2023, shall be invalid and void.

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

(1) The provisions of the new program authorized under this section shall automatically sunset on December 31, 2028, unless reauthorized by an act of the general assembly;

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

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset. The termination of the program as described in this subsection shall not be construed to preclude any qualified taxpayer who claims any benefit under any program that is sunset under this subsection from claiming such benefit for all allowable activities related to such claim that were completed before the program was sunset or to eliminate any responsibility of the department to verify the continued eligibility of qualified individuals receiving tax credits and to enforce other requirements of law that applied before the program was sunset.

**9. On and after August 28, 2026, the department of agriculture shall administer the tax credit provided under this section.**

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

(1) "Biodiesel fuel", a renewable, biodegradable, mono alkyl ester combustible liquid fuel that is derived from agricultural and other plant oils or animal fats and that meets the most recent version of the ASTM International D6751 Standard Specification for Biodiesel Fuel Blend Stock. A fuel shall be deemed to be biodiesel fuel if the fuel consists of a pure B100 or B99 ratio. Biodiesel

10 produced from palm oil is not biodiesel fuel for the  
11 purposes of this section unless the palm oil is contained  
12 within waste oil and grease collected within the United  
13 States;

14 (2) "B99", a blend of ninety-nine percent biodiesel  
15 fuel that meets the most recent version of the ASTM  
16 International D6751 Standard Specification for Biodiesel  
17 Fuel Blend Stock with a minimum of one-tenth of one percent  
18 and maximum of one percent diesel fuel that meets the most  
19 recent version of the ASTM International D975 Standard  
20 Specification for Diesel Fuel;

21 (3) "Department", the Missouri department of [revenue]  
22 **agriculture**;

23 (4) "Missouri biodiesel producer", a person, firm, or  
24 corporation doing business in this state that produces  
25 biodiesel fuel in this state, is registered with the United  
26 States Environmental Protection Agency according to the  
27 requirements of 40 CFR Part 79, and has begun construction  
28 on such facility or has been selling biodiesel fuel produced  
29 at such facility on or before January 2, 2023.

30 2. For all tax years beginning on or after January 1,  
31 2023, a Missouri biodiesel producer shall be allowed a tax  
32 credit to be taken against the producer's state income tax  
33 liability. For any Missouri biodiesel producer with a tax  
34 year beginning prior to January 1, 2023, but ending during  
35 the 2023 calendar year, such Missouri biodiesel producer  
36 shall be allowed a tax credit for the amount of biodiesel  
37 fuel produced during the portion of such tax year that  
38 occurs during the 2023 calendar year. The amount of the tax  
39 credit shall be two cents per gallon of biodiesel fuel  
40 produced by the Missouri biodiesel producer during the tax  
41 year for which the tax credit is claimed.

42           3. Tax credits authorized under this section shall not  
43 be transferred, sold, or assigned. If the amount of the tax  
44 credit exceeds the taxpayer's state tax liability, the  
45 difference shall be refundable. The total amount of tax  
46 credits issued under this section for any given fiscal year  
47 shall not exceed five million five hundred thousand dollars,  
48 which shall be authorized on a first-come, first-served  
49 basis.

50           4. **The department shall prescribe the method for**  
51 **submitting applications for claiming** the tax credit  
52 authorized under this section [shall be claimed by such  
53 taxpayer at the time such taxpayer files a return] and **such**  
54 **tax credit** shall be applied against the income tax liability  
55 imposed by chapter 143, excluding the withholding tax  
56 imposed by sections 143.191 to 143.265, after reduction for  
57 all other credits allowed thereon. The department may  
58 require any documentation it deems necessary to administer  
59 the provisions of this section. **The tax credit allowed by**  
60 **this section, after issuance by the department, shall be**  
61 **redeemed on the taxpayer's income tax return for the tax**  
62 **year for which such credit was issued.**

63           5. The department **of agriculture** shall promulgate  
64 rules to implement and administer the provisions of this  
65 section. Any rule or portion of a rule, as that term is  
66 defined in section 536.010, that is created pursuant to the  
67 authority delegated in this section shall become effective  
68 only if it complies with and is subject to all of the  
69 provisions of chapter 536 and, if applicable, section  
70 536.028. This section and chapter 536 are nonseverable and  
71 if any of the powers vested with the general assembly  
72 pursuant to chapter 536 to review, to delay the effective  
73 date, or to disapprove and annul a rule are subsequently

74 held unconstitutional, then the grant of rulemaking  
75 authority and any rule proposed or adopted after January 2,  
76 2023, shall be invalid and void.

77 6. Under section 23.253 of the Missouri sunset act:

78 (1) The provisions of the new program authorized under  
79 this section shall automatically sunset on December 31,  
80 2028, unless reauthorized by an act of the general assembly;

81 (2) If such program is reauthorized, the program  
82 authorized under this section shall automatically sunset  
83 twelve years after the effective date of the reauthorization  
84 of this section; and

85 (3) This section shall terminate on September first of  
86 the calendar year immediately following the calendar year in  
87 which the program authorized under this section is sunset.  
88 The termination of the program as described in this  
89 subsection shall not be construed to preclude any qualified  
90 taxpayer who claims any benefit under any program that is  
91 sunset under this subsection from claiming such benefit for  
92 all allowable activities related to such claim that were  
93 completed before the program was sunset, or to eliminate any  
94 responsibility of the department to verify the continued  
95 eligibility of qualified individuals receiving tax credits  
96 and to enforce other requirements of law that applied before  
97 the program was sunset.

98 **7. On and after August 28, 2026, the department of**  
99 **agriculture shall administer the tax credit provided under**  
100 **this section.**

135.800. 1. The provisions of sections 135.800 to  
2 135.830 shall be known and may be cited as the "Tax Credit  
3 Accountability Act of 2004".

4 2. As used in sections 135.800 to 135.830, the  
5 following terms mean:

6           (1) "Administering agency", the state agency or  
7 department charged with administering a particular tax  
8 credit program, as set forth by the program's enacting  
9 statute; where no department or agency is set forth, the  
10 department of revenue;

11           (2) "Agricultural tax credits", the agricultural  
12 product utilization contributor tax credit created pursuant  
13 to section 348.430, the new generation cooperative incentive  
14 tax credit created pursuant to section 348.432, **and** the  
15 family farm breeding livestock loan tax credit created under  
16 section 348.505[, the qualified beef tax credit created  
17 under section 135.679, and the wine and grape production tax  
18 credit created pursuant to section 135.700];

19           (3) "Business recruitment tax credits", the business  
20 facility tax credit created pursuant to sections 135.110 to  
21 135.150 and section 135.258, the enterprise zone tax  
22 benefits created pursuant to sections 135.200 to 135.270,  
23 the business use incentives for large-scale development  
24 programs created pursuant to sections 100.700 to 100.850,  
25 [the development tax credits created pursuant to sections  
26 32.100 to 32.125, the rebuilding communities tax credit  
27 created pursuant to section 135.535,] **and** the [film  
28 production] **show MO act** tax credit created pursuant to  
29 section 135.750[, the enhanced enterprise zone created  
30 pursuant to sections 135.950 to 135.970, and the Missouri  
31 quality jobs program created pursuant to sections 620.1875  
32 to 620.1900];

33           (4) "Community development tax credits", the  
34 neighborhood assistance tax credit created pursuant to  
35 sections 32.100 to 32.125[, ] **and** the family development  
36 account tax credit created pursuant to sections 208.750 to  
37 208.775[, the dry fire hydrant tax credit created pursuant

to section 320.093, and the transportation development tax credit created pursuant to section 135.545];

(5) "Domestic and social tax credits", the youth opportunities tax credit created pursuant to section 135.460 and sections 620.1100 to 620.1103, the shelter for victims of domestic violence **or rape crisis center** created pursuant to section 135.550, the senior citizen or disabled person property tax credit created pursuant to sections 135.010 to 135.035, the adoption tax credit created pursuant to sections 135.325 to 135.339, the champion for children tax credit created pursuant to section 135.341, the maternity home tax credit created pursuant to section 135.600, the surviving spouse tax credit created pursuant to section 135.090, the residential treatment agency tax credit created pursuant to section 135.1150, the pregnancy resource center tax credit created pursuant to section 135.630, the food pantry tax credit created pursuant to section 135.647, the residential dwelling access tax credit created pursuant to section 135.562, the developmental disability care provider tax credit created under section 135.1180, the shared care tax credit created pursuant to section 192.2015, [the health, hunger, and hygiene tax credit created pursuant to section 135.1125,] and the diaper bank tax credit created pursuant to section 135.621;

(6) "Entrepreneurial tax credits", the capital tax credit created pursuant to sections 135.400 to [135.429, the certified capital company tax credit created pursuant to sections 135.500 to 135.529, the seed capital tax credit created pursuant to sections 348.300 to 348.318, the new enterprise creation tax credit created pursuant to sections 620.635 to 620.653] **135.432**, the research tax credit created pursuant to section 620.1039, **and** the small business

incubator tax credit created pursuant to section 620.495[, the guarantee fee tax credit created pursuant to section 135.766, and the new generation cooperative tax credit created pursuant to sections 32.105 to 32.125];

(7) "Environmental tax credits", [the charcoal producer tax credit created pursuant to section 135.313,] the wood energy tax credit created pursuant to sections 135.300 to 135.311[, and the alternative fuel stations tax credit created pursuant to section 135.710];

(8) "Financial and insurance tax credits", the bank franchise tax credit created pursuant to section 148.030, the bank tax credit for S corporations created pursuant to section 143.471, the exam fee tax credit created pursuant to section 148.400, the health insurance pool tax credit created pursuant to section 376.975, the life and health insurance guaranty **association** tax credit created pursuant to section 376.745, the property and casualty guaranty **association** tax credit created pursuant to section 375.774, and the self-employed health insurance tax credit created pursuant to section 143.119;

(9) "Housing tax credits", the neighborhood preservation tax credit created pursuant to sections 135.475 to 135.487, the low-income housing tax credit created pursuant to sections 135.350 to 135.363, and the affordable housing tax credit created pursuant to sections 32.105 to 32.125;

(10) "Recipient", the individual or entity who both:

(a) Is the original applicant for a tax credit; and

(b) Who directly receives a tax credit or the right to transfer a tax credit under a tax credit program, regardless as to whether the tax credit has been used or redeemed; a



recipient shall not include the transferee of a transferable tax credit;

(11) "Redevelopment tax credits", the historic preservation tax credit created pursuant to sections 253.545 to 253.559, the brownfield redevelopment program tax credit created pursuant to sections 447.700 to 447.718, the community development corporations tax credit created pursuant to sections 135.400 to [135.430] **135.432**, the infrastructure tax credit created pursuant to subsection 6 of section 100.286, the bond guarantee tax credit created pursuant to section 100.297, **and** the disabled access tax credit created pursuant to section 135.490[, the new markets tax credit created pursuant to section 135.680, and the distressed areas land assemblage tax credit created pursuant to section 99.1205];

(12) "Tax credit program", any of the tax credit programs included in the definitions of agricultural tax credits, business recruitment tax credits, community development tax credits, domestic and social tax credits, entrepreneurial tax credits, environmental tax credits, housing tax credits, redevelopment tax credits, and training and educational tax credits;

(13) "Training and educational tax credits", the Missouri works new jobs tax credit and Missouri works retained jobs credit created pursuant to sections 620.800 to 620.809.

**135.835. 1. The provisions of this section shall be construed, wherever necessary, to be in addition to existing requirements, duties, or obligations present in other provisions of law with regard to all tax credit programs.**

**2. For all tax years beginning on or after January 1, 2027, in enacting any law creating a new tax credit or**

7 increasing the cumulative cap amount of an existing tax  
8 credit, the general assembly shall repeal, modify, or reduce  
9 the total amount of an existing tax credit or tax credits to  
10 ensure that the amount available to taxpayers is less than  
11 or equal to the total amount reduced as a result of the  
12 newly created tax credit program or the increased cumulative  
13 cap amount on the existing tax credit program.

14 3. For all tax years beginning on or after January 1,  
15 2027, all tax credits issued on or after such date shall not  
16 be carried forward beyond three years, if carry forward  
17 provisions are applicable.

18 4. (1) Except as provided under subdivision (2) of  
19 this subsection, for all fiscal years beginning on or after  
20 July 1, 2027, all tax credits shall be subject to  
21 appropriation. If no appropriation is made for a tax credit  
22 program, such tax credit shall not be issued for that fiscal  
23 year.

24 (2) The following tax credits shall be exempt from the  
25 appropriation requirement under subdivision (1) of this  
26 subsection:

27 (a) The Missouri low-income housing tax credits  
28 created under sections 135.350 to 135.363;

29 (b) The show MO act tax credits created under section  
30 135.750;

31 (c) The self-employed health insurance tax credit  
32 created under section 143.119;

33 (d) The Missouri working family tax credit created  
34 under section 143.177;

35 (e) The SALT parity tax credits created under section  
36 143.436;

37 (f) The bank tax credits for S corporations created  
38 under section 143.471; and

39           **(g) The bank franchise tax credit created under**  
40 **section 148.030.**

41           **5. The provisions of this section shall not be**  
42 **construed to limit or in any way impair a taxpayer's ability**  
43 **to redeem tax credits or an administering agency's ability**  
44 **to issue tax credits authorized prior to January 1, 2027.**

135.1150. 1. This section shall be known and may be  
2 cited as the "Residential Treatment Agency Tax Credit Act".

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

4           (1) "Certificate", a tax credit certificate issued  
5 under this section;

6           (2) "Department", the Missouri department of social  
7 services;

8           (3) "Eligible donation", donations received from a  
9 taxpayer by an agency that are used solely to provide direct  
10 care services to children who are residents of this state.  
11 Eligible donations may include cash, publicly traded stocks  
12 and bonds, and real estate that will be valued and  
13 documented according to rules promulgated by the department  
14 of social services. For purposes of this section, "direct  
15 care services" include but are not limited to increasing the  
16 quality of care and service for children through improved  
17 employee compensation and training;

18           (4) "Qualified residential treatment agency" or  
19 "agency", a residential care facility that is licensed under  
20 section 210.484, accredited by the Council on Accreditation  
21 (COA), the Joint Commission on Accreditation of Healthcare  
22 Organizations (JCAHO), or the Commission on Accreditation of  
23 Rehabilitation Facilities (CARF), and is under contract with  
24 the Missouri department of social services to provide  
25 treatment services for children who are residents or wards  
26 of residents of this state, and that receives eligible

27 donations. Any agency that operates more than one facility  
28 or at more than one location shall be eligible for the tax  
29 credit under this section only for any eligible donation  
30 made to facilities or locations of the agency which are  
31 licensed and accredited;

32 (5) "Taxpayer", any of the following individuals or  
33 entities who make an eligible donation to an agency:

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

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

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

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

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

47 (f) Any charitable organization which is exempt from  
48 federal income tax and whose Missouri unrelated business  
49 taxable income, if any, would be subject to the state income  
50 tax imposed under chapter 143.

51 3. For all **[taxable] tax** years beginning on or after  
52 January 1, 2007, any taxpayer shall be allowed a credit  
53 against the taxes otherwise due under chapter 143, 147, or  
54 148, excluding withholding tax imposed by sections 143.191  
55 to 143.265, in an amount equal to fifty percent of the  
56 amount of an eligible donation, subject to the restrictions  
57 in this section. The amount of the tax credit claimed shall  
58 not exceed the amount of the taxpayer's state income tax

liability in the tax year for which the credit is claimed. Any amount of credit that the taxpayer is prohibited by this section from claiming in a tax year shall not be refundable, but may be carried forward to any of the taxpayer's four subsequent **[taxable] tax** years.

4. To claim the credit authorized in this section, an agency may submit to the department an application for the tax credit authorized by this section on behalf of taxpayers. The department shall verify that the agency has submitted the following items accurately and completely:

(1) A valid application in the form and format required by the department;

(2) A statement attesting to the eligible donation received, which shall include the name and taxpayer identification number of the individual making the eligible donation, the amount of the eligible donation, and the date the eligible donation was received by the agency; and

(3) Payment from the agency equal to the value of the tax credit for which application is made.

If the agency applying for the tax credit meets all criteria required by this subsection, the department shall issue a certificate in the appropriate amount.

5. An agency may apply for tax credits in an aggregate amount that does not exceed the payments made by the department to the agency in the preceding twelve months.

6. Tax credits issued under this section may be assigned, transferred, sold, or otherwise conveyed, and the new owner of the tax credit shall have the same rights in the credit as the taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed with the department

specifying the name and address of the new owner of the tax credit or the value of the credit.

7. (1) For all fiscal years beginning on or after July 1, 2027, the cumulative amount of tax credits issued annually to all taxpayers by the department under this section shall not exceed the total cap amount, which shall be an amount equal to the highest annual amount of tax credits issued in any one previous fiscal year, from fiscal year 2024 to fiscal year 2026, as determined and calculated by the department.

(2) If the amount of tax credits claimed in a fiscal year under this section exceeds the total cap determined under subdivision (1) of this subsection, tax credits shall be allowed based on the order in which they were issued.

[7.] 8. The department shall promulgate rules to implement the provisions of this section. 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, 2006, shall be invalid and void.

9. Pursuant to section 23.253 of the Missouri sunset act:

(1) The program authorized pursuant to this section shall automatically sunset August 28, 2032, unless reauthorized by an act of the general assembly;

122           (2) This section shall terminate on September first of  
123 the calendar year immediately following the calendar year in  
124 which the program authorized pursuant to this section is  
125 sunset; and

126           (3) The provisions of this subsection shall not be  
127 construed to impair or impede the state's fulfillment of any  
128 obligations, including the authorization, issuance, or  
129 redemption of tax credits, incurred pursuant to this section  
130 prior to the date the program authorized pursuant to this  
131 section is sunset.

135.1180. 1. This section shall be known and may be  
2 cited as the "Developmental Disability Care Provider Tax  
3 Credit Program".

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

5           (1) "Certificate", a tax credit certificate issued  
6 under this section;

7           (2) "Department", the Missouri department of social  
8 services;

9           (3) "Eligible donation", donations received by a  
10 provider from a taxpayer that are used solely to provide  
11 direct care services to persons with developmental  
12 disabilities who are residents of this state. Eligible  
13 donations may include cash, publicly traded stocks and  
14 bonds, and real estate that will be valued and documented  
15 according to rules promulgated by the department of social  
16 services. For purposes of this section, "direct care  
17 services" include, but are not limited to, increasing the  
18 quality of care and service for persons with developmental  
19 disabilities through improved employee compensation and  
20 training;

21           (4) "Qualified developmental disability care provider"  
22 or "provider", a care provider that provides assistance to

persons with developmental disabilities, and is accredited by the Council on Accreditation (COA), the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), or the Commission on Accreditation of Rehabilitation Facilities (CARF), or is under contract with the Missouri department of social services or department of mental health to provide treatment services for such persons, and that receives eligible donations. Any provider that operates more than one facility or at more than one location shall be eligible for the tax credit under this section only for any eligible donation made to facilities or locations of the provider which are licensed or accredited;

(5) "Taxpayer", any of the following individuals or entities who make an eligible donation to a provider:

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

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

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

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

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

(f) Any charitable organization which 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.



54           3. For all [taxable] tax years beginning on or after  
55 January 1, 2012, any taxpayer shall be allowed a credit  
56 against the taxes otherwise due under chapter 143, 147, or  
57 148 excluding withholding tax imposed by sections 143.191 to  
58 143.265 in an amount equal to fifty percent of the amount of  
59 an eligible donation, subject to the restrictions in this  
60 section. The amount of the tax credit claimed shall not  
61 exceed the amount of the taxpayer's state income tax  
62 liability in the tax year for which the credit is claimed.  
63 Any amount of credit that the taxpayer is prohibited by this  
64 section from claiming in a tax year shall not be refundable,  
65 but may be carried forward to any of the taxpayer's four  
66 subsequent [taxable] tax years.

67           4. To claim the credit authorized in this section, a  
68 provider may submit to the department an application for the  
69 tax credit authorized by this section on behalf of  
70 taxpayers. The department shall verify that the provider  
71 has submitted the following items accurately and completely:

72           (1) A valid application in the form and format  
73 required by the department;

74           (2) A statement attesting to the eligible donation  
75 received, which shall include the name and taxpayer  
76 identification number of the individual making the eligible  
77 donation, the amount of the eligible donation, and the date  
78 the eligible donation was received by the provider; and

79           (3) Payment from the provider equal to the value of  
80 the tax credit for which application is made.

81 If the provider applying for the tax credit meets all  
82 criteria required by this subsection, the department shall  
83 issue a certificate in the appropriate amount.

84           5. Tax credits issued under this section may be  
85 assigned, transferred, sold, or otherwise conveyed, and the  
86 new owner of the tax credit shall have the same rights in  
87 the credit as the taxpayer. Whenever a certificate is  
88 assigned, transferred, sold, or otherwise conveyed, a  
89 notarized endorsement shall be filed with the department  
90 specifying the name and address of the new owner of the tax  
91 credit or the value of the credit.

92           **6. (1) For all fiscal years beginning on or after**  
93 **July 1, 2027, the cumulative amount of tax credits issued**  
94 **annually to all taxpayers by the department under this**  
95 **section shall not exceed the total cap amount, which shall**  
96 **be an amount equal to the highest annual amount of tax**  
97 **credits issued in any one previous fiscal year, from fiscal**  
98 **year 2024 to fiscal year 2026, as determined and calculated**  
99 **by the department.**

100           **(2) If the amount of tax credits claimed in a fiscal**  
101 **year under this section exceeds the total cap determined**  
102 **under subdivision (1) of this subsection, tax credits shall**  
103 **be allowed based on the order in which they were issued.**

104           **[6.] 7.** The department shall promulgate rules to  
105 implement the provisions of this section. Any rule or  
106 portion of a rule, as that term is defined in section  
107 536.010, that is created under the authority delegated in  
108 this section shall become effective only if it complies with  
109 and is subject to all of the provisions of chapter 536 and,  
110 if applicable, section 536.028. This section and chapter  
111 536 are nonseverable and if any of the powers vested with  
112 the general assembly pursuant to chapter 536 to review, to  
113 delay the effective date, or to disapprove and annul a rule  
114 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.

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

**(1) The program authorized pursuant to this section shall automatically sunset August 28, 2032, unless reauthorized by an act of the general assembly;**

**(2) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized pursuant to this section is sunset; and**

**(3) The provisions of this subsection shall not be construed to impair or impede the state's fulfillment of any obligations, including the authorization, issuance, or redemption of tax credits, incurred pursuant to this section prior to the date the program authorized pursuant to this section is sunset.**

137.123. 1. Beginning January 1, 2022, for purposes of assessing all real property, excluding land, or tangible personal property associated with a project that uses wind energy directly to generate electricity, thirty-seven and one-half percent of the original costs shall be the true value in money of such property. Such value shall begin the year immediately following the year of construction of the property. The original costs shall reflect either:

**(1) The actual and documented original property cost to the taxpayer, as shall be provided by the taxpayer to the assessor; or**

**(2) In the absence of actual and documented original property cost to the taxpayer, the estimated cost of the property by the assessor, using an authoritative cost guide.**

15           2. Nothing in this section shall be construed to  
16 prohibit a project from engaging in enhanced enterprise zone  
17 agreements [under sections 135.950 to 135.973] or similar  
18 tax abatement agreements with state or local officials or to  
19 affect any existing enhanced enterprise zone agreements.

          143.119. 1. A self-employed taxpayer, as such term is  
2 used in the federal internal revenue code, who is otherwise  
3 ineligible for the federal income tax health insurance  
4 deduction under Section 162 of the federal internal revenue  
5 code shall be entitled to a credit against the tax otherwise  
6 due under this chapter, excluding withholding tax imposed by  
7 sections 143.191 to 143.265, in an amount equal to the  
8 portion of such taxpayer's federal tax liability incurred  
9 due to such taxpayer's inclusion of such payments in federal  
10 adjusted gross income. To be eligible for a credit under  
11 this section, the self-employed taxpayer shall have a  
12 Missouri income tax liability, before any other tax credits,  
13 of less than three thousand dollars. The tax credits  
14 authorized under this section shall be nontransferable,  
15 nonrefundable, and shall not be carried back or forward to  
16 any other tax year. A self-employed taxpayer shall not  
17 claim both a tax credit under this section and a subtraction  
18 under section 143.113 for the same tax year.

19           **2. (1) For all fiscal years beginning on or after**  
20 **July 1, 2027, the cumulative amount of tax credits issued**  
21 **annually to all taxpayers by the department under this**  
22 **section shall not exceed the total cap amount, which shall**  
23 **be an amount equal to the highest annual amount of tax**  
24 **credits issued in any one previous fiscal year, from fiscal**  
25 **year 2024 to fiscal year 2026, as determined and calculated**  
26 **by the department.**

27           (2) If the amount of tax credits claimed in a fiscal  
28 year under this section exceeds the total cap determined  
29 under subdivision (1) of this subsection, tax credits shall  
30 be allowed based on the order in which they were issued.

31           3. The tax credits authorized under this section shall  
32 not be subject to appropriations, as provided under  
33 subsection 4 of section 135.835.

34           [2.] 4. The director of the department of revenue  
35 shall promulgate rules and regulations to administer the  
36 provisions of this section. Any rule or portion of a rule,  
37 as that term is defined in section 536.010, that is created  
38 under the authority delegated in this section shall become  
39 effective only if it complies with and is subject to all of  
40 the provisions of chapter 536 and, if applicable, section  
41 536.028. This section and chapter 536 are nonseverable and  
42 if any of the powers vested with the general assembly  
43 pursuant to chapter 536 to review, to delay the effective  
44 date, or to disapprove and annul a rule are subsequently  
45 held unconstitutional, then the grant of rulemaking  
46 authority and any rule proposed or adopted after August 28,  
47 2007, shall be invalid and void.

48           [3.] 5. Pursuant to section 23.253 of the Missouri  
49 sunset act:

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

53           (2) If such program is reauthorized, this section  
54 shall sunset automatically December thirty-first six years  
55 after the effective date of the reauthorization of this  
56 section; and

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

59 which the program authorized under this section is sunset;  
60 and

61 (4) The provisions of this subsection shall not be  
62 construed to limit or in any way impair the department's  
63 ability to redeem tax credits authorized on or before the  
64 date the program authorized pursuant to this section  
65 expires, or a taxpayer's ability to redeem such tax credits.

143.177. 1. This section shall be known and may be  
2 cited as the "Missouri Working Family Tax Credit Act".

3 2. For purposes of this section, the following terms  
4 shall mean:

5 (1) "Department", the department of revenue;

6 (2) "Eligible taxpayer", a resident individual with a  
7 filing status of single, head of household, widowed, or  
8 married filing combined who is subject to the tax imposed  
9 under this chapter, excluding withholding tax imposed under  
10 sections 143.191 to 143.265, and who is allowed a federal  
11 earned income tax credit under 26 U.S.C. Section 32, as  
12 amended;

13 (3) "Tax credit", a credit against the tax otherwise  
14 due under this chapter, excluding withholding tax imposed  
15 under sections 143.191 to 143.265.

16 3. (1) Beginning with the 2023 calendar year, an  
17 eligible taxpayer shall be allowed a tax credit in an amount  
18 equal to a percentage of the amount such taxpayer would  
19 receive under the federal earned income tax credit as such  
20 credit existed under 26 U.S.C. Section 32 as of January 1,  
21 2021, as provided pursuant to subdivision (2) of this  
22 subsection. The tax credit allowed by this section shall be  
23 claimed by such taxpayer at the time such taxpayer files a  
24 return and shall be applied against the income tax liability  
25 imposed by this chapter after reduction for all other

26 credits allowed thereon. If the amount of the credit  
27 exceeds the tax liability, the difference shall not be  
28 refunded to the taxpayer and shall not be carried forward to  
29 any subsequent tax year.

30       (2) Subject to the provisions of subdivision (3) of  
31 this subsection, the percentage of the federal earned income  
32 tax credit to be allowed as a tax credit pursuant to  
33 subdivision (1) of this subsection shall be ten percent,  
34 which may be increased to twenty percent subject to the  
35 provisions of subdivision (3) of this subsection. The  
36 maximum percentage that may be claimed as a tax credit  
37 pursuant to this section shall be twenty percent of the  
38 federal earned income tax credit that may be claimed by such  
39 taxpayer. Any increase in the percentage that may be  
40 claimed as a tax credit shall take effect on January first  
41 of a calendar year and such percentage shall continue in  
42 effect until the next percentage increase occurs. An  
43 increase shall only apply to tax years that begin on or  
44 after the increase takes effect.

45       (3) The initial percentage to be claimed as a tax  
46 credit and any increase in the percentage that may be  
47 claimed pursuant to subdivision (2) of this subsection shall  
48 only occur if the amount of net general revenue collected in  
49 the previous fiscal year exceeds the highest amount of net  
50 general revenue collected in any of the three fiscal years  
51 prior to such fiscal year by at least one hundred fifty  
52 million dollars.

53       **(4) For all calendar years beginning on or after**  
54 **January 1, 2028, the cumulative amount of tax credits issued**  
55 **annually to all taxpayers by the department under this**  
56 **section shall not exceed the total cap amount, which shall**  
57 **be an amount equal to the highest annual amount of tax**

58 credits issued in any one previous fiscal year, from fiscal  
59 year 2025 to fiscal year 2027, as determined and calculated  
60 by the department.

61 (5) If the amount of tax credits claimed in a calendar  
62 year under this section exceeds the total cap determined  
63 under subdivision (4) of this subsection, tax credits shall  
64 be allowed based on the order in which they were issued.

65 4. Notwithstanding the provisions of section 32.057 to  
66 the contrary, the department shall determine whether any  
67 taxpayer filing a report or return with the department who  
68 did not apply for the credit authorized under this section  
69 may qualify for the credit and, if so, determines a taxpayer  
70 may qualify for the credit, shall notify such taxpayer of  
71 his or her potential eligibility. In making a determination  
72 of eligibility under this section, the department shall use  
73 any appropriate and available data including, but not  
74 limited to, data available from the Internal Revenue  
75 Service, the U.S. Department of Treasury, and state income  
76 tax returns from previous tax years.

77 5. The department shall prepare an annual report  
78 containing statistical information regarding the tax credits  
79 issued under this section for the previous tax year,  
80 including the total amount of revenue expended, the number  
81 of credits claimed, and the average value of the credits  
82 issued to taxpayers whose earned income falls within various  
83 income ranges determined by the department.

84 6. The director of the department may promulgate rules  
85 and regulations to administer the provisions of this  
86 section. Any rule or portion of a rule, as that term is  
87 defined in section 536.010, that is created under the  
88 authority delegated in this section shall become effective  
89 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 January 1, 2023, shall be invalid and void.

7. Tax credits authorized under this section shall not be subject to the requirements of sections 135.800 to 135.830.

8. The tax credits authorized under this section shall not be subject to appropriations, as provided under subsection 4 of section 135.835.

9. Pursuant to section 23.253 of the Missouri sunset act:

(1) The program authorized pursuant to this section shall automatically sunset August 28, 2029, unless reauthorized by an act of the general assembly;

(2) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized pursuant to this section is sunset; and

(3) The provisions of this subsection shall not be construed to impair or impede the state's fulfillment of any obligations, including the authorization, issuance, or redemption of tax credits, incurred pursuant to this section prior to the date the program authorized pursuant to this section is sunset.

143.436. 1. This section shall be known and may be cited as the "SALT Parity Act".

3           2. For the purposes of this section, the following  
4 terms shall mean:

5           (1) "Affected business entity", any partnership or S  
6 corporation that elects to be subject to tax pursuant to  
7 subsection 11 of this section;

8           (2) "Direct member", a member that holds an interest  
9 directly in an affected business entity;

10          (3) "Indirect member", a member that itself holds an  
11 interest, through a direct or indirect member that is a  
12 partnership or an S corporation, in an affected business  
13 entity;

14          (4) "Member":

15           (a) A shareholder of an S corporation;

16           (b) A partner in a general partnership, a limited  
17 partnership, or a limited liability partnership; or

18           (c) A member of a limited liability company that is  
19 treated as a partnership or S corporation for federal income  
20 tax purposes;

21          (5) "Partnership", the same meaning as provided in 26  
22 U.S.C. Section 7701(a)(2), but not including a publicly  
23 traded partnership. The term partnership shall include a  
24 limited liability company that is treated as a partnership  
25 for federal income tax purposes;

26          (6) "S corporation", a corporation or limited  
27 liability company that is treated as an S corporation for  
28 federal income tax purposes;

29          (7) "Tax year", the tax year of a partnership or S  
30 corporation for federal income tax purposes.

31          3. (1) Notwithstanding any provision of law to the  
32 contrary, a tax is hereby imposed on each affected business  
33 entity that is a partnership and that is doing business in  
34 this state. Such affected business entity shall, at the

35 time that the affected business entity's return is due, pay  
36 a tax as determined in this subsection. The sum of the  
37 separately and nonseparately computed income and deduction  
38 items, as described in 26 U.S.C. Section 702(a), of the  
39 affected business entity, to the extent derived from or  
40 connected with sources within this state, as determined  
41 pursuant to section 143.455, shall be decreased by the  
42 percentage deduction that would be allowable to the owners  
43 under section 143.022, and increased or decreased by any  
44 modification made pursuant to sections 143.121 and 143.141  
45 that relates to an item of the affected business entity's  
46 income, gain, loss, or deduction, to the extent derived from  
47 or connected with sources within this state, as determined  
48 pursuant to section 143.455. The resulting amount shall be  
49 the partnership's Missouri net income or loss, which, if  
50 greater than zero, shall be multiplied by the highest rate  
51 of tax used to determine a Missouri income tax liability for  
52 an individual pursuant to section 143.011 to arrive at the  
53 tax due. An affected business entity paying the tax  
54 pursuant to this subsection shall include with the payment  
55 of such taxes each report provided to a member pursuant to  
56 subsection 7 of this section.

57 (2) If a Missouri net loss is calculated pursuant to  
58 subdivision (1) of this subsection, such net loss may be  
59 carried forward to succeeding tax years for which the  
60 affected business entity elects to be subject to tax  
61 pursuant to subsection 11 of this section until fully used.

62 4. (1) Notwithstanding any provision of law to the  
63 contrary, a tax is hereby imposed on each affected business  
64 entity that is an S corporation and that is doing business  
65 in this state. Such affected business entity shall, at the  
66 time that the affected business entity's tax return is due,

67 pay a tax as determined in this subsection. The sum of the  
68 separately and nonseparately computed income and deduction  
69 items, as described in 26 U.S.C. Section 1366, of the  
70 affected business entity, to the extent derived from or  
71 connected with sources within this state, as determined  
72 pursuant to section 143.455, shall be decreased by the  
73 percentage deduction that would be allowable to the owners  
74 under section 143.022, and increased or decreased by any  
75 modification made pursuant to sections 143.121 and 143.141  
76 that relates to an item of the affected business entity's  
77 income, gain, loss, or deduction, to the extent derived from  
78 or connected with sources within this state, as determined  
79 pursuant to section 143.455. The resulting amount shall be  
80 the S corporation's Missouri net income or loss, which if  
81 greater than zero, shall be multiplied by the highest rate  
82 of tax used to determine a Missouri income tax liability for  
83 an individual pursuant to section 143.011 to arrive at the  
84 tax due. An affected business entity paying the tax  
85 pursuant to this subsection shall include with the payment  
86 of such taxes each report provided to a member pursuant to  
87 subsection 7 of this section.

88 (2) If a Missouri net loss is calculated pursuant to  
89 subdivision (1) of this section, such net loss may be  
90 carried forward to succeeding tax years for which the  
91 affected business entity elects to be subject to tax  
92 pursuant to subsection 11 of this section until fully used.

93 5. (1) If an affected business entity is a direct or  
94 indirect member of another affected business entity, the  
95 member affected business entity shall, when calculating its  
96 Missouri net income or loss pursuant to subsection 3 or 4 of  
97 this section, subtract its distributive share of Missouri  
98 net income or add its distributive share of Missouri net

99 loss from the affected business entity in which it is a  
100 direct or indirect member.

101 (2) Any member of an affected business entity may  
102 elect not to have tax imposed under this section with  
103 respect to the affected business entity's separately and  
104 nonseparately computed items described in subsection 3 or 4  
105 of this section, as the case may be, and otherwise subject  
106 to tax under this section, to the extent such items are  
107 allocable to that member; however, any such opt-out election  
108 made by a nonresident member shall also comply with  
109 subdivision (3) of this subsection. If and to the extent  
110 one or more members of the affected business entity make an  
111 opt-out election, the affected business entity shall, in  
112 computing the tax under this section, subtract the opt-out  
113 members' allocable items described in the preceding  
114 sentence. The affected business entity shall, in applying  
115 the provisions of this section, take into account the effect  
116 of any opt-out election on each opt-out member's share of  
117 deductions, credits, and any other relevant items.

118 (3) Any opt-out election by a nonresident member shall  
119 be effective only if that member has agreed to:

120 (a) File a return in accordance with the provisions of  
121 section 143.181 and to make timely payment of all taxes  
122 imposed on the member by this state with respect to income  
123 of the affected business entity; and

124 (b) Be subject to personal jurisdiction in this state  
125 for purposes of the collection of income taxes, together  
126 with related interest and penalties, imposed on the member  
127 by this state with respect to the income of the affected  
128 business entity.

129 (4) An opt-out election shall be considered timely  
130 filed for a tax year, and for all subsequent tax years, if

131 it is filed before or in conjunction with the annual return  
132 for such tax year under section 143.511. If a member of an  
133 affected business entity does not timely file an opt-out  
134 election for a tax year, that member shall not be precluded  
135 from timely filing an opt-out election for subsequent tax  
136 years.

137         6. A nonresident individual who is a member shall not  
138 be required to file an income tax return pursuant to this  
139 chapter for a tax year if, for such tax year, the only  
140 source of income derived from or connected with sources  
141 within the state for such member, or the member and the  
142 member's spouse if a joint federal income tax return is or  
143 shall be filed, is from one or more affected business  
144 entities and such affected business entity or entities file  
145 and pay the tax due under this section.

146         7. Each partnership and S corporation shall report to  
147 each of its members, for each tax year, such member's direct  
148 pro rata share of the tax imposed pursuant to this section  
149 by such partnership or S corporation if it is an affected  
150 business entity and its indirect pro rata share of the tax  
151 imposed on any affected business entity in which such  
152 affected business entity is a direct or indirect member.  
153 For each tax year in which it is subject to a tax under this  
154 section, the affected business entity shall file an affected  
155 business entity tax return on a date prescribed by the  
156 director of revenue. The payment of any interest, additions  
157 to tax, or penalties shall not be considered part of the tax  
158 imposed under this section.

159         8. (1) Each member that is subject to the tax imposed  
160 pursuant to section 143.011 or 143.041 shall be entitled to  
161 a credit against the tax imposed pursuant to section 143.011  
162 or 143.041. Such credit shall be in an amount equal to such

member's direct and indirect pro rata share of the tax paid pursuant to this section by any affected business entity of which such member is directly or indirectly a member.

(2) If the amount of the credit authorized by this subsection exceeds such member's tax liability for the tax imposed pursuant to section 143.011 or 143.041, the excess amount shall not be refunded but may be carried forward to each succeeding tax year until such credit is fully taken.

9. (1) Each member that is subject to the tax imposed pursuant to section 143.011 as a resident or part-year resident of this state shall be entitled to a credit against the tax imposed pursuant to section 143.011 for such member's direct and indirect pro rata share of taxes paid to another state of the United States or to the District of Columbia, on income of any partnership or S corporation of which such person is a member that is derived therefrom, provided the taxes paid to another state of the United States or to the District of Columbia results from a tax that the director of revenue determines is substantially similar to the tax imposed pursuant to this section. Any such credit shall be calculated in a manner to be prescribed by the director of revenue, provided such calculation is consistent with the provisions of this section, and further provided that the limitations provided in subsection 2 of section 143.081 shall apply to the credit authorized by this subsection.

(2) If the amount of the credit authorized by this subsection exceeds such member's tax liability for the tax imposed pursuant to section 143.011, the excess amount shall not be refunded and shall not be carried forward.

10. (1) Each corporation or fiduciary that is subject to the tax imposed pursuant to section 143.061 or 143.071

and that is a member, or, in the case of a fiduciary subject to tax under section 143.061, is the fiduciary of an estate or trust that is a member, shall be entitled to a credit against the tax imposed pursuant to section 143.071. Such credit shall be in an amount equal to such corporation's, estate's, or trust's direct and indirect pro rata share of the tax paid pursuant to this section by any affected business entity of which such corporation, estate, or trust is directly or indirectly a member. Such credit shall be applied after all other credits.

(2) If the amount of the credit authorized by this subsection exceeds such corporation's or fiduciary's tax liability for the tax imposed pursuant to section 143.061 or 143.071, the excess amount shall not be refunded but may be carried forward to each succeeding tax year until such credit is fully taken.

11. A partnership or an S corporation may elect to become an affected business entity that is required to pay the tax pursuant to this section. A separate election shall be made for each tax year. Such election shall be made on such form and in such manner as the director of revenue may prescribe by rule. An election made pursuant to this subsection shall be signed by:

(1) Each member of the electing entity who is a member at the time the election is filed;

(2) Any officer, manager, or member of the electing entity who is authorized to make the election and who attests to having such authorization under penalty of perjury; or

(3) The designated affected business entity representative of the electing entity.



226           12. The provisions of sections 143.425 and 143.601  
227 shall apply to any modifications made to an affected  
228 business entity's federal return, and such affected business  
229 entity shall pay any resulting underpayment of tax to the  
230 extent not already paid pursuant to section 143.425.

231           13. (1) With respect to an action required or  
232 permitted to be taken by an affected business entity  
233 pursuant to this section, a proceeding under section 143.631  
234 for reconsideration by the director of revenue, an appeal to  
235 the administrative hearing commission, or a review by the  
236 judiciary with respect to such action, a partnership or S  
237 corporation shall designate an affected business entity  
238 representative for the tax year, and such affected business  
239 entity representative shall have the sole authority to act  
240 on behalf of the affected business entity, and the affected  
241 business entity's members shall be bound by those actions.

242           (2) The department of revenue may establish reasonable  
243 qualifications and procedures for designating a person to be  
244 the affected business entity representative.

245           (3) The affected business entity representative shall  
246 be considered an authorized representative of the affected  
247 business entity and its members under section 32.057 for the  
248 purposes of compliance with this section, or participating  
249 in a proceeding described in subdivision (1) of this  
250 subsection.

251           14. The provisions of this section shall only apply to  
252 tax years ending on or after December 31, 2022.

253           15. **The tax credits authorized under subsections 8, 9,**  
254 **and 10 of this section shall not be subject to**  
255 **appropriations, as provided under subsection 4 of section**  
256 **135.835.**

257       **16.** The department of revenue may promulgate rules to  
258 implement the provisions of this section. Any rule or  
259 portion of a rule, as that term is defined in section  
260 536.010, that is created under the authority delegated in  
261 this section shall become effective only if it complies with  
262 and is subject to all of the provisions of chapter 536 and,  
263 if applicable, section 536.028. This section and chapter  
264 536 are nonseverable and if any of the powers vested with  
265 the general assembly pursuant to chapter 536 to review, to  
266 delay the effective date, or to disapprove and annul a rule  
267 are subsequently held unconstitutional, then the grant of  
268 rulemaking authority and any rule proposed or adopted after  
269 August 28, 2022, shall be invalid and void.

143.471. 1. An S corporation, as defined by Section  
2 1361 (a)(1) of the Internal Revenue Code, shall not be  
3 subject to the taxes imposed by section 143.071, or other  
4 sections imposing income tax on corporations.

5       2. A shareholder of an S corporation shall determine  
6 such shareholder's S corporation modification and pro rata  
7 share, including its character, by applying the following:

8       (1) Any modification described in sections 143.121 and  
9 143.141 which relates to an item of S corporation income,  
10 gain, loss, or deduction shall be made in accordance with  
11 the shareholder's pro rata share, for federal income tax  
12 purposes, of the item to which the modification relates.  
13 Where a shareholder's pro rata share of any such item is not  
14 required to be taken into account separately for federal  
15 income tax purposes, the shareholder's pro rata share of  
16 such item shall be determined in accordance with his pro  
17 rata share, for federal income tax purposes, of S  
18 corporation taxable income or loss generally;

19           (2) Each item of S corporation income, gain, loss, or  
20 deduction shall have the same character for a shareholder  
21 pursuant to sections 143.005 to 143.998 as it has for  
22 federal income tax purposes. Where an item is not  
23 characterized for federal income tax purposes, it shall have  
24 the same character for a shareholder as if realized directly  
25 from the source from which realized by the S corporation or  
26 incurred in the same manner as incurred by the S corporation.

27           3. A nonresident shareholder of an S corporation shall  
28 determine such shareholder's Missouri nonresident adjusted  
29 gross income and his or her nonresident shareholder  
30 modification by applying the provisions of this subsection.  
31 Items shall be determined to be from sources within this  
32 state pursuant to regulations of the director of revenue in  
33 a manner consistent with the division of income provisions  
34 of section 143.451, section 143.461, or section 32.200  
35 (Multistate Tax Compact). In determining the adjusted gross  
36 income of a nonresident shareholder of any S corporation,  
37 there shall be included only that part derived from or  
38 connected with sources in this state of the shareholder's  
39 pro rata share of items of S corporation income, gain, loss  
40 or deduction entering into shareholder's federal adjusted  
41 gross income, as such part is determined pursuant to  
42 regulations prescribed by the director of revenue in  
43 accordance with the general rules in section 143.181. Any  
44 modification described in subsections 2 and 3 of section  
45 143.121 and in section 143.141, which relates to an item of  
46 S corporation income, gain, loss, or deduction shall be made  
47 in accordance with the shareholder's pro rata share, for  
48 federal income tax purposes, of the item to which the  
49 modification relates, but limited to the portion of such  
50 item derived from or connected with sources in this state.

51           4. Notwithstanding subsection 3 of this section to the  
52 contrary, for all tax years beginning on or after January 1,  
53 2020, the items referred to in that subsection shall be  
54 determined to be from sources within this state pursuant to  
55 regulations of the director of revenue in a manner  
56 consistent with the division of income provisions of section  
57 143.455 and section 143.461.

58           5. The director of revenue shall permit S corporations  
59 to file composite returns and to make composite payments of  
60 tax on behalf of its nonresident shareholders not otherwise  
61 required to file a return. If the nonresident shareholder's  
62 filing requirements result solely from one or more interests  
63 in any other partnerships or subchapter S corporations, that  
64 nonresident shareholder may be included in the composite  
65 return.

66           6. If an S corporation pays or credits amounts to any  
67 of its nonresident individual shareholders as dividends or  
68 as their share of the S corporation's undistributed taxable  
69 income for the [taxable] tax year, the S corporation shall  
70 either timely file with the department of revenue an  
71 agreement as provided in subsection 7 of this section or  
72 withhold Missouri income tax as provided in subsection 8 of  
73 this section. An S corporation that timely files an  
74 agreement as provided in subsection 7 of this section with  
75 respect to a nonresident shareholder for a [taxable] tax  
76 year shall be considered to have timely filed such an  
77 agreement for each subsequent [taxable] tax year. An S  
78 corporation that does not timely file such an agreement for  
79 a [taxable] tax year shall not be precluded from timely  
80 filing such an agreement for subsequent [taxable] tax  
81 years. An S corporation is not required to deduct and

withhold Missouri income tax for a nonresident shareholder if:

(1) The nonresident shareholder not otherwise required to file a return agrees to have the Missouri income tax due paid as part of the S corporation's composite return;

(2) The nonresident shareholder not otherwise required to file a return had Missouri assignable federal adjusted gross income from the S corporation of less than twelve hundred dollars;

(3) The S corporation is liquidated or terminated;

(4) Income was generated by a transaction related to termination or liquidation; or

(5) No cash or other property was distributed in the current and prior **[taxable] tax** year.

7. The agreement referred to in subdivision (1) of subsection 6 of this section is an agreement of a nonresident shareholder of the S corporation to:

(1) File a return in accordance with the provisions of section 143.481 and to make timely payment of all taxes imposed on the shareholder by this state with respect to income of the S corporation; and

(2) Be subject to personal jurisdiction in this state for purposes of the collection of income taxes, together with related interest and penalties, imposed on the shareholder by this state with respect to the income of the S corporation.

The agreement will be considered timely filed for a **[taxable] tax** year, and for all subsequent **[taxable] tax** years, if it is filed at or before the time the annual return for such **[taxable] tax** year is required to be filed pursuant to section 143.511.

8. The amount of Missouri income tax to be withheld is determined by multiplying the amount of dividends or undistributed income allocable to Missouri that is paid or credited to a nonresident shareholder during the **[taxable]** **tax** year by the highest rate used to determine a Missouri income tax liability for an individual, except that the amount of the tax withheld may be determined based on withholding tables provided by the director of revenue if the shareholder submits a Missouri withholding allowance certificate.

9. An S corporation shall be entitled to recover for a shareholder on whose behalf a tax payment was made pursuant to this section, if such shareholder has no tax liability.

10. With respect to S corporations that are banks or bank holding companies, a pro rata share of the tax credit for the tax payable pursuant to chapter 148 shall be allowed against each S corporation shareholders' state income tax as follows, provided the bank otherwise complies with section 148.112:

(1) The credit allowed by this subsection shall be equal to the bank tax calculated pursuant to chapter 148 based on bank income in 1999 and after, on a bank that makes an election pursuant to 26 U.S.C. Section 1362, and such credit shall be allocated to the qualifying shareholder according to stock ownership, determined by multiplying a fraction, where the numerator is the shareholder's stock, and the denominator is the total stock issued by such bank or bank holding company;

(2) The tax credit authorized in this subsection shall be permitted only to the shareholders that qualify as S corporation shareholders, provided the stock at all times during the taxable period qualifies as S corporation stock

as defined in 26 U.S.C. Section 1361, and such stock is held by the shareholder during the taxable period. The credit created by this section on a yearly basis is available to each qualifying shareholder, including shareholders filing joint returns. A bank holding company is not allowed this credit, except that, such credit shall flow through to such bank holding company's qualified shareholders, and be allocated to such shareholders under the same conditions; and

(3) In the event such shareholder cannot use all or part of the tax credit in the taxable period of receipt, such shareholder may carry forward such tax credit for a period of the lesser of five years or until used, provided such credits are used as soon as the taxpayer has Missouri taxable income.

11. With respect to S corporations that are associations, a pro rata share of the tax credit for the tax payable under chapter 148 shall be allowed against each S corporation shareholders' state income tax as follows, provided the association otherwise complies with section 148.655:

(1) The credit allowed by this subsection shall be equal to the savings and loan association tax calculated under chapter 148 based on the computations provided in section 148.630 on an association that makes an election under 26 U.S.C. Section 1362, and such credit shall be allocated to the qualifying shareholder according to stock ownership, determined by multiplying a fraction, where the numerator is the shareholder's stock, and the denominator is the total stock issued by the association;

(2) The tax credit authorized in this subsection shall be permitted only to the shareholders that qualify as S corporation shareholders, provided the stock at all times

177 during the taxable period qualifies as S corporation stock  
178 as defined in 26 U.S.C. Section 1361, and such stock is held  
179 by the shareholder during the taxable period. The credit  
180 created by this section on a yearly basis is available to  
181 each qualifying shareholder, including shareholders filing  
182 joint returns. A savings and loan association holding  
183 company is not allowed this credit, except that, such credit  
184 shall flow through to such savings and loan association  
185 holding company's qualified shareholders, and be allocated  
186 to such shareholders under the same conditions; and

187 (3) In the event such shareholder cannot use all or  
188 part of the tax credit in the taxable period of receipt,  
189 such shareholder may carry forward such tax credit for a  
190 period of the lesser of five years or until used, provided  
191 such credits are used as soon as the taxpayer has Missouri  
192 taxable income.

193 12. With respect to S corporations that are credit  
194 institutions, a pro rata share of the tax credit for the tax  
195 payable under chapter 148 shall be allowed against each S  
196 corporation shareholders' state income tax as follows,  
197 provided the credit institution otherwise complies with  
198 section 148.657:

199 (1) The credit allowed by this subsection shall be  
200 equal to the credit institution tax calculated under chapter  
201 148 based on the computations provided in section 148.150 on  
202 a credit institution that makes an election under 26 U.S.C.  
203 Section 1362, and such credit shall be allocated to the  
204 qualifying shareholder according to stock ownership,  
205 determined by multiplying a fraction, where the numerator is  
206 the shareholder's stock, and the denominator is the total  
207 stock issued by such credit institution;



(2) The tax credit authorized in this subsection shall be permitted only to the shareholders that qualify as S corporation shareholders, provided the stock at all times during the taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such stock is held by the shareholder during the taxable period. The credit created by this section on a yearly basis is available to each qualifying shareholder, including shareholders filing joint returns. A credit institution holding company is not allowed this credit, except that, such credit shall flow through to such credit institution holding company's qualified shareholders, and be allocated to such shareholders under the same conditions; and

(3) In the event such shareholder cannot use all or part of the tax credit in the taxable period of receipt, such shareholder may carry forward such tax credit for a period of the lesser of five years or until used, provided such credits are used as soon as the taxpayer has Missouri taxable income.

**13. (1) For all fiscal years beginning on or after July 1, 2027, the cumulative amount of tax credits issued annually to all taxpayers by the department under subsections 10, 11, and 12 of this section shall not exceed the total cap amount, which shall be an amount equal to the highest annual amount of tax credits issued in any one previous fiscal year, from fiscal year 2024 to fiscal year 2026, as determined and calculated by the department.**

**(2) If the amount of tax credits claimed in a fiscal year under subsections 10, 11, and 12 of this section exceeds the total cap determined under subdivision (1) of this subsection, tax credits shall be allowed based on the order in which they were issued.**

240           14. The tax credits authorized under subsections 10,  
241 11, and 12 of this section shall not be subject to  
242 appropriations, as provided under subsection 4 of section  
243 135.835.

244           15. Pursuant to section 23.253 of the Missouri sunset  
245 act:

246           (1) The program authorized pursuant to subsections 10,  
247 11, and 12 of this section shall automatically sunset August  
248 28, 2032, unless reauthorized by an act of the general  
249 assembly;

250           (2) Subsections 10, 11, and 12 this section shall  
251 terminate on September first of the calendar year  
252 immediately following the calendar year in which the program  
253 authorized pursuant to subsections 10, 11, and 12 of this  
254 section is sunset; and

255           (3) The provisions of this subsection shall not be  
256 construed to impair or impede the state's fulfillment of any  
257 obligations, including the authorization, issuance, or  
258 redemption of tax credits, incurred pursuant to subsections  
259 10, 11, and 12 of this section prior to the date the program  
260 authorized pursuant to this section is sunset.

          148.030. 1. Every banking institution shall be  
2 subject to an annual tax for the privilege of exercising its  
3 corporate franchises within the state determined in  
4 accordance with subsection 2 of this section.

5           2. The annual franchise tax imposed by subsection 1 of  
6 this section shall be the sum of the amounts determined  
7 under subdivisions (1) and (2) of this subsection:

8           (1) For [taxable] tax years beginning after December  
9 31, 1986, the amount determined under this subdivision shall  
10 be determined in accordance with section 147.010;

11           (2) The amount determined under this subdivision shall  
12 be seven percent of the taxpayer's net income for the income  
13 period, from which product shall be subtracted the sum of  
14 the amount determined under subdivision (1) of this  
15 subsection and the credits allowable under subsection 3 of  
16 this section. However, the amount determined under this  
17 subdivision shall not be less than zero.

18           3. For purposes of subdivision (2) of subsection 2 of  
19 this section, the allowable credits are all taxes paid to  
20 the state of Missouri or any political subdivision thereof  
21 during the relevant income period, including, without  
22 limitation, state and local sales and use taxes paid to  
23 seller's, vendors, or the state of Missouri with respect to  
24 the taxpayer's purchases of tangible personal property and  
25 the services enumerated in chapter 144. However, a taxpayer  
26 shall not be entitled to credits for taxes on real estate  
27 and tangible personal property owned by the taxpayer and  
28 held for lease or rental to others, contributions paid  
29 pursuant to the unemployment compensation tax law of  
30 Missouri, taxes imposed by this law, taxes imposed under  
31 chapter 147 for [taxable] tax years after 1985, or state and  
32 local sales and use taxes collected by the taxpayer on its  
33 sales of tangible personal property and the services  
34 enumerated in chapter 144.

35           **4. The tax credits authorized under this section shall**  
36 **not be subject to appropriations, as provided under**  
37 **subsection 4 of section 135.835.**

148.330. 1. Every such company shall, on or before  
2 the first day of March in each year, make a return, verified  
3 by the affidavit of its president and secretary, or other  
4 authorized officers, to the director of the department of  
5 commerce and insurance stating the amount of all premiums

6 received on account of policies issued in this state by the  
7 company, whether in cash or in notes, during the year ending  
8 on the thirty-first day of December, next preceding. Upon  
9 receipt of such returns the director of the department of  
10 commerce and insurance shall verify the same and certify the  
11 amount of tax due from the various companies on the basis  
12 and at the rates provided in section 148.320, and shall  
13 certify the same to the director of revenue together with  
14 the amount of the quarterly installments to be made as  
15 provided in subsection 2 of this section, on or before the  
16 thirtieth day of April of each year.

17 2. Beginning January 1, 1983, the amount of the tax  
18 due for that calendar year and each succeeding calendar year  
19 thereafter shall be paid in four approximately equal  
20 estimated quarterly installments, and a fifth reconciling  
21 installment. The first four installments shall be based  
22 upon the tax for the immediately preceding **[taxable] tax**  
23 year ending on the thirty-first day of December, next  
24 preceding. The quarterly installments shall be made on the  
25 first day of March, the first day of June, the first day of  
26 September and the first day of December. Immediately after  
27 receiving certification from the director of the department  
28 of commerce and insurance of the amount of tax due from the  
29 various companies the director of revenue shall notify and  
30 assess each company the amount of taxes on its premiums for  
31 the calendar year ending on the thirty-first day of  
32 December, next preceding. The director of revenue shall  
33 also notify and assess each company the amount of the  
34 estimated quarterly installments to be made for the calendar  
35 year. If the amount of the actual tax due for any year  
36 exceeds the total of the installments made for such year,  
37 the balance of the tax due shall be paid on the first day of

38 June of the year following, together with the regular  
39 quarterly payment due at that time. If the total amount of  
40 the tax actually due is less than the total amount of the  
41 installments actually paid, the amount by which the amount  
42 paid exceeds the amount due shall be credited against the  
43 tax for the following year and deducted from the quarterly  
44 installment otherwise due on the first day of June. If the  
45 March first quarterly installment made by a company is less  
46 than the amount assessed by the director of revenue, the  
47 difference will be due on June first, but no interest will  
48 accrue to the state on the difference unless the amount paid  
49 by the company is less than eighty percent of one-fourth of  
50 the total amount of tax assessed by the director of revenue  
51 for the immediately preceding [taxable] tax year. The state  
52 treasurer, upon receiving the moneys paid as a tax upon such  
53 premiums to the director of revenue, shall place the moneys  
54 to the credit of a fund to be known as "The County Stock  
55 Insurance Fund", which is hereby created and established.  
56 The county stock insurance fund shall be included in the  
57 calculation of total state revenue pursuant to Article X,  
58 Section 18, of the Missouri Constitution.

59 3. If the estimated quarterly tax installments are not  
60 so paid, the director of revenue shall certify such fact to  
61 the director of the department of commerce and insurance who  
62 shall thereafter suspend such delinquent company or  
63 companies from the further transaction of business in this  
64 state until such taxes shall be paid and such companies  
65 shall be subject to the provisions of sections 148.410 to  
66 148.461.

67 4. On or before the first day of September of each  
68 year the commissioner of administration shall apportion all  
69 moneys in the county stock insurance fund to the general

70 revenue fund of the state, to the county treasurer and to  
71 the treasurer of the school district in which the principal  
72 office of the company paying the same is located. All  
73 premium tax credits described in [sections 135.500 to  
74 135.529 and] sections 348.430 and 348.432 shall only reduce  
75 the amounts apportioned to the general revenue fund of the  
76 state and shall not reduce any moneys apportioned to any  
77 county treasurer or to the treasurer of the school district  
78 in which the principal office of the company paying the same  
79 is located. Apportionments shall be made in the same ratio  
80 which the rates of levy for the same year for state  
81 purposes, for county purposes, and for all school district  
82 purposes, bear to each other; provided that any proceeds  
83 from such tax for prior years remaining on hand in the hands  
84 of the county collector or county treasurer undistributed on  
85 the effective date of sections 148.310 to 148.460 and any  
86 proceeds of such tax for prior years collected thereafter  
87 shall be distributed and paid in accordance with the  
88 provisions of such sections. Whenever the word "county"  
89 occurs herein it shall be construed to include the city of  
90 St. Louis.

148.350. 1. Every such company or association shall,  
2 on or before the first day of March in each year, make a  
3 return, verified by the affidavit of its president and  
4 secretary or other authorized officers, to the director of  
5 the department of commerce and insurance stating the amount  
6 of all premiums received on account of policies issued in  
7 this state by such company, whether in cash or in notes,  
8 during the year ending on the thirty-first day of December,  
9 next preceding. Upon receipt of such returns, the director  
10 of the department of commerce and insurance shall verify the  
11 same and certify the amount of tax due from the various

12 companies on the basis and at the rate provided in section  
13 148.340, and shall certify the same to the director of  
14 revenue together with the amount of the quarterly  
15 installments to be made as provided in subsection 2 of this  
16 section, on or before the thirtieth day of April of each  
17 year.

18 2. Beginning January 1, 1983, the amount of the tax  
19 due for that calendar year and each succeeding calendar year  
20 thereafter shall be paid in four approximately equal  
21 estimated quarterly installments and a fifth reconciling  
22 installment. The first four installments shall be based  
23 upon the tax assessed for the immediately preceding  
24 **[taxable] tax** year ending on the thirty-first day of  
25 December, next preceding. The quarterly installment shall  
26 be made on the first day of March, the first day of June,  
27 the first day of September, and the first day of December.  
28 Immediately after receiving from the director of the  
29 department of commerce and insurance, certification of the  
30 amount of tax due from the various companies, the director  
31 of revenue shall notify and assess each company the amount  
32 of taxes on its premiums for the calendar year ending on the  
33 thirty-first day of December, next preceding. The director  
34 of revenue shall also notify and assess each company the  
35 amount of the estimated quarterly installments to be made  
36 for the calendar year. If the amount of the actual tax due  
37 for any year exceeds the total of the installments made for  
38 such year, the balance of the tax due shall be paid on the  
39 first day of June of the following year, together with the  
40 regular quarterly installment due at that time. If the  
41 total amount of the tax actually due is less than the total  
42 amount of the installments actually paid, the amount by  
43 which the amount paid exceeds the amount due shall be

44 credited against the tax for the following year and deducted  
45 from the quarterly installment otherwise due on the first  
46 day of June. If the March first quarterly installment made  
47 by a company is less than the amount assessed by the  
48 director of revenue, the difference will be due on June  
49 first, but no interest will accrue to the state on the  
50 difference unless the amount paid by the company is less  
51 than eighty percent of one-fourth of the total amount of tax  
52 assessed by the director of revenue for the immediately  
53 preceding [taxable] tax year. If the estimated quarterly  
54 tax installments are not so paid, the director of revenue  
55 shall certify such fact to the director of the department of  
56 commerce and insurance who shall thereafter suspend such  
57 delinquent company or companies from the further transaction  
58 of business in this state until such taxes shall be paid,  
59 and such companies shall be subject to the provisions of  
60 sections 148.410 to 148.461.

61 3. Upon receiving such money from the director of  
62 revenue, the state treasurer shall receipt one-half thereof  
63 into the general revenue fund of the state, and he shall  
64 place the remainder of such tax to the credit of a fund to  
65 be known as "The County Foreign Insurance Tax Fund", which  
66 is hereby created and established. [All premium tax credits  
67 described in sections 135.500 to 135.529 shall only reduce  
68 the amount of moneys received by the general revenue fund of  
69 this state and shall not reduce any moneys received by the  
70 county foreign insurance tax fund.]

190.465. 1. In order to provide the best possible 911  
2 technology and service to all areas of the state in the most  
3 efficient and economical manner possible, it is the public  
4 policy of this state to encourage the consolidation of  
5 emergency communications operations.



6           2. Any county, city, or 911 or emergency services  
7 board established under this chapter or section 321.243 may  
8 contract and cooperate with any other county, city, or 911  
9 or emergency services board established under this chapter  
10 or section 321.243 as provided in sections 70.210 to  
11 70.320. Any contracting counties or boards may seek  
12 assistance and advice from the Missouri 911 service board  
13 established in section 650.325 regarding the terms of the  
14 joint contract and the administration and operation of the  
15 contracting counties, cities, and boards.

16           3. If two or more counties, cities, 911 districts, or  
17 existing emergency communications entities desire to  
18 consolidate their emergency communications operations, a  
19 joint emergency communications entity may be established by  
20 the parties through an agreement identifying the conditions  
21 and provisions of the consolidation and the operation of the  
22 joint entity. This agreement may include the establishment  
23 of a joint governing body that may be comprised of the  
24 boards of the entities forming the agreement currently  
25 authorized by statute or an elected or appointed joint board  
26 authorized under section 70.260; provided that, the  
27 representation on the joint board of each of the entities  
28 forming the agreement shall be equal. If the entities  
29 entering into an agreement under this subsection decide that  
30 any 911 service center responsible for the answering of 911  
31 calls and the dispatch of assistance shall be physically  
32 located in a county other than a county with the lowest  
33 average county wage from the set of counties where the  
34 entities entering into an agreement under this subsection  
35 are located in whole or part, such entities shall provide a  
36 written reason for this decision to the Missouri 911 service  
37 board and such document shall be considered a public record

38 under chapter 610. The county average wage comparison shall  
39 be conducted using the information from the Missouri  
40 department of economic development[, which calculates such  
41 county average wages under section 135.950].

42 4. After August 28, 2018, no public safety answering  
43 point operation may be established as a result of its  
44 separation from an existing public safety answering point  
45 operation without a study by, and the approval of, the  
46 Missouri 911 service board.

47 5. No provision of this section shall be construed to  
48 prohibit or discourage in any manner the formation of  
49 multiagency or multijurisdictional public safety answering  
50 point operations.

192.2015. 1. Any registered caregiver who meets the  
2 requirements of this section shall be eligible for a shared  
3 care tax credit in an amount not to exceed five hundred  
4 dollars to defray the cost of caring for an elderly person.  
5 In order to be eligible for a shared care tax credit, a  
6 registered caregiver shall:

7 (1) Care for an elderly person, age sixty or older,  
8 who:

9 (a) Is physically or mentally incapable of living  
10 alone, as determined and certified by his or her physician  
11 licensed pursuant to chapter 334, or by the department staff  
12 when an assessment has been completed for the purpose of  
13 qualification for other services; and

14 (b) Requires assistance with activities of daily  
15 living to the extent that without care and oversight at home  
16 would require placement in a facility licensed pursuant to  
17 chapter 198; and

18 (c) Under no circumstances, is able or allowed to  
19 operate a motor vehicle; and

(d) Does not receive funding or services through Medicaid or social services block grant funding;

(2) Live in the same residence to give protective oversight for the elderly person meeting the requirements described in subdivision (1) of this subsection for an aggregate of more than six months per tax year;

(3) Not receive monetary compensation for providing care for the elderly person meeting the requirements described in subdivision (1) of this subsection; and

(4) File the original completed and signed physician certification for shared care tax credit form or the original completed and signed department certification for shared care tax credit form provided for in subsection 2 of section 192.2010 along with such caregiver's Missouri individual income tax return to the department of revenue.

2. The tax credit allowed by this section shall apply to any year beginning after December 31, 1999.

**3. (1) For all fiscal years beginning on or after July 1, 2027, the cumulative amount of tax credits issued annually to all taxpayers by the department under this section shall not exceed the total cap amount, which shall be an amount equal to the highest annual amount of tax credits issued in any one previous fiscal year, from fiscal year 2024 to fiscal year 2026, as determined and calculated by the department.**

**(2) If the amount of tax credits claimed in a fiscal year under this section exceeds the total cap determined under subdivision (1) of this subsection, tax credits shall be allowed based on the order in which they were issued.**

**[3.] 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 sections 192.2000 to 192.2020 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. All rulemaking authority delegated prior to August 28, 1999, is of no force and effect and repealed. Nothing in this section shall be interpreted to repeal or affect the validity of any rule filed or adopted prior to August 28, 1999, if it fully complied with all applicable provisions of law. 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, 1999, shall be invalid and void.

**[4.] 5.** Any person who knowingly falsifies any document required for the shared care tax credit shall be subject to the same penalties for falsifying other tax documents as provided in chapter 143.

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

**(1) The program authorized pursuant to this section shall automatically sunset August 28, 2032, unless reauthorized by an act of the general assembly;**

**(2) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized pursuant to this section is sunset; and**

**(3) The provisions of this section shall not be construed to impair or impede the state's fulfillment of any obligations, including the authorization, issuance, or redemption of tax credits, incurred pursuant to this section**

83 **prior to the date the program authorized pursuant to this**  
84 **section is sunset.**

208.770. 1. Moneys deposited in or withdrawn pursuant  
2 to subsection 1 of section 208.760 from a family development  
3 account by an account holder are exempted from taxation  
4 pursuant to chapter 143, excluding withholding tax imposed  
5 by sections 143.191 to 143.265, and chapter 147, 148 or 153  
6 provided, however, that any money withdrawn for an  
7 unapproved use should be subject to tax as required by law.

8 2. Interest earned by a family development account is  
9 exempted from taxation pursuant to chapter 143.

10 3. Any funds in a family development account,  
11 including accrued interest, shall be disregarded when  
12 determining eligibility to receive, or the amount of, any  
13 public assistance or benefits.

14 4. A program contributor shall be allowed a credit  
15 against the tax imposed by chapter 143, excluding  
16 withholding tax imposed by sections 143.191 to 143.265, and  
17 chapter 147, 148 or 153, pursuant to sections 208.750 to  
18 208.775. Contributions up to fifty thousand dollars per  
19 program contributor are eligible for the tax credit which  
20 shall not exceed fifty percent of the contribution amount.

21 5. The department of economic development shall verify  
22 all tax credit claims by contributors. The administrator of  
23 the community-based organization, with the cooperation of  
24 the participating financial institutions, shall submit the  
25 names of contributors and the total amount each contributor  
26 contributes to a family development account reserve fund for  
27 the calendar year. The director shall determine the date by  
28 which such information shall be submitted to the department  
29 by the local administrator. The department shall submit

30 verification of qualified tax credits pursuant to sections  
31 208.750 to 208.775 to the department of revenue.

32 6. For all fiscal years ending on or before June 30,  
33 2010, the total tax credits authorized pursuant to sections  
34 208.750 to 208.775 shall not exceed four million dollars in  
35 any fiscal year. For all fiscal years beginning on or after  
36 July 1, 2010, the total tax credits authorized under  
37 sections 208.750 to 208.775 shall not exceed three hundred  
38 thousand dollars in any fiscal year.

39 7. Pursuant to section 23.253 of the Missouri sunset  
40 act:

41 (1) The program authorized pursuant to this section  
42 shall automatically sunset August 28, 2032, unless  
43 reauthorized by an act of the general assembly;

44 (2) This section shall terminate on September first of  
45 the calendar year immediately following the calendar year in  
46 which the program authorized pursuant to this section is  
47 sunset; and

48 (3) The provisions of this section shall not be  
49 construed to impair or impede the state's fulfillment of any  
50 obligations, including the authorization, issuance, or  
51 redemption of tax credits, incurred pursuant to this section  
52 prior to the date the program authorized pursuant to this  
53 section is sunset.

320.092. 1. Tax credits issued pursuant to sections  
2 135.400[, ] to 135.432 and section 135.750 [and 320.093]  
3 shall be subject to oversight provisions. Effective January  
4 1, 2000, notwithstanding the provisions of section 32.057,  
5 the board, department or authority issuing tax credits shall  
6 annually report to the office of administration, president  
7 pro tem of the senate, and the speaker of the house of  
8 representatives regarding the tax credits issued pursuant to

9 sections 135.400[, ] to 135.432 and section 135.750 [and  
10 320.093] which were issued in the previous fiscal year. The  
11 report shall contain, but not be limited to, the aggregate  
12 number and dollar amount of tax credits issued by the board,  
13 department or authority, the number and dollar amount of tax  
14 credits claimed by taxpayers, and the number and dollar  
15 amount of tax credits unclaimed by taxpayers as well as the  
16 number of years allowed for claims to be made. This report  
17 shall be delivered no later than November of each year.

18 2. The reporting requirements established pursuant to  
19 subsection 1 of this section shall also apply to the  
20 department of economic development and the Missouri  
21 development finance board established pursuant to section  
22 100.265. The department and the Missouri development  
23 finance board shall report on the tax credit programs which  
24 they respectively administer that are authorized under the  
25 provisions of chapters 32, 100, 135, 178, 253, 348, 447 and  
26 620.

348.505. 1. As used in this section, "state tax  
2 liability"[, ] **means** any state tax liability incurred by a  
3 taxpayer under the provisions of chapters 143, 147, and 148,  
4 exclusive of the provisions relating to the withholding of  
5 tax as provided for in sections 143.191 to 143.265 and  
6 related provisions.

7 2. Any eligible lender under the family farm livestock  
8 loan program under section 348.500 shall be entitled to  
9 receive a tax credit equal to one hundred percent of the  
10 amount of interest waived by the lender under section  
11 348.500 on a qualifying loan for the first year of the loan  
12 only. The tax credit shall be evidenced by a tax credit  
13 certificate issued by the agricultural and small business  
14 development authority and may be used to satisfy the state

15 tax liability of the owner of such certificate that becomes  
16 due in the tax year in which the interest on a qualified  
17 loan is waived by the lender under section 348.500. No  
18 lender may receive a tax credit under this section unless  
19 such person presents a tax credit certificate to the  
20 department of revenue for payment of such state tax  
21 liability. The amount of the tax credits that may be issued  
22 to all eligible lenders claiming tax credits authorized in  
23 this section in a fiscal year shall not exceed three hundred  
24 thousand dollars.

25       3. The agricultural and small business development  
26 authority shall be responsible for the administration and  
27 issuance of the certificate of tax credits authorized by  
28 this section. The authority shall issue a certificate of  
29 tax credit at the request of any lender. Each request shall  
30 include a true copy of the loan documents, the name of the  
31 lender who is to receive a certificate of tax credit, the  
32 type of state tax liability against which the tax credit is  
33 to be used, and the amount of the certificate of tax credit  
34 to be issued to the lender based on the interest waived by  
35 the lender under section 348.500 on the loan for the first  
36 year.

37       4. The Missouri department of revenue shall accept a  
38 certificate of tax credit in lieu of other payment in such  
39 amount as is equal to the lesser of the amount of the tax or  
40 the remaining unused amount of the credit as indicated on  
41 the certificate of tax credit, and shall indicate on the  
42 certificate of tax credit the amount of tax thereby paid and  
43 the date of such payment.

44       5. The following provisions shall apply to tax credits  
45 authorized under this section:



46           (1) Tax credits claimed in a [taxable] tax year may be  
47 claimed on a quarterly basis and applied to the estimated  
48 quarterly tax of the lender;

49           (2) Any amount of tax credit which exceeds the tax  
50 due, including any estimated quarterly taxes paid by the  
51 lender under subdivision (1) of this subsection which  
52 results in an overpayment of taxes for a [taxable] tax year,  
53 shall not be refunded but may be carried over to any  
54 subsequent [taxable] tax year, not to exceed a total of  
55 three years for which a tax credit may be taken for a  
56 qualified family farm livestock loan;

57           (3) Notwithstanding any provision of law to the  
58 contrary, a lender may assign, transfer or sell tax credits  
59 authorized under this section, with the new owner of the tax  
60 credit receiving the same rights in the tax credit as the  
61 lender. For any tax credits assigned, transferred, sold, or  
62 otherwise conveyed, a notarized endorsement shall be filed  
63 by the lender with the authority specifying the name and  
64 address of the new owner of the tax credit and the value of  
65 such tax credit; and

66           (4) Notwithstanding any other provision of this  
67 section to the contrary, any commercial bank may use tax  
68 credits created under this section as provided in section  
69 148.064 and receive a net tax credit against taxes actually  
70 paid in the amount of the first year's interest on loans  
71 made under this section. If such first year tax credits  
72 reduce taxes due as provided in section 148.064 to zero, the  
73 remaining tax credits may be carried over as otherwise  
74 provided in this section and utilized as provided in section  
75 148.064 in subsequent years.

76           **6. Pursuant to section 23.253 of the Missouri sunset**  
77 **act:**

78           (1) The program authorized pursuant to this section  
79 shall automatically sunset August 28, 2032, unless  
80 reauthorized by an act of the general assembly;

81           (2) This section shall terminate on September first of  
82 the calendar year immediately following the calendar year in  
83 which the program authorized pursuant to this section is  
84 sunset; and

85           (3) The provisions of this section shall not be  
86 construed to impair or impede the state's fulfillment of any  
87 obligations, including the authorization, issuance, or  
88 redemption of tax credits, incurred pursuant to this section  
89 prior to the date the program authorized pursuant to this  
90 section is sunset.

447.708. 1. For eligible projects, the director of  
2 the department of economic development, with notice to the  
3 directors of the departments of natural resources and  
4 revenue, and subject to the other provisions of sections  
5 447.700 to 447.718, may not create a new enterprise zone but  
6 may decide that a prospective operator of a facility being  
7 remedied and renovated pursuant to sections 447.700 to  
8 447.718 may receive the tax credits and exemptions pursuant  
9 to sections 135.100 to 135.150 and sections 135.200 to  
10 135.257. The tax credits allowed pursuant to this  
11 subsection shall be used to offset the tax imposed by  
12 chapter 143, excluding withholding tax imposed by sections  
13 143.191 to 143.265, or the tax otherwise imposed by chapter  
14 147, or the tax otherwise imposed by chapter 148. For  
15 purposes of this subsection:

16           (1) For receipt of the ad valorem tax abatement  
17 pursuant to section 135.215, the eligible project must  
18 create at least ten new jobs or retain businesses which  
19 supply at least twenty-five existing jobs. The city, or

20 county if the eligible project is not located in a city,  
21 must provide ad valorem tax abatement of at least fifty  
22 percent for a period not less than ten years and not more  
23 than twenty-five years;

24 (2) For receipt of the income tax exemption pursuant  
25 to section 135.220 and tax credit for new or expanded  
26 business facilities pursuant to sections 135.100 to 135.150,  
27 and 135.225, the eligible project must create at least ten  
28 new jobs or retain businesses which supply at least twenty-  
29 five existing jobs, or combination thereof. For purposes of  
30 sections 447.700 to 447.718, the tax credits described in  
31 section 135.225 are modified as follows: the tax credit  
32 shall be four hundred dollars per employee per year, an  
33 additional four hundred dollars per year for each employee  
34 exceeding the minimum employment thresholds of ten and  
35 twenty-five jobs for new and existing businesses,  
36 respectively, an additional four hundred dollars per year  
37 for each person who is a person difficult to employ as  
38 defined by section 135.240, and investment tax credits at  
39 the same amounts and levels as provided in subdivision (4)  
40 of subsection 1 of section 135.225;

41 (3) For eligibility to receive the income tax refund  
42 pursuant to section 135.245, the eligible project must  
43 create at least ten new jobs or retain businesses which  
44 supply at least twenty-five existing jobs, or combination  
45 thereof, and otherwise comply with the provisions of section  
46 135.245 for application and use of the refund and the  
47 eligibility requirements of this section;

48 (4) The eligible project operates in compliance with  
49 applicable environmental laws and regulations, including  
50 permitting and registration requirements, of this state as  
51 well as the federal and local requirements;

52           (5) The eligible project operator shall file such  
53 reports as may be required by the director of economic  
54 development or the director's designee;

55           (6) The taxpayer may claim the state tax credits  
56 authorized by this subsection and the state income exemption  
57 for a period not in excess of ten consecutive tax years.  
58 For the purpose of this section, "taxpayer" means an  
59 individual proprietorship, partnership or corporation  
60 described in section 143.441 or 143.471 who operates an  
61 eligible project. The director shall determine the number  
62 of years the taxpayer may claim the state tax credits and  
63 the state income exemption based on the projected net state  
64 economic benefits attributed to the eligible project;

65           (7) For the purpose of meeting the new job requirement  
66 prescribed in subdivisions (1), (2) and (3) of this  
67 subsection, it shall be required that at least ten new jobs  
68 be created and maintained during the taxpayer's tax period  
69 for which the credits are earned, in the case of an eligible  
70 project that does not replace a similar facility in  
71 Missouri. "New job" means a person who was not previously  
72 employed by the taxpayer or related taxpayer within the  
73 twelve-month period immediately preceding the time the  
74 person was employed by that taxpayer to work at, or in  
75 connection with, the eligible project on a full-time basis.  
76 "Full-time basis" means the employee works an average of at  
77 least thirty-five hours per week during the taxpayer's tax  
78 period for which the tax credits are earned. For the  
79 purposes of this section, "related taxpayer" has the same  
80 meaning as defined in subdivision (10) of section 135.100;

81           (8) For the purpose of meeting the existing job  
82 retention requirement, if the eligible project replaces a  
83 similar facility that closed elsewhere in Missouri prior to

84 the end of the taxpayer's tax period in which the tax  
85 credits are earned, it shall be required that at least  
86 twenty-five existing jobs be retained at, and in connection  
87 with the eligible project, on a full-time basis during the  
88 taxpayer's tax period for which the credits are earned.

89 "Retained job" means a person who was previously employed by  
90 the taxpayer or related taxpayer, at a facility similar to  
91 the eligible project that closed elsewhere in Missouri prior  
92 to the end of the taxpayer's tax period in which the tax  
93 credits are earned, within the tax period immediately  
94 preceding the time the person was employed by the taxpayer  
95 to work at, or in connection with, the eligible project on a  
96 full-time basis. "Full-time basis" means the employee works  
97 an average of at least thirty-five hours per week during the  
98 taxpayer's tax period for which the tax credits are earned;

99 (9) In the case where an eligible project replaces a  
100 similar facility that closed elsewhere in Missouri prior to  
101 the end of the taxpayer's tax period in which the tax  
102 credits are earned, the owner and operator of the eligible  
103 project shall provide the director with a written statement  
104 explaining the reason for discontinuing operations at the  
105 closed facility. The statement shall include a comparison  
106 of the activities performed at the closed facility prior to  
107 the date the facility ceased operating, to the activities  
108 performed at the eligible project, and a detailed account  
109 describing the need and rationale for relocating to the  
110 eligible project. If the director finds the relocation to  
111 the eligible project significantly impaired the economic  
112 stability of the area in which the closed facility was  
113 located, and that such move was detrimental to the overall  
114 economic development efforts of the state, the director may  
115 deny the taxpayer's request to claim tax benefits;

(10) Notwithstanding any provision of law to the contrary, for the purpose of this section, the number of new jobs created and maintained, the number of existing jobs retained, and the value of new qualified investment used at the eligible project during any tax year shall be determined by dividing by twelve, in the case of jobs, the sum of the number of individuals employed at the eligible project, or in the case of new qualified investment, the value of new qualified investment used at the eligible project, on the last business day of each full calendar month of the tax year. If the eligible project is in operation for less than the entire tax year, the number of new jobs created and maintained, the number of existing jobs retained, and the value of new qualified investment created at the eligible project during any tax year shall be determined by dividing the sum of the number of individuals employed at the eligible project, or in the case of new qualified investment, the value of new qualified investment used at the eligible project, on the last business day of each full calendar month during the portion of the tax year during which the eligible project was in operation, by the number of full calendar months during such period;

(11) For the purpose of this section, "new qualified investment" means new business facility investment as defined and as determined in subdivision (8) of section 135.100 which is used at and in connection with the eligible project. New qualified investment shall not include small tools, supplies and inventory. "Small tools" means tools that are portable and can be hand held.

2. The determination of the director of economic development pursuant to subsection 1 of this section shall not affect requirements for the prospective purchaser to

148 obtain the approval of the granting of real property tax  
149 abatement by the municipal or county government where the  
150 eligible project is located.

151         3. (1) The director of the department of economic  
152 development, with the approval of the director of the  
153 department of natural resources, may, in addition to the tax  
154 credits allowed in subsection 1 of this section, grant a  
155 remediation tax credit to the applicant for up to one  
156 hundred percent of the costs of materials, supplies,  
157 equipment, labor, professional engineering, consulting and  
158 architectural fees, permitting fees and expenses,  
159 demolition, asbestos abatement, and direct utility charges  
160 for performing the voluntary remediation activities for the  
161 preexisting hazardous substance contamination and releases,  
162 including, but not limited to, the costs of performing  
163 operation and maintenance of the remediation equipment at  
164 the property beyond the year in which the systems and  
165 equipment are built and installed at the eligible project  
166 and the costs of performing the voluntary remediation  
167 activities over a period not in excess of four tax years  
168 following the taxpayer's tax year in which the system and  
169 equipment were first put into use at the eligible project,  
170 provided the remediation activities are the subject of a  
171 plan submitted to, and approved by, the director of natural  
172 resources pursuant to sections 260.565 to 260.575. The tax  
173 credit may also include up to one hundred percent of the  
174 costs of demolition that are not directly part of the  
175 remediation activities, provided that the demolition is on  
176 the property where the voluntary remediation activities are  
177 occurring, the demolition is necessary to accomplish the  
178 planned use of the facility where the remediation activities  
179 are occurring, and the demolition is part of a redevelopment

180 plan approved by the municipal or county government and the  
181 department of economic development. The demolition may  
182 occur on an adjacent property if the project is located in a  
183 municipality which has a population less than twenty  
184 thousand and the above conditions are otherwise met. The  
185 adjacent property shall independently qualify as abandoned  
186 or underutilized. The amount of the credit available for  
187 demolition not associated with remediation cannot exceed the  
188 total amount of credits approved for remediation including  
189 demolition required for remediation.

190 (2) The amount of remediation tax credits issued shall  
191 be limited to the least amount necessary to cause the  
192 project to occur, as determined by the director of the  
193 department of economic development.

194 (3) The director may, with the approval of the  
195 director of natural resources, extend the tax credits  
196 allowed for performing voluntary remediation maintenance  
197 activities, in increments of three-year periods, not to  
198 exceed five consecutive three-year periods. The tax credits  
199 allowed in this subsection shall be used to offset the tax  
200 imposed by chapter 143, excluding withholding tax imposed by  
201 sections 143.191 to 143.265, or the tax otherwise imposed by  
202 chapter 147, or the tax otherwise imposed by chapter 148.  
203 The remediation tax credit may be taken in the same tax year  
204 in which the tax credits are received or may be taken over a  
205 period not to exceed twenty years.

206 (4) The project facility shall be projected to create  
207 at least ten new jobs or at least twenty-five retained jobs,  
208 or a combination thereof, as determined by the department of  
209 economic development, to be eligible for tax credits  
210 pursuant to this section.



(5) No more than seventy-five percent of earned remediation tax credits may be issued when the remediation costs were paid, and the remaining percentage may be issued when the department of natural resources issues a letter of completion letter or covenant not to sue following completion of the voluntary remediation activities. It shall not include any costs associated with ongoing operational environmental compliance of the facility or remediation costs arising out of spills, leaks, or other releases arising out of the ongoing business operations of the facility. In the event the department of natural resources issues a letter of completion for a portion of a property, an impacted media such as soil or groundwater, or for a site or a portion of a site improvement, a prorated amount of the remaining percentage may be released based on the percentage of the total site receiving a letter of completion.

4. In the exercise of the sound discretion of the director of the department of economic development or the director's designee, the tax credits and exemptions described in this section may be terminated, suspended or revoked if the eligible project fails to continue to meet the conditions set forth in this section. In making such a determination, the director shall consider the severity of the condition violation, actions taken to correct the violation, the frequency of any condition violations and whether the actions exhibit a pattern of conduct by the eligible facility owner and operator. The director shall also consider changes in general economic conditions and the recommendation of the director of the department of natural resources, or his or her designee, concerning the severity, scope, nature, frequency and extent of any violations of the

environmental compliance conditions. The taxpayer or person claiming the tax credits or exemptions may appeal the decision regarding termination, suspension or revocation of any tax credit or exemption in accordance with the procedures outlined in subsections 4 and 5 of section 135.250. The director of the department of economic development shall notify the directors of the departments of natural resources and revenue of the termination, suspension or revocation of any tax credits as determined in this section or pursuant to the provisions of section 447.716.

5. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax credits, exemptions or refund otherwise allowed in subdivisions (2), (3) and (4) of subsection 1 of this section and the tax credits otherwise allowed in section 135.110, or the tax credits, exemptions and refund otherwise allowed in sections 135.215, 135.220, 135.225 and 135.245, respectively, for the same facility for the same tax period.

6. The total amount of the tax credits allowed in subsection 1 of this section may not exceed the greater of:

(1) That portion of the taxpayer's income attributed to the eligible project; or

(2) One hundred percent of the total business' income tax if the eligible facility does not replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, and further provided the taxpayer does not operate any other facilities besides the eligible project in Missouri; fifty percent of the total business' income tax if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the credits are earned, and

275 further provided the taxpayer does not operate any other  
276 facilities besides the eligible project in Missouri; or  
277 twenty-five percent of the total business income if the  
278 taxpayer operates, in addition to the eligible facility, any  
279 other facilities in Missouri. In no case shall a taxpayer  
280 operating more than one eligible project in Missouri be  
281 allowed to offset more than twenty-five percent of the  
282 taxpayer's business income in any tax period. That portion  
283 of the taxpayer's income attributed to the eligible project  
284 as referenced in subdivision (1) of this subsection, for  
285 which the credits allowed in sections 135.110 and 135.225  
286 and subsection 3 of this section may apply, shall be  
287 determined in the same manner as prescribed in subdivision  
288 (5) of section 135.100. That portion of the taxpayer's  
289 franchise tax attributed to the eligible project for which  
290 the remediation tax credit may offset, shall be determined  
291 in the same manner as prescribed in paragraph (a) of  
292 subdivision (5) of section 135.100.

293       7. Taxpayers claiming the state tax benefits allowed  
294 in subdivisions (2) and (3) of subsection 1 of this section  
295 shall be required to file all applicable tax credit  
296 applications, forms and schedules prescribed by the director  
297 during the taxpayer's tax period immediately after the tax  
298 period in which the eligible project was first put into  
299 use. Otherwise, the taxpayer's right to claim such state  
300 tax benefits shall be forfeited. Unused business facility  
301 and enterprise zone tax credits shall not be carried forward  
302 but shall be initially claimed for the tax period during  
303 which the eligible project was first capable of being used,  
304 and during any applicable subsequent tax periods.

305       8. Taxpayers claiming the remediation tax credit  
306 allowed in subsection 3 of this section shall be required to

307 file all applicable tax credit applications, forms and  
308 schedules prescribed by the director during the taxpayer's  
309 tax period immediately after the tax period in which the  
310 eligible project was first put into use, or during the  
311 taxpayer's tax period immediately after the tax period in  
312 which the voluntary remediation activities were performed.

313       9. The recipient of remediation tax credits, for the  
314 purpose of this subsection referred to as assignor, may  
315 assign, sell or transfer, in whole or in part, the  
316 remediation tax credit allowed in subsection 3 of this  
317 section to any other person, for the purpose of this  
318 subsection referred to as assignee. To perfect the  
319 transfer, the assignor shall provide written notice to the  
320 director of the assignor's intent to transfer the tax  
321 credits to the assignee, the date the transfer is effective,  
322 the assignee's name, address and the assignee's tax period  
323 and the amount of tax credits to be transferred. The number  
324 of tax periods during which the assignee may subsequently  
325 claim the tax credits shall not exceed twenty tax periods,  
326 less the number of tax periods the assignor previously  
327 claimed the credits before the transfer occurred.

328       10. In the case where an operator and assignor of an  
329 eligible project has been certified to claim state tax  
330 benefits allowed in subdivisions (2) and (3) of subsection 1  
331 of this section, and sells or otherwise transfers title of  
332 the eligible project to another taxpayer or assignee who  
333 continues the same or substantially similar operations at  
334 the eligible project, the director shall allow the assignee  
335 to claim the credits for a period of time to be determined  
336 by the director; except that, the total number of tax  
337 periods the tax credits may be earned by the assignor and  
338 the assignee shall not exceed ten. To perfect the transfer,

the assignor shall provide written notice to the director of the assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective, the assignee's name, address, and the assignee's tax period, and the amount of tax credits to be transferred.

11. For the purpose of the state tax benefits described in this section, in the case of a corporation described in section 143.471 or partnership, in computing Missouri's tax liability, such state benefits shall be allowed to the following:

(1) The shareholders of the corporation described in section 143.471;

(2) The partners of the partnership.

The credit provided in this subsection shall be apportioned to the entities described in subdivisions (1) and (2) of this subsection in proportion to their share of ownership on the last day of the taxpayer's tax period.

12. Notwithstanding any provision of law to the contrary, in any county [of the first classification] that has a charter form of government and that has a population of over nine hundred thousand inhabitants, all demolition costs incurred during the redevelopment of any former automobile manufacturing plant shall be allowable costs eligible for tax credits under sections 447.700 to 447.718 so long as the redevelopment of such former automobile manufacturing plant shall be projected to create at least two hundred fifty new jobs or at least three hundred retained jobs, or a combination thereof, as determined by the department of economic development. The amount of allowable costs eligible for tax credits shall be limited to the least amount necessary to cause the project to occur, as

determined by the director of the department of economic development, provided that no tax credit shall be issued under this subsection until July 1, 2017. For purposes of this subsection, "former automobile manufacturing plant" means a redevelopment area that qualifies as an eligible project under section 447.700, that consists of at least one hundred acres, and that was used primarily for the manufacture of automobiles but, after 2007, ceased such manufacturing.

13. (1) For all fiscal years beginning on or after July 1, 2027, the cumulative amount of tax credits issued annually to all taxpayers by the department under this section shall not exceed the total cap amount which shall be an amount, equal to the highest annual amount of tax credits issued in any one previous fiscal year, from fiscal year 2024 to fiscal year 2026, as determined and calculated by the department.

(2) If the amount of tax credits claimed in a fiscal year under this section exceeds the total cap determined under subdivision (1) of this subsection, tax credits shall be allowed based on the order in which they were issued.

14. Pursuant to section 23.253 of the Missouri sunset act:

(1) The program authorized pursuant to this section shall automatically sunset August 28, 2032, unless reauthorized by an act of the general assembly;

(2) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized pursuant to this section is sunset; and

(3) The provisions of this section shall not be construed to impair or impede the state's fulfillment of any

obligations, including the authorization, issuance, or redemption of tax credits, incurred pursuant to this section prior to the date the program authorized pursuant to this section is sunset.

620.1910. 1. This section shall be known and may be cited as the "Manufacturing Jobs Act".

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

(1) "Approval", a document submitted by the department to the qualified manufacturing company or qualified supplier that states the benefits that may be provided under this section;

(2) "Average wage", the new payroll divided by the number of new jobs;

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

~~[(3)]~~ (4) "County average wage", the ~~[same meaning as such term is defined in section 620.1878]~~ 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 its 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

29 **which jobs are being relocated or the county average wage**  
30 **for its project shall be the county average wage for the**  
31 **county from which the employees are being relocated;**

32 [(4)] (5) "Department", the department of economic  
33 development;

34 [(5)] (6) "Facility", a building or buildings located  
35 in Missouri at which the qualified manufacturing company  
36 manufactures a product;

37 [(6)] (7) "Full-time job", a job for which a person is  
38 compensated for an average of at least thirty-five hours per  
39 week for a twelve-month period, and one for which the  
40 qualified manufacturing company or qualified supplier offers  
41 health insurance and pays at least fifty percent of such  
42 insurance premiums;

43 [(7)] (8) "NAICS industry classification", the most  
44 recent edition of the North American Industry Classification  
45 System as prepared by the Executive Office of the President,  
46 Office of Management and Budget;

47 [(8)] (9) "New job", the [same meaning as such term is  
48 defined in section 620.1878] **number of full-time employees**  
49 **located at the project facility that exceeds the project**  
50 **facility base employment less any decrease in the number of**  
51 **full-time employees at related facilities below the related**  
52 **facility base employment. No job that was created prior to**  
53 **the date of the notice of intent shall be deemed a new job.**  
54 **An employee who spends less than fifty percent of the**  
55 **employee's work time at the facility is still considered to**  
56 **be located at the facility if the employee receives his or**  
57 **her directions and control from that facility, is on the**  
58 **facility's payroll, one hundred percent of the employee's**  
59 **income from such employment is Missouri income, and the**  
60 **employee is paid at or above the state average wage;**



61           [(9)] (10) "New product", a new model or line of a  
62 manufactured good that has not been manufactured in Missouri  
63 by the qualified manufacturing company at any time prior to  
64 the date of the notice of intent, or an existing brand,  
65 model, or line of a manufactured good that is redesigned  
66 with more than seventy-five percent new exterior body parts  
67 and incorporates new powertrain options;

68           [(10)] (11) "Notice of intent", a form developed by  
69 the department, completed by the qualified manufacturing  
70 company or qualified supplier and submitted to the  
71 department which states the qualified manufacturing  
72 company's or qualified supplier's intent to create new jobs  
73 or retain current jobs and make additional capital  
74 investment, as applicable, and request benefits under this  
75 section. The notice of intent shall specify the minimum  
76 number of such new or retained jobs and the minimum amount  
77 of such capital investment;

78           [(11)] (12) "Qualified manufacturing company", a  
79 business with a NAICS code of 33611 that:

80           (a) Manufactures goods at a facility in Missouri;  
81           (b) In the case of the manufacture of a new product,  
82 commits to make a capital investment of at least seventy-  
83 five thousand dollars per retained job within no more than  
84 two years of the date the qualified manufacturing company  
85 begins to retain withholding tax under this section, or in  
86 the case of the modification or expansion of the manufacture  
87 of an existing product, commits to make a capital investment  
88 of at least fifty thousand dollars per retained job within  
89 no more than two years of the date the qualified  
90 manufacturing company begins to retain withholding tax under  
91 this section;

92 (c) Manufactures a new product or has commenced making  
93 capital improvements to the facility necessary for the  
94 manufacturing of such new product, or modifies or expands  
95 the manufacture of an existing product or has commenced  
96 making capital improvements to the facility necessary for  
97 the modification or expansion of the manufacture of such  
98 existing product; and

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

101 [(12)] (13) "Qualified supplier", a manufacturing  
102 company that:

103 (a) Attests to the department that it derives more  
104 than ten percent of the total annual sales of the company  
105 from sales to a qualified manufacturing company;

106 (b) Adds five or more new jobs;

107 (c) Has an average wage, as defined [in] under section  
108 135.950, for such new jobs that are equal to or exceed the  
109 lower of the county average wage for Missouri as determined  
110 by the department using NAICS industry classifications, but  
111 not lower than sixty percent of the statewide average wage;  
112 and

113 (d) Provides health insurance for all full-time jobs  
114 and pays at least fifty percent of the premiums of such  
115 insurance;

116 [(13)] (14) "Retained job", the number of full-time  
117 jobs of persons employed by the qualified manufacturing  
118 company located at the facility that existed as of the last  
119 working day of the month immediately preceding the month in  
120 which notice of intent is submitted;

121 [(14)] (15) "Statewide average wage", an amount equal  
122 to the quotient of the sum of the total gross wages paid for  
123 the corresponding four calendar quarters divided by the

average annual employment for such four calendar quarters, which shall be computed using the Quarterly Census of Employment and Wages Data for All Private Ownership Businesses in Missouri, as published by the Bureau of Labor Statistics of the United States Department of Labor;

[(15)] (16) "Withholding period", the seven- or ten-year period in which a qualified manufacturing company may receive benefits under this section;

[(16)] (17) "Withholding tax", the [same meaning as such term is defined in section 620.1878] **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.**

3. The department shall respond within thirty days to a qualified manufacturing company or a qualified supplier who provides a notice of intent with either an approval or a rejection of the notice of intent. Failure to respond on behalf of the department shall result in the notice of intent being deemed an approval for the purposes of this section.

4. A qualified manufacturing company that manufactures a new product may, upon the department's approval of a notice of intent and the execution of an agreement that meets the requirements of subsection 9 of this section, but no earlier than January 1, 2012, retain one hundred percent of the withholding tax from full-time jobs at the facility for a period of ten years. A qualified manufacturing company that modifies or expands the manufacture of an existing product may, upon the department's approval of a notice of intent and the execution of an agreement that meets the requirements of subsection 9 of this section, but

no earlier than January 1, 2012, retain fifty percent of the withholding tax from full-time jobs at the facility for a period of seven years. Except as otherwise allowed under subsection 7 of this section, the commencement of the withholding period may be delayed by no more than twenty-four months after execution of the agreement at the option of the qualified manufacturing company. [Such qualified manufacturing company shall be eligible for participation in the Missouri quality jobs program in sections 620.1875 to 620.1890 for any new jobs for which it does not retain withholding tax under this section, provided all qualifications for such program are met.]

5. A qualified supplier may, upon approval of a notice of intent by the department, retain all withholding tax from new jobs for a period of three years from the date of approval of the notice of intent or for a period of five years if the supplier pays wages for the new jobs equal to or greater than one hundred twenty percent of county average wage. Notwithstanding any other provision of law to the contrary, a qualified supplier that is awarded benefits under this section shall not receive any tax credit or exemption or be entitled to retain withholding under sections 100.700 to 100.850, sections 135.100 to 135.150, sections 135.200 to 135.286[, section 135.535, sections 135.900 to 135.906, sections 135.950 to 135.970, or section 620.1881] for the same jobs.

6. Notwithstanding any other provision of law to the contrary, the maximum amount of withholding tax that may be retained by any one qualified manufacturing company under this section shall not exceed ten million dollars per calendar year. The aggregate amount of withholding tax that may be retained by all qualified manufacturing companies

under this section shall not exceed fifteen million dollars per calendar year.

7. 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, sections 135.100 to 135.150, sections 135.200 to 135.286[, section 135.535, or sections 135.900 to 135.906] for the jobs created or retained or capital improvement which qualified for benefits under this section. The benefits available to the qualified manufacturing company under any other state programs for which the qualified manufacturing company is eligible and which utilize withholding tax from the jobs at the facility shall first be credited to the other state program before the applicable withholding period for benefits provided under this section shall begin. These other state programs include, but are not limited to, the Missouri **[works] one start** jobs training program under sections 620.800 to 620.809, the real property tax increment allocation redevelopment act under sections 99.800 to 99.865, or the Missouri downtown and rural economic stimulus act under sections 99.915 to 99.980. If any qualified manufacturing company also participates in the Missouri **[works] one start** jobs training program in sections 620.800 to 620.809, such qualified manufacturing company shall not retain any withholding tax that has already been allocated for use in the new jobs training program. Any qualified manufacturing company or qualified supplier that is awarded benefits under this program and knowingly hires individuals who are not allowed to work legally in the United States shall immediately forfeit such benefits and shall repay the state an amount equal to any withholding

220 taxes already retained. Subsection 5 of section 285.530  
221 shall not apply to qualified manufacturing companies or  
222 qualified suppliers which are awarded benefits under this  
223 program.

224 8. The department may promulgate rules to implement  
225 the provisions of this section. Any rule or portion of a  
226 rule, as that term is defined in section 536.010, that is  
227 created under the authority delegated in this section shall  
228 become effective only if it complies with and is subject to  
229 all of the provisions of chapter 536 and, if applicable,  
230 section 536.028. This section and chapter 536 are  
231 nonseverable and if any of the powers vested with the  
232 general assembly under chapter 536 to review, to delay the  
233 effective date, or to disapprove and annul a rule are  
234 subsequently held unconstitutional, then the grant of  
235 rulemaking authority and any rule proposed or adopted after  
236 the effective date of this section shall be invalid and void.

237 9. Within six months of completion of a notice of  
238 intent required under this section, the qualified  
239 manufacturing company shall enter into an agreement with the  
240 department that memorializes the content of the notice of  
241 intent, the requirements of this section, and the  
242 consequences for failing to meet such requirements, which  
243 shall include the following:

244 (1) If the amount of capital investment made by the  
245 qualified manufacturing company is not made within the two-  
246 year period provided for such investment, the qualified  
247 manufacturing company shall immediately cease retaining any  
248 withholding tax with respect to jobs at the facility and it  
249 shall forfeit all rights to retain withholding tax for the  
250 remainder of the withholding period. In addition, the  
251 qualified manufacturing company shall repay any amounts of

withholding tax retained plus interest of five percent per annum. However, in the event that such capital investment shortfall is due to economic conditions beyond the control of the qualified manufacturing company, the director may, at the qualified manufacturing company's request, suspend rather than terminate its privilege to retain withholding tax under this section for up to three years. Any such suspension shall extend the withholding period by the same amount of time. No more than one such suspension shall be granted to a qualified manufacturing company;

(2) If the qualified manufacturing company discontinues the manufacturing of the new product and does not replace it with a subsequent or additional new product manufactured at the facility at any time during the withholding period, the qualified manufacturing company shall immediately cease retaining any withholding tax with respect to jobs at that facility and it shall forfeit all rights to retain withholding tax for the remainder of the withholding period.

10. Prior to March first each year, the department shall provide a report to the general assembly including the names of participating qualified manufacturing companies or qualified suppliers, location of such companies or suppliers, the annual amount of benefits provided, the estimated net state fiscal impact including direct and indirect new state taxes derived, and the number of new jobs created or jobs retained.

11. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset October 12, 2016, unless reauthorized by an act of the general assembly; and

283           (2) If such program is reauthorized, the program  
284 authorized under this section shall automatically sunset  
285 twelve years after the effective date of the reauthorization  
286 of this section; and

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

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

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

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

22           (3) The qualified company creates two or more new jobs  
23 at a project facility located within [a] **an enhanced**  
24 **enterprise** zone [designated under sections 135.950 to  
25 135.963], 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.

90           (3) If, at the project facility at any time during the  
91 project period, the qualified manufacturing company  
92 discontinues the manufacturing of the new product, or  
93 discontinues the modification or expansion of an existing  
94 product, and does not replace it with a subsequent or  
95 additional new product or with a modification or expansion  
96 of an existing product, the company shall immediately cease  
97 receiving any benefit awarded under this subsection for the  
98 remainder of the project period and shall forfeit all rights  
99 to retain or receive any benefit awarded under this  
100 subsection for the remainder of such period.

101           (4) Notwithstanding any other provision of law to the  
102 contrary, any qualified manufacturing company that is  
103 awarded benefits under this section shall not simultaneously  
104 receive tax credits or exemptions under sections 100.700 to  
105 100.850 for the jobs created or retained or capital  
106 improvement that qualified for benefits under this section.  
107 The provisions of subsection 5 of section 285.530 shall not  
108 apply to a qualified manufacturing company that is awarded  
109 benefits under this section.

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

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

119           (2) The date or time period during which the tax  
120 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 subsections 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

153 jobs and the average wage of the new payroll equals or  
154 exceeds one hundred forty percent of the county average wage  
155 of the county in which the project facility is located.

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

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

182         7. In lieu of the benefits available under subsections  
183 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

216 under this section or approval of its notice of intent,  
217 whichever occurs first.

218 9. In lieu of any other benefits under this chapter,  
219 the department of economic development may award a tax  
220 credit to an industrial development authority for a  
221 qualified military project in an amount equal to the  
222 estimated withholding taxes associated with the part-time  
223 and full-time civilian and military new jobs located at the  
224 facility and directly impacted by the project. The amount  
225 of the tax credit shall be calculated by multiplying:

226 (1) The average percentage of tax withheld, as  
227 provided by the department of revenue to the department of  
228 economic development;

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

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

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

620.2020. 1. The department shall respond to a  
2 written request, by or on behalf of a qualified company or  
3 qualified military project, for a proposed benefit award  
4 under the provisions of this program within five business  
5 days of receipt of such request. The department shall  
6 respond to a written request, by or on behalf of a qualified

7 manufacturing company, for a proposed benefit award under  
8 the provisions of this program within fifteen business days  
9 of receipt of such request. Such response shall contain  
10 either a proposal of benefits for the qualified company or  
11 qualified military project, or a written response refusing  
12 to provide such a proposal and stating the reasons for such  
13 refusal. A qualified company or qualified military project  
14 that intends to seek benefits under the program shall submit  
15 to the department a notice of intent. The department shall  
16 respond within thirty days to a notice of intent with an  
17 approval or a rejection, provided that the department may  
18 withhold approval or provide a contingent approval until it  
19 is satisfied that proper documentation of eligibility has  
20 been provided. The department shall certify or reject the  
21 qualifying company's plan outlined in their notice of intent  
22 as satisfying good faith efforts made to employ, at a  
23 minimum, commensurate with the percentage of minority  
24 populations in the state of Missouri, as reported in the  
25 previous decennial census, the following: racial  
26 minorities, contractors who are racial minorities, and  
27 contractors that, in turn, employ at a minimum racial  
28 minorities commensurate with the percentage of minority  
29 populations in the state of Missouri, as reported in the  
30 previous decennial census. Failure to respond on behalf of  
31 the department shall result in the notice of intent being  
32 deemed approved. A qualified company receiving approval for  
33 program benefits may receive additional benefits for  
34 subsequent new jobs at the same facility after the full  
35 initial project period if the applicable minimum job  
36 requirements are met. There shall be no limit on the number  
37 of project periods a qualified company may participate in  
38 the program, and a qualified company may elect to file a



notice of intent to begin a new project period concurrent with an existing project period if the applicable minimum job requirements are achieved, the qualified company provides the department with the required annual reporting, and the qualified company is in compliance with this program and any other state programs in which the qualified company is currently or has previously participated. However, the qualified company shall not receive any further program benefits under the original approval for any new jobs created after the date of the new notice of intent, and any jobs created before the new notice of intent shall not be included as new jobs for purposes of the benefit calculation for the new approval. When a qualified company has filed and received approval of a notice of intent and subsequently files another notice of intent, the department shall apply the definition of project facility under subdivision (24) of section 620.2005 to the new notice of intent as well as all previously approved notices of intent and shall determine the application of the definitions of new job, new payroll, project facility base employment, and project facility base payroll accordingly.

2. Notwithstanding any provision of law to the contrary, the benefits available to the qualified company under any other state programs for which the company is eligible and which utilize withholding tax from the new or retained jobs of the company shall first be credited to the other state program before the withholding retention level applicable under this program will begin to accrue. If any qualified company also participates in a job training program utilizing withholding tax, the company shall retain no withholding tax under this program, but the department shall issue a refundable tax credit for the full amount of

71 benefit allowed under this program. The calendar year  
72 annual maximum amount of tax credits which may be issued to  
73 a qualifying company that also participates in a job  
74 training program shall be increased by an amount equivalent  
75 to the withholding tax retained by that company under a jobs  
76 training program.

77         3. A qualified company or qualified military project  
78 receiving benefits under this program shall provide an  
79 annual report of the number of jobs, along with minority  
80 jobs created or retained, and such other information as may  
81 be required by the department to document the basis for  
82 program benefits available no later than ninety days prior  
83 to the end of the qualified company's or industrial  
84 development authority's tax year immediately following the  
85 tax year for which the benefits provided under the program  
86 are attributed. In such annual report, if the average wage  
87 is below the applicable percentage of the county average  
88 wage, the qualified company or qualified military project  
89 has not maintained the employee insurance as required, if  
90 the department after a review determines the qualifying  
91 company fails to satisfy other aspects of their notice of  
92 intent, including failure to make good faith efforts to  
93 employ, at a minimum, commensurate with the percentage of  
94 minority populations in the state of Missouri, as reported  
95 in the previous decennial census, the following: racial  
96 minorities, contractors who are racial minorities, and  
97 contractors that, in turn, employ at a minimum racial  
98 minorities commensurate with the percentage of minority  
99 populations in the state of Missouri, as reported in the  
100 previous decennial census, or if the number of jobs is below  
101 the number required, the qualified company or qualified  
102 military project shall not receive tax credits or retain the

withholding tax for the balance of the project period. If a statewide state of emergency exists for more than sixteen months, a qualified company or industrial development authority shall be entitled to a one-time suspension of program deadlines equal to the number of months such statewide state of emergency existed with any partial month rounded to the next whole. During such suspension, the qualified company or industrial development authority shall not be entitled to retain any withholding tax as calculated under subdivision (38) of section 620.2005 nor shall it earn any awarded tax credit or receive any tax credit under the program for the suspension period. The suspension period shall run consecutively and be available to a qualified company or industrial development authority that, during the statewide state of emergency, submitted notice of intent that was approved or that was in year one or a subsequent year of benefits under a program agreement with the department. The suspension period that runs consecutively and may be available to a qualified company or industrial development authority as provided in this subsection may apply retroactively. Any qualified company or industrial development authority requesting a suspension pursuant to this subsection shall submit notice to the department on its provided form identifying the requested start and end dates of the suspension, not to exceed the maximum number of months available under this subsection. Such notice shall be submitted to the department not later than the end of the twelfth month following the termination of the state of emergency. No suspension period shall start later than the date on which the state of emergency was terminated. The department and the qualified company or the industrial development authority shall enter into a program agreement

135 or shall amend an existing program agreement, as applicable,  
136 stating the deadlines following the suspension period and  
137 updating the applicable wage requirements. Failure to  
138 timely file the annual report required under this section  
139 may result in the forfeiture of tax credits attributable to  
140 the year for which the reporting was required and a  
141 recapture of withholding taxes retained by the qualified  
142 company or qualified military project during such year.

143 4. The department may withhold the approval of any  
144 benefits under this program until it is satisfied that  
145 proper documentation has been provided, and shall reduce the  
146 benefits to reflect any reduction in full-time employees or  
147 payroll. Upon approval by the department, the qualified  
148 company may begin the retention of the withholding taxes  
149 when it reaches the required number of jobs and the average  
150 wage meets or exceeds the applicable percentage of county  
151 average wage. Tax credits, if any, may be issued upon  
152 satisfaction by the department that the qualified company  
153 has exceeded the applicable percentage of county average  
154 wage and the required number of jobs; provided that, tax  
155 credits awarded under subsection 7 of section 620.2010 may  
156 be issued following the qualified company's acceptance of  
157 the department's proposal and pursuant to the requirements  
158 set forth in the written agreement between the department  
159 and the qualified company under subsection 4 of section  
160 620.2010.

161 5. Any qualified company or qualified military project  
162 approved for benefits under this program shall provide to  
163 the department, upon request, any and all information and  
164 records reasonably required to monitor compliance with  
165 program requirements. This program shall be considered a  
166 business recruitment tax credit under subdivision (3) of

subsection 2 of section 135.800, and any qualified company or qualified military project approved for benefits under this program shall be subject to the provisions of sections 135.800 to 135.830.

6. Any taxpayer who is awarded benefits under this program who knowingly hires individuals who are not allowed to work legally in the United States shall immediately forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any withholding taxes already retained.

7. (1) The maximum amount of tax credits that may be authorized under this program for any fiscal year shall be limited as follows, less the amount of any tax credits previously obligated for that fiscal year under any of the tax credit programs referenced in subsection 14 of this section:

(a) For the fiscal year beginning on July 1, 2013, but ending on or before June 30, 2014, no more than one hundred six million dollars in tax credits may be authorized;

(b) For the fiscal year beginning on July 1, 2014, but ending on or before June 30, 2015, no more than one hundred eleven million dollars in tax credits may be authorized;

(c) For fiscal years beginning on or after July 1, 2015, but ending on or before June 30, 2020, no more than one hundred sixteen million dollars in tax credits may be authorized for each fiscal year; and

(d) For all fiscal years beginning on or after July 1, 2020, no more than one hundred six million dollars in tax credits may be authorized for each fiscal year. The provisions of this paragraph shall not apply to tax credits issued to qualified companies under a notice of intent filed prior to July 1, 2020.

(2) For all fiscal years beginning on or after July 1, 2020, in addition to the amount of tax credits that may be authorized under paragraph (d) of subdivision (1) of this subsection, an additional ten million dollars in tax credits may be authorized for each fiscal year for the purpose of the completion of infrastructure projects directly connected with the creation or retention of jobs under the provisions of sections 620.2000 to 620.2020 and an additional ten million dollars in tax credits may be authorized for each fiscal year for a qualified manufacturing company based on a manufacturing capital investment as set forth in section 620.2010.

8. For all fiscal years beginning on or after July 1, 2020, the maximum total amount of withholding tax that may be authorized for retention for the creation of new jobs under the provisions of sections 620.2000 to 620.2020 by qualified companies with a project facility base employment of at least fifty shall not exceed seventy-five million dollars for each fiscal year. The provisions of this subsection shall not apply to withholding tax authorized for retention for the creation of new jobs by qualified companies with a project facility base employment of less than fifty.

9. For tax credits for the creation of new jobs under section 620.2010, the department shall allocate the annual tax credits based on the date of the approval, reserving such tax credits based on the department's best estimate of new jobs and new payroll of the project, and any other applicable factors in determining the amount of benefits available to the qualified company or qualified military project under this program; provided that, the department may reserve up to twenty-one and one-half percent of the

maximum annual amount of tax credits that may be authorized under subsection 7 of this section for award under subsection 7 of section 620.2010. However, the annual issuance of tax credits shall be subject to annual verification of actual payroll by the department or, for qualified military projects, annual verification of average salary for the jobs directly created by the qualified military project. Any authorization of tax credits shall expire if, within two years from the date of commencement of operations, or approval if applicable, the qualified company has failed to meet the applicable minimum job requirements. The qualified company may retain authorized amounts from the withholding tax under the project once the applicable minimum job requirements have been met for the duration of the project period. No benefits shall be provided under this program until the qualified company or qualified military project meets the applicable minimum new job requirements or, for benefits awarded under subsection 7 of section 620.2010, until the qualified company has satisfied the requirements set forth in the written agreement between the department and the qualified company under subsection 4 of section 620.2010. In the event the qualified company or qualified military project does not meet the applicable minimum new job requirements, the qualified company or qualified military project may submit a new notice of intent or the department may provide a new approval for a new project of the qualified company or qualified military project at the project facility or other facilities.

10. Tax credits provided under this program may be claimed against taxes otherwise imposed by chapters 143 and 148, and may not be carried forward, but shall be claimed within one year of the close of the **[taxable] tax** year for

which they were issued. Tax credits provided under this program may be transferred, sold, or assigned by filing a notarized endorsement thereof with the department that names the transferee, the amount of tax credit transferred, and the value received for the credit, as well as any other information reasonably requested by the department. For a qualified company with flow-through tax treatment to its members, partners, or shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion to their share of ownership on the last day of the qualified company's tax period.

11. Prior to the issuance of tax credits or the qualified company beginning to retain withholding taxes, the department shall verify through the department of revenue and any other applicable state department that the tax credit applicant does not owe any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments levied by any state department and through the department of commerce and insurance that the applicant does not owe any delinquent insurance taxes or other fees. Such delinquency shall not affect the approval, except that any tax credits issued shall be first applied to the delinquency and any amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue, the department of commerce and insurance, or any other state department concludes that a taxpayer is delinquent after June fifteenth but before July first of any year and the application of tax credits to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all



295 available credits toward a tax delinquency, the  
296 administering agency shall notify the appropriate department  
297 and that department shall update the amount of outstanding  
298 delinquent tax owed by the applicant. If any credits remain  
299 after satisfying all insurance, income, sales, and use tax  
300 delinquencies, the remaining credits shall be issued to the  
301 applicant, subject to the restrictions of other provisions  
302 of law.

303 12. The director of revenue shall issue a refund to  
304 the qualified company to the extent that the amount of tax  
305 credits allowed under this program exceeds the amount of the  
306 qualified company's tax liability under chapter 143 or 148.

307 13. An employee of a qualified company shall receive  
308 full credit for the amount of tax withheld as provided in  
309 section 143.211.

310 14. [Notwithstanding any provision of law to the  
311 contrary, beginning August 28, 2013, no new benefits shall  
312 be authorized for any project that had not received from the  
313 department a proposal or approval for such benefits prior to  
314 August 28, 2013, under the development tax credit program  
315 created under sections 32.100 to 32.125, the rebuilding  
316 communities tax credit program created under section  
317 135.535, the enhanced enterprise zone tax credit program  
318 created under sections 135.950 to 135.973, and the Missouri  
319 quality jobs program created under sections 620.1875 to  
320 620.1890. The provisions of this subsection shall not be  
321 construed to limit or impair the ability of any  
322 administering agency to authorize or issue benefits for any  
323 project that had received an approval or a proposal from the  
324 department under any of the programs referenced in this  
325 subsection prior to August 28, 2013, or the ability of any  
326 taxpayer to redeem any such tax credits or to retain any

withholding tax under an approval issued prior to that date. The provisions of this subsection shall not be construed to limit or in any way impair the ability of any governing authority to provide any local abatement or designate a new zone under the enhanced enterprise zone program created by sections 135.950 to 135.963.

Notwithstanding any provision of law to the contrary, no qualified company that is awarded benefits under this program shall:

(1) Simultaneously receive benefits under the programs referenced in this subsection at the same capital investment; or

(2) Receive benefits under the provisions of section 620.1910 for the same jobs.

15.] If any provision of sections 620.2000 to 620.2020 or application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or application of these sections which can be given effect without the invalid provisions or application, and to this end, the provisions of sections 620.2000 to 620.2020 are hereby declared severable.

[16.] 15. By no later than January 1, 2014, and the first day of each calendar quarter thereafter, the department shall present a quarterly report to the general assembly detailing the benefits authorized under this program during the immediately preceding calendar quarter to the extent such information may be disclosed under state and federal law. The report shall include, at a minimum:

(1) A list of all approved and disapproved applicants for each tax credit;

(2) A list of the aggregate amount of new or retained jobs that are directly attributable to the tax credits authorized;

(3) A statement of the aggregate amount of new capital investment directly attributable to the tax credits authorized;

(4) Documentation of the estimated net state fiscal benefit for each authorized project and, to the extent available, the actual benefit realized upon completion of such project or activity; and

(5) The department's response time for each request for a proposed benefit award under this program.

**[17.] 16.** The department may adopt such rules, statements of policy, procedures, forms, and guidelines as may be necessary to carry out the provisions of sections 620.2000 to 620.2020. 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, 2013, shall be invalid and void.

**[18.] 17.** Under section 23.253 of the Missouri sunset act:

(1) The provisions of the program authorized under sections 620.2000 to 620.2020 shall be reauthorized as of August 28, 2018, and shall expire on August 28, 2030; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of sections 620.2000 to 620.2020; and

(3) Sections 620.2000 to 620.2020 shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under sections 620.2000 to 620.2020 is sunset.

[99.1205. 1. This section shall be known and may be cited as the "Distressed Areas Land Assemblage Tax Credit Act".

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

(1) "Acquisition costs", the purchase price for the eligible parcel, costs of environmental assessments, closing costs, real estate brokerage fees, reasonable demolition costs of vacant structures, and reasonable maintenance costs incurred to maintain an acquired eligible parcel for a period of five years after the acquisition of such eligible parcel. Acquisition costs shall not include costs for title insurance and survey, attorney's fees, relocation costs, fines, or bills from a municipality;

(2) "Applicant", any person, firm, partnership, trust, limited liability company, or corporation which has:

(a) Incurred, within an eligible project area, acquisition costs for the acquisition of land sufficient to satisfy the requirements under subdivision (8) of this subsection; and

(b) Been appointed or selected, pursuant to a redevelopment agreement by a municipal authority, as a redeveloper or similar designation, under an economic incentive law, to redevelop an urban renewal area or a redevelopment area that includes all of an eligible project area or whose redevelopment plan or redevelopment area, which encompasses all of an eligible project area, has been

34 approved or adopted under an economic incentive  
35 law. In addition to being designated the  
36 redeveloper, the applicant shall have been  
37 designated to receive economic incentives only  
38 after the municipal authority has considered the  
39 amount of the tax credits in adopting such  
40 economic incentives as provided in subsection 8  
41 of this section. The redevelopment agreement  
42 shall provide that:

43 a. The funds generated through the use or  
44 sale of the tax credits issued under this  
45 section shall be used to redevelop the eligible  
46 project area;

47 b. No more than seventy-five percent of  
48 the urban renewal area identified in the urban  
49 renewal plan or the redevelopment area  
50 identified in the redevelopment plan may be  
51 redeveloped by the applicant; and

52 c. The remainder of the urban renewal area  
53 or the redevelopment area shall be redeveloped  
54 by co-redevelopers or redevelopers to whom the  
55 applicant has assigned its redevelopment rights  
56 and obligations under the urban renewal plan or  
57 the redevelopment plan;

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

60 (4) "Condemnation proceedings", any action  
61 taken by, or on behalf of, an applicant to  
62 initiate an action in a court of competent  
63 jurisdiction to use the power of eminent domain  
64 to acquire a parcel within the eligible project  
65 area. Condemnation proceedings shall include  
66 any and all actions taken after the submission  
67 of a notice of intended acquisition to an owner  
68 of a parcel within the eligible project area by  
69 a municipal authority or any other person or  
70 entity under section 523.250;

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

73 (6) "Economic incentive laws", any  
74 provision of Missouri law pursuant to which  
75 economic incentives are provided to redevelopers  
76 of a parcel or parcels to redevelop the land,  
77 such as tax abatement or payments in lieu of

taxes, or redevelopment plans or redevelopment projects approved or adopted which include the use of economic incentives to redevelop the land. Economic incentive laws include, but are not limited to, the land clearance for redevelopment authority law under sections 99.300 to 99.660, the real property tax increment allocation redevelopment act under sections 99.800 to 99.865, the Missouri downtown and rural economic stimulus act under sections 99.915 to 99.1060, and the downtown revitalization preservation program under sections 99.1080 to 99.1092;

(7) "Eligible parcel", a parcel:

(a) Which is located within an eligible project area;

(b) Which is to be redeveloped;

(c) On which the applicant has not commenced construction prior to November 28, 2007;

(d) Which has been acquired without the commencement of any condemnation proceedings with respect to such parcel brought by or on behalf of the applicant. Any parcel acquired by the applicant from a municipal authority shall not constitute an eligible parcel; and

(e) On which all outstanding taxes, fines, and bills levied by municipal governments that were levied by the municipality during the time period that the applicant held title to the eligible parcel have been paid in full;

(8) "Eligible project area", an area which shall have satisfied the following requirements:

(a) The eligible project area shall consist of at least seventy-five acres and may include parcels within its boundaries that do not constitute an eligible parcel;

(b) At least eighty percent of the eligible project area shall be located within a Missouri qualified census tract area, as designated by the United States Department of Housing and Urban Development under 26 U.S.C. Section 42, or within a distressed community as that term is defined in section 135.530;

(c) The eligible parcels acquired by the applicant within the eligible project area shall total at least fifty acres, which may consist of contiguous and noncontiguous parcels;

(d) The average number of parcels per acre in an eligible project area shall be four or more;

(e) Less than five percent of the acreage within the boundaries of the eligible project area shall consist of owner-occupied residences which the applicant has identified for acquisition under the urban renewal plan or the redevelopment plan pursuant to which the applicant was appointed or selected as the redeveloper or by which the person or entity was qualified as an applicant under this section on the date of the approval or adoption of such plan;

(9) "Interest costs", interest, loan fees, and closing costs. Interest costs shall not include attorney's fees;

(10) "Maintenance costs", costs of boarding up and securing vacant structures, costs of removing trash, and costs of cutting grass and weeds;

(11) "Municipal authority", any city, town, village, county, public body corporate and politic, political subdivision, or land trust of this state established and authorized to own land within the state;

(12) "Municipality", any city, town, village, or county;

(13) "Parcel", a single lot or tract of land, and the improvements thereon, owned by, or recorded as the property of, one or more persons or entities;

(14) "Redeveloped", the process of undertaking and carrying out a redevelopment plan or urban renewal plan pursuant to which the conditions which provided the basis for an eligible project area to be included in a redevelopment plan or urban renewal plan are to be reduced or eliminated by redevelopment or rehabilitation; and

(15) "Redevelopment agreement", the redevelopment agreement or similar agreement into which the applicant entered with a municipal authority and which is the agreement for the implementation of the urban renewal plan or redevelopment plan pursuant to which the applicant was appointed or selected as the redeveloper or by which the person or entity was qualified as an applicant under this section; and such appointment or selection shall have been approved by an ordinance of the governing body of the municipality, or municipalities, or in the case of any city not within a county, the board of aldermen, in which the eligible project area is located. The redevelopment agreement shall include a time line for redevelopment of the eligible project area. The redevelopment agreement shall state that the named developer shall be subject to the provisions of chapter 290.

3. Any applicant shall be entitled to a tax credit against the taxes imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265, in an amount equal to fifty percent of the acquisition costs, and one hundred percent of the interest costs incurred for a period of five years after the acquisition of an eligible parcel. No tax credits shall be issued under this section until after January 1, 2008.

4. If the amount of such tax credit exceeds the total tax liability for the year in which the applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be carried forward for credit against the taxes imposed under chapters 143, 147, and 148 for the succeeding six years, or until the full credit is used, whichever occurs first. The applicant shall not be entitled to a tax credit for taxes imposed under sections 143.191 to 143.265. Applicants entitled to receive such tax credits may transfer, sell, or assign the tax credits. Tax credits granted to a partnership, a limited liability company taxed



as a partnership, or multiple owners of property shall be passed through to the partners, members, or owners respectively pro rata or pursuant to an executed agreement among the partners, members, or owners documenting an alternate distribution method.

5. A purchaser, transferee, or assignee of the tax credits authorized under this section may use acquired tax credits to offset up to one hundred percent of the tax liabilities otherwise imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265. A seller, transferor, or assignor shall perfect such transfer by notifying the department in writing within thirty calendar days following the effective date of the transfer and shall provide any information as may be required by the department to administer and carry out the provisions of this section.

6. To claim tax credits authorized under this section, an applicant shall submit to the department an application for a certificate. An applicant shall identify the boundaries of the eligible project area in the application. The department shall verify that the applicant has submitted a valid application in the form and format required by the department. The department shall verify that the municipal authority held the requisite hearings and gave the requisite notices for such hearings in accordance with the applicable economic incentive act, and municipal ordinances. On an annual basis, an applicant may file for the tax credit for the acquisition costs, and for the tax credit for the interest costs, subject to the limitations of this section. If an applicant applying for the tax credit meets the criteria required under this section, the department shall issue a certificate in the appropriate amount. If an applicant receives a tax credit for maintenance costs as a part of the applicant's acquisition costs, the department shall post on its internet website the amount and type of maintenance costs and a

description of the redevelopment project for which the applicant received a tax credit within thirty days after the department issues the certificate to the applicant.

7. The total aggregate amount of tax credits authorized under this section shall not exceed ninety-five million dollars. At no time shall the annual amount of the tax credits issued under this section exceed twenty million dollars. If the tax credits that are to be issued under this section exceed, in any year, the twenty million dollar limitation, the department shall either:

(1) Issue tax credits to the applicant in the amount of twenty million dollars, if there is only one applicant entitled to receive tax credits in that year; or

(2) Issue the tax credits on a pro rata basis to all applicants entitled to receive tax credits in that year. Any amount of tax credits, which an applicant is, or applicants are, entitled to receive on an annual basis and are not issued due to the twenty million dollar limitation, shall be carried forward for the benefit of the applicant or applicants to subsequent years.

No tax credits provided under this section shall be authorized after August 28, 2013. Any tax credits which have been authorized on or before August 28, 2013, but not issued, may be issued, subject to the limitations provided under this subsection, until all such authorized tax credits have been issued.

8. Upon issuance of any tax credits pursuant to this section, the department shall report to the municipal authority the applicant's name and address, the parcel numbers of the eligible parcels for which the tax credits were issued, the itemized acquisition costs and interest costs for which tax credits were issued, and the total value of the tax credits issued. The municipal authority and the state shall not consider the amount of the tax credits as an applicant's cost, but shall

include the tax credits in any sources and uses and cost benefit analysis reviewed or created for the purpose of awarding other economic incentives. The amount of the tax credits shall not be considered an applicant's cost in the evaluation of the amount of any award of any other economic incentives, but shall be considered in measuring the reasonableness of the rate of return to the applicant with respect to such award of other economic incentives. The municipal authority shall provide the report to any relevant commission, board, or entity responsible for the evaluation and recommendation or approval of other economic incentives to assist in the redevelopment of the eligible project area. Tax credits authorized under this section shall constitute redevelopment tax credits, as such term is defined under section 135.800, and shall be subject to all provisions applicable to redevelopment tax credits provided under sections 135.800 to 135.830.

9. The department may promulgate rules to implement the provisions of this section. 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, 2007, shall be invalid and void.]

[135.313. 1. Any person, firm or corporation who engages in the business of producing charcoal or charcoal products in the state of Missouri shall be eligible for a tax

5 credit on income taxes otherwise due pursuant to  
6 chapter 143, except sections 143.191 to 143.261,  
7 as an incentive to implement safe and efficient  
8 environmental controls. The tax credit shall be  
9 equal to fifty percent of the purchase price of  
10 the best available control technology equipment  
11 connected with the production of charcoal in the  
12 state of Missouri or, if the taxpayer  
13 manufactures such equipment, fifty percent of  
14 the manufacturing cost of the equipment, to and  
15 including the year the equipment is put into  
16 service. The credit may be claimed for a period  
17 of eight years beginning with the 1998 calendar  
18 year and is to be a tax credit against the tax  
19 otherwise due.

20 2. Any amount of credit which exceeds the  
21 tax due shall not be refunded but may be carried  
22 over to any subsequent taxable year, not to  
23 exceed seven years.

24 3. The charcoal producer may elect to  
25 assign to a third party the approved tax  
26 credit. Certification of assignment and other  
27 appropriate forms must be filed with the  
28 Missouri department of revenue and the  
29 department of economic development.

30 4. When applying for a tax credit, the  
31 charcoal producer specified in subsection 1 of  
32 this section shall make application for the  
33 credit to the division of environmental quality  
34 of the department of natural resources. The  
35 application shall identify the specific best  
36 available control technology equipment and the  
37 purchase price, or manufacturing cost of such  
38 equipment. The director of the department of  
39 natural resources is authorized to require  
40 permits to construct prior to the installation  
41 of best available control technology equipment  
42 and other information which he or she deems  
43 appropriate.

44 5. The director of the department of  
45 natural resources in conjunction with the  
46 department of economic development shall certify  
47 to the department of revenue that the best  
48 available control technology equipment meets the

49 requirements to obtain a tax credit as specified  
50 in this section.]

[135.500. 1. Sections 135.500 to 135.529  
2 shall be known and may be cited as the "Missouri  
3 Certified Capital Company Law".

4 2. As used in sections 135.500 to 135.529,  
5 the following terms mean:

6 (1) "Affiliate of a certified company":

7 (a) Any person, directly or indirectly  
8 owning, controlling or holding power to vote ten  
9 percent or more of the outstanding voting  
10 securities or other ownership interests of the  
11 Missouri certified capital company;

12 (b) Any person ten percent or more of  
13 whose outstanding voting securities or other  
14 ownership interest are directly or indirectly  
15 owned, controlled or held with power to vote by  
16 the Missouri certified capital company;

17 (c) Any person directly or indirectly  
18 controlling, controlled by, or under common  
19 control with the Missouri certified capital  
20 company;

21 (d) A partnership in which the Missouri  
22 certified capital company is a general partner;

23 (e) Any person who is an officer, director  
24 or agent of the Missouri certified capital  
25 company or an immediate family member of such  
26 officer, director or agent;

27 (2) "Applicable percentage", one hundred  
28 percent;

29 (3) "Capital in a qualified Missouri  
30 business", any debt, equity or hybrid security,  
31 of any nature and description whatsoever,  
32 including a debt instrument or security which  
33 has the characteristics of debt but which  
34 provides for conversion into equity or equity  
35 participation instruments such as options or  
36 warrants which are acquired by a Missouri  
37 certified capital company or a qualified  
38 investing entity as a result of a transfer of  
39 cash to a business;

40           (4) "Certified capital", an investment of  
41 cash by an investor in a Missouri certified  
42 capital company;

43           (5) "Certified capital company", any  
44 partnership, corporation, trust or limited  
45 liability company, whether organized on a profit  
46 or not-for-profit basis, that is located,  
47 headquartered and registered to conduct business  
48 in Missouri that has as its primary business  
49 activity, the investment of cash in qualified  
50 Missouri businesses, and which is certified by  
51 the department as meeting the criteria of  
52 sections 135.500 to 135.529;

53           (6) "Department", the Missouri department  
54 of economic development;

55           (7) "Director", the director of the  
56 department of economic development or a person  
57 acting under the supervision of the director;

58           (8) "Investor", any insurance company that  
59 contributes cash;

60           (9) "Liquidating distribution", payments  
61 to investors or to the certified capital company  
62 from earnings;

63           (10) "Person", any natural person or  
64 entity, including a corporation, general or  
65 limited partnership, trust, limited liability  
66 company, or any charitable organization which is  
67 exempt from federal income tax and whose  
68 Missouri unrelated business taxable income, if  
69 any, would be subject to the state income tax  
70 imposed under chapter 143;

71           (11) "Qualified distribution", any  
72 distribution or payment to equity holders of a  
73 certified capital company in connection with the  
74 following:

75           (a) Reasonable costs and expenses of  
76 forming, syndicating, managing and operating the  
77 certified capital company;

78           (b) Management fees for managing and  
79 operating the certified capital company; and

80           (c) Any increase in federal or state  
81 taxes, penalties and interest, including those  
82 related to state and federal income taxes, of  
83 equity owners of a certified capital company

84 which related to the ownership, management or  
85 operation of a certified capital company;

86 (12) "Qualified investing entity", any  
87 partnership, corporation, trust, or limited  
88 liability company, whether organized on a for-  
89 profit or not-for-profit basis, that:

90 (a) Is registered to do business in this  
91 state;

92 (b) Is a wholly owned subsidiary of a  
93 certified capital company or otherwise  
94 affiliated with and under common control with a  
95 certified capital company; and

96 (c) Has been designated as a qualified  
97 investing entity by such certified capital  
98 company. Such designation shall be effective  
99 upon delivery by the certified capital company  
100 of written notice of the designation to the  
101 department. A qualified investing entity may  
102 raise debt or equity capital for investment, but  
103 such capital shall not be considered certified  
104 capital. Any qualified investment made by a  
105 qualified investing entity after the effective  
106 date of this act shall be deemed to have been  
107 made by a certified capital company that  
108 designated the qualified investing entity as  
109 such; provided that no qualified investment may  
110 be deemed to have been made by more than one  
111 certified capital company;

112 (13) "Qualified investment", the  
113 investment of cash by a Missouri certified  
114 capital company or a qualified investing entity  
115 in such a manner as to acquire capital in a  
116 qualified Missouri business;

117 (14) "Qualified Missouri business", an  
118 independently owned and operated business, which  
119 is headquartered and located in Missouri and  
120 which is in need of venture capital and cannot  
121 obtain conventional financing. Such business  
122 shall have no more than two hundred employees,  
123 eighty percent of which are employed in  
124 Missouri. Such business shall be involved in  
125 commerce for the purpose of manufacturing,  
126 processing or assembling products, conducting  
127 research and development, or providing services

128 in interstate commerce, but excluding retail,  
129 real estate, real estate development, insurance  
130 and professional services provided by  
131 accountants, lawyers or physicians. At the time  
132 a certified capital company or qualified  
133 investing entity makes an initial investment in  
134 a business, such business shall be a small  
135 business concern that meets the requirements of  
136 the United States Small Business  
137 Administration's qualification size standards  
138 for its venture capital program, as defined in  
139 Section 13 CFR 121.301(c) of the Small Business  
140 Investment Act of 1958, as amended. Any  
141 business which is classified as a qualified  
142 Missouri business at the time of the first  
143 investment in such business by a Missouri  
144 certified capital company or qualified investing  
145 entity shall, for a period of seven years from  
146 the date of such first investment, remain  
147 classified as a qualified Missouri business and  
148 may receive follow-on investments from any  
149 Missouri certified capital company or qualified  
150 investing entity and such follow-on investments  
151 shall be qualified investments even though such  
152 business may not meet the other qualifications  
153 of this subsection at the time of such follow-on  
154 investments;

155 (15) "State premium tax liability", any  
156 liability incurred by an insurance company  
157 pursuant to the provisions of section 148.320,  
158 148.340, 148.370 or 148.376, and any other  
159 related provisions, which may impose a tax upon  
160 the premium income of insurance companies after  
161 January 1, 1997.]

2 [135.503. 1. Any investor that makes an  
3 investment of certified capital shall, in the  
4 year of investment, earn a vested credit against  
5 state premium tax liability equal to the  
6 applicable percentage of the investor's  
7 investment of certified capital. An investor  
8 shall be entitled to take up to ten percent of  
9 the vested credit in any taxable year of the  
investor. Any time after three years after



10 August 28, 1996, the director, with the approval  
11 of the commissioner of administration, may  
12 reduce the applicable percentage on a  
13 prospective basis. Any such reduction in the  
14 applicable percentage by the director shall not  
15 have any effect on credits against state premium  
16 tax liability which have been claimed or will be  
17 claimed by any investor with respect to credits  
18 which have been earned and vested pursuant to an  
19 investment of certified capital prior to the  
20 effective date of any such change.

21 2. An insurance company claiming a state  
22 premium tax credit earned through an investment  
23 in a certified capital company shall not be  
24 required to pay any additional retaliatory tax  
25 levied pursuant to section 375.916 as a result  
26 of claiming such credit.

27 3. The credit against state premium tax  
28 liability which is described in subsection 1 of  
29 this section may not exceed the state premium  
30 tax liability of the investor for any taxable  
31 year. All such credits against state premium  
32 tax liability may be carried forward  
33 indefinitely until the credits are utilized.  
34 The maximum amount of certified capital in one  
35 or more certified capital companies for which  
36 earned and vested tax credits will be allowed in  
37 any year to any one investor or its affiliates  
38 shall be limited to ten million dollars.

39 4. Except as provided in subsection 5 of  
40 this section, the aggregate amount of certified  
41 capital for which earned and vested credits  
42 against state premium tax liability are allowed  
43 for all persons pursuant to sections 135.500 to  
44 135.529 shall not exceed the following amounts:  
45 for calendar year 1996, \$0.00; for calendar year  
46 1997, an amount which would entitle all Missouri  
47 certified capital company investors to take  
48 aggregate credits of five million dollars; and  
49 for any year thereafter, an additional amount to  
50 be determined by the director but not to exceed  
51 aggregate credits of ten million dollars for any  
52 year with the approval of the commissioner of  
53 administration and reported to the general

assembly as provided in subsection 2 of section 33.282, provided that the amount so determined shall not impair the ability of an investor with earned and vested credits which have been allowed in previous years to take them, pursuant to subsection 1 of this section. During any calendar year in which the limitation described in this subsection will limit the amount of certified capital for which earned and vested credits against state premium tax liability are allowed, certified capital for which credits are allowed will be allocated in order of priority based upon the date of filing of information described in subdivision (1) of subsection 5 of section 135.516. Certified capital limited in any calendar year by the application of the provisions of this subsection shall be allowed and allocated in the immediately succeeding calendar year in the order of priority set forth in this subsection. The department shall make separate allocations of certified capital for which credits are allowed under the limitations described in this subsection and under the limitations described in subsection 5 of this section.

5. In addition to the maximum amount pursuant to subsection 4 of this section, the aggregate amount of certified capital for which earned and vested credits against state premium tax liability are allowed for persons pursuant to sections 135.500 to 135.529 shall be the following: for calendar year 1999 and for any year thereafter, an amount to be determined by the director which would entitle all Missouri certified capital company investors to take aggregate credits not to exceed four million dollars for any year with the approval of the commissioner of administration and reported to the general assembly as provided in subsection 2 of section 33.282, provided that the amount so determined shall not impair the ability of an investor with earned and vested credits which have been allowed in previous years or pursuant to the provisions of subsection 4 of this

section to take them, pursuant to subsection 1 of this section. For purposes of any requirement regarding the schedule of qualified investments for certified capital for which earned and vested credits against state premium tax liability are allowed pursuant to this subsection only, the definition of a "qualified Missouri business" as set forth in subdivision (14) of subsection 2 of section 135.500 means a Missouri business that is located in a distressed community as defined in section 135.530, and meets all of the requirements of subdivision (14) of subsection 2 of section 135.500. During any calendar year in which the limitation described in this subsection limits the amount of additional certified capital for which earned and vested credits against state premium tax liability are allowed, additional certified capital for which credits are allowed shall be allocated in order of priority based upon the date of filing of information described in subdivision (1) of subsection 5 of section 135.516 with respect to such additional certified capital. The department shall make separate allocations of certified capital for which credits are allowed under the limitations described in this subsection and under the limitations described in subsection 4 of this section. No limitation applicable to any certified capital company with respect to certified capital for which credits are allowed pursuant to subsection 4 of this section shall limit the amount of certified capital for which credits are allowed pursuant to this subsection. No limitation applicable to any certified capital company with respect to certified capital for which credits are allowed pursuant to this subsection shall limit the amount of certified capital for which credits are allowed pursuant to subsection 4 of this section.

6. The department shall advise any Missouri certified capital company, in writing, within fifteen days after receiving the filing

142 described in subdivision (1) of subsection 5 of  
143 section 135.516 whether the limitations of  
144 subsection 3 of this section then in effect will  
145 be applicable with respect to the investments  
146 and credits described in such filing with the  
147 department.]

2 [135.505. A Missouri certified capital  
3 company shall have a funding period of one year  
4 from the date of receiving certification from  
5 the director. All investments in the Missouri  
6 certified capital company shall be made within  
7 such three hundred sixty-five-day funding  
period.]

2 [135.508. The department may certify  
3 profit or not-for-profit entities which submit  
4 an application to be designated as a Missouri  
5 certified capital company. The department shall  
6 review the organizational documents for each  
7 applicant for certification and the business  
8 history of the applicant, determine that the  
9 Missouri certified capital company's cash,  
10 marketable securities and other liquid assets  
11 are at least five hundred thousand dollars,  
12 determine that the liquid asset base for  
13 certified companies is at least five hundred  
14 thousand dollars at all times during the  
15 company's participation in the program  
16 authorized by sections 135.500 to 135.529, and  
17 determine that the officers and the board of  
18 directors, partners, trustees or managers are  
19 thoroughly acquainted with the requirements of  
20 sections 135.500 to 135.529. No insurance  
21 company which receives tax credits permitted  
22 under sections 135.500 to 135.529 for an  
23 investment in a Missouri certified capital  
24 company shall, individually or with or through  
25 one or more affiliates, be a managing general  
26 partner of or control the direction of  
27 investments of that Missouri certified capital  
28 company. Within seventy-five days of  
29 application, the department shall either issue  
30 the certification and notify the department of  
revenue and the director of the department of

31 commerce and insurance of such certification or  
32 shall refuse the certification and communicate  
33 in detail to the applicant the grounds for the  
34 refusal, including the suggestions for the  
35 removal of those grounds. The department shall  
36 be responsible for the administration of the tax  
37 credits authorized by sections 135.500 to  
38 135.529. No rule or portion of a rule  
39 promulgated under the authority of sections  
40 135.500 to 135.529 shall become effective unless  
41 it has been promulgated pursuant to the  
42 provisions of chapter 536. All rulemaking  
43 authority delegated prior to June 27, 1997, is  
44 of no force and effect and repealed; however,  
45 nothing in this section shall be interpreted to  
46 repeal or affect the validity of any rule filed  
47 or adopted prior to June 27, 1997, if such rule  
48 complied with the provisions of chapter 536.  
49 The provisions of this section and chapter 536  
50 are nonseverable and if any of the powers vested  
51 with the general assembly pursuant to chapter  
52 536, including the ability to review, to delay  
53 the effective date, or to disapprove and annul a  
54 rule or portion of a rule, are subsequently held  
55 unconstitutional, then the purported grant of  
56 rulemaking authority and any rule so proposed  
57 and contained in the order of rulemaking shall  
58 be invalid and void.】

【135.516. 1. To continue to be certified,  
2 a Missouri certified capital company shall make  
3 qualified investments according to the following  
4 schedule:

5 (1) Within two years after the date on  
6 which a Missouri certified capital company is  
7 designated as a Missouri certified capital  
8 company at least twenty-five percent of its  
9 certified capital shall be, or have been, placed  
10 in qualified investments;

11 (2) Within three years after the date on  
12 which a Missouri certified capital company is  
13 designated as a Missouri certified capital  
14 company at least forty percent of its certified

capital shall be, or have been, placed in qualified investments;

(3) Within four years after the date on which a Missouri certified capital company is designated as a Missouri certified capital company, at least fifty percent of its total certified capital shall be, or have been, placed in qualified investments. A Missouri certified capital company may not make an investment in an affiliate of the certified capital company. For the purposes of this subsection, if a legal entity is not an affiliate before a certified capital company initially invests in the entity, it will not be an affiliate if a certified capital company provides additional investment in such entity subsequent to its initial investment;

(4) A certified capital company, at least fifteen working days prior to making what it determines to be an initial qualified investment in a specific qualified Missouri business, shall certify to the department that the company in which it or a qualified investing entity proposes to invest is a qualified Missouri business. The certified capital company shall state the amount of capital it or a qualified investing entity intends to invest and the name of the business in which it or a qualified investing entity intends to invest. The certified capital company shall also provide to the department an explanation of its determination that the business meets the definition of a qualified Missouri business. If the department determines that the business does not meet the definition of a qualified Missouri business, it shall, within the fifteen-working-day period prior to the making of the proposed investment, notify the certified capital company of its determination and an explanation thereof. If the department fails to notify the certified capital company with respect to the proposed investment within the fifteen-working-day period prior to the making of the proposed investment, the company in which the certified

capital company or a qualified investing entity proposes to invest shall be deemed to be a qualified Missouri business. If a certified capital company fails to notify the department prior to making an initial investment in a business, the department may subsequently determine that the business in which the certified capital company or a qualified investing entity invested was not a qualified Missouri business even though the business, at the time of the investment, met the requirements of subdivision (15) of subsection 2 of section 135.500;

(5) All certified capital which is not required to be placed in qualified investments or which has been placed in qualified investments and can be received by the company, may be held or invested in such manner as the Missouri certified capital company, in its discretion, deems appropriate. The proceeds of all certified capital which is received by a certified capital company after it was originally placed in qualified investments may be placed again in qualified investments and shall count toward any requirement in sections 135.500 to 135.529 with respect to placing certified capital in qualified investments.

2. A certified capital company may make qualified distributions at any time. In order to make distributions, other than qualified distributions, a certified capital company must have made cumulative qualified investments, including those made through a qualified investing entity, in an amount cumulatively equal to at least one hundred percent of its certified capital. Cumulative distributions to equity holders, other than qualified distributions, in excess of the certified capital company's original certified capital and any additional capital contributions to the certified capital company shall be subject to audit by a nationally recognized certified public accounting firm acceptable to the department, at the expense of the certified

capital company. The audit shall determine whether aggregate cumulative distributions to all investors and equity holders, other than qualified distributions, when combined with all tax credits utilized by investors pursuant to sections 135.500 to 135.529, have resulted in an annual internal rate of return of fifteen percent computed on the sum of total original certified capital of the certified capital company and any additional capital contributions to the certified capital company. Twenty-five percent of distributions made, other than qualified distributions, in excess of the amount required to produce a fifteen percent annual internal rate of return, as determined by the audit, shall be payable by the certified capital company to the Missouri development finance board. Distributions or payments to debt holders of a certified capital company, however, may be made without restriction with respect to debt owed to them by a certified capital company. A debt holder that is also an investor or equity holder of a certified capital company may receive distributions or payments with respect to such debt without restriction.

3. No qualified investment may be made at a cost to a Missouri certified capital company greater than fifteen percent of the total certified capital under management of the Missouri certified capital company at the time of investment.

4. Documents and other materials submitted by Missouri certified capital companies or by businesses for purposes of the continuance of certification may be deemed "closed records" pursuant to the provisions of section 620.014.

5. Each Missouri certified capital company shall report the following to the department:

(1) As soon as practicable after the receipt of certified capital, the name of each investor from which the certified capital was received, the amount of each investor's investment of certified capital and tax credits computed without regard to any limitations under



subsection 3 of section 135.503, and the date on which the certified capital was received;

(2) On a quarterly basis, the amount of the Missouri certified capital company's certified capital at the end of the quarter, whether or not the Missouri certified capital company has invested, together with any investments made by a qualified investing entity that are deemed to have been made by the certified capital company, more than fifteen percent of the total certified capital under management in any one company, and all qualified investments that the Missouri certified capital company has made or has been deemed to have been made through a qualified investing entity;

(3) Each Missouri certified capital company shall provide annual audited financial statements to the department which include an opinion of an independent certified public accountant to the department within ninety days of the close of the fiscal year. At the same time, the certified capital company shall also provide audited financial statements for any qualified investing entity that has made qualified investments on its behalf, unless the financial results of such qualified investing entity are included in the consolidated financial statements of the certified capital company. The audit shall address the methods of operation and conduct of the business of the Missouri certified capital company to determine if the Missouri certified capital company is complying with the statutes and program rules and that the funds received by the Missouri certified capital company have been invested as required within the time limits provided by sections 135.500 to 135.529.]

[135.517. In order for investments of a qualifying investing entity to be counted as qualified investments pursuant to sections 135.500 to 135.529, each such investment of a qualifying investing entity must have received prior approval from the department.]

[135.520. 1. The division of finance shall conduct an annual review of each Missouri certified capital company and any qualified investing entities designated by it to determine if the Missouri certified capital company is abiding by the requirements of certifications, to advise the Missouri certified capital company as to the certification status of its qualified investments and to ensure that no investment has been made in violation of sections 135.500 to 135.529. The cost of the annual review shall be paid by each Missouri certified capital company according to a reasonable fee schedule adopted by the department. The division of finance shall report its findings to the department as soon as practicable following completion of the audit.

2. Any material violation of sections 135.500 to 135.529 shall be grounds for decertification under this section. If the department determines that a company is not in compliance with any requirements for continuing in certification, it shall, by written notice, inform the officers of the company and the board of directors, managers, trustees or general partners that they may be decertified in one hundred twenty days from the date of mailing of the notice, unless they correct the deficiencies and are again in compliance with the requirements for certification.

3. At the end of the one hundred twenty-day grace period, if the Missouri certified capital company is still not in compliance, the department may send a notice of decertification to the company and to the directors of the department of revenue and department of commerce and insurance. Decertification of a Missouri certified capital company prior to the certified capital company meeting all requirements of subdivisions (1) to (3) of subsection 1 of section 135.516 shall cause the recapture of all premium tax credits previously claimed by an investor and the forfeiture of all future credits to be claimed by an investor with

45 respect to its investment in the certified  
46 capital company. Decertification of a Missouri  
47 certified capital company after it has met all  
48 requirements of subdivisions (1) to (3) of  
49 subsection 1 of section 135.516 shall cause the  
50 forfeiture of premium tax credits for the  
51 taxable year of the investor in which the  
52 decertification arose and for future taxable  
53 years with no recapture of tax credits obtained  
54 by an investor with respect to the investor's  
55 tax years which ended before the decertification  
56 occurred. Once a certified capital company has  
57 made cumulative qualified investments, including  
58 those made through a qualified investing entity  
59 and deemed to have been made by the certified  
60 capital company, in an amount equal to at least  
61 one hundred percent of its certified capital,  
62 all future premium tax credits to be claimed by  
63 investors with respect to said certified capital  
64 company pursuant to sections 135.500 to 135.529  
65 shall be nonforfeitable. Once a certified  
66 capital company has made cumulative qualified  
67 investments, including those made through a  
68 qualified investing entity and deemed to have  
69 been made by the certified capital company, in  
70 an amount equal to at least one hundred percent  
71 of its certified capital and has met all other  
72 requirements under sections 135.500 to 135.529,  
73 it shall no longer be subject to regulation by  
74 the department except with respect to the  
75 payment of distributions to the Missouri  
76 development finance board.]

2 [135.523. The department may revoke the  
3 certification of a Missouri certified capital  
4 company if any material representation to the  
5 department in connection with the application  
6 process proves to have been falsely made or if  
7 the application materially violates any  
8 requirement established by the department  
pursuant to sections 135.500 to 135.529.]

2 [135.526. All investments for which tax  
3 credits are claimed under the provisions of  
sections 135.500 to 135.529 shall satisfy the

4 conditions of being registered or specifically  
5 exempt from registration by provisions or  
6 regulations under chapter 409.]

2 [135.529. 1. The tax credit established  
3 pursuant to sections 135.500 to 135.529 may be  
4 sold or transferred in accordance with  
5 regulations adopted by the department. Any such  
6 sale or transfer shall not affect the time  
7 schedule for taking the tax credit, as provided  
8 in sections 135.500 to 135.529. Any premium tax  
9 credits recaptured pursuant to section 135.520  
10 shall be the liability of the taxpayer which  
11 actually claimed the credit. In approving the  
12 sale or transfer of the credit pursuant to this  
13 section, the department may require the  
14 transferor or the transferee or both the  
15 transferor and the transferee to execute  
16 guarantees or post bonds with respect to any  
17 potential credit recapture.

18 2. No rule or portion of a rule  
19 promulgated under the authority of sections  
20 135.500 to 135.529 shall become effective unless  
21 it has been promulgated pursuant to the  
22 provisions of chapter 536. The department shall  
23 make and promulgate emergency rules and  
24 regulations consistent with the provisions of  
25 sections 135.500 to 135.529 as are necessary or  
26 useful to carry out the provisions of sections  
27 135.500 to 135.529, pursuant to section 536.025.

28 3. Every final order, decision, license or  
29 other official act of the director pursuant to  
30 sections 135.500 to 135.529 is subject to  
31 administrative review in accordance with chapter  
621.]

2 [135.535. 1. A corporation, limited  
3 liability corporation, partnership or sole  
4 proprietorship, which moves its operations from  
5 outside Missouri or outside a distressed  
6 community into a distressed community, or which  
7 commences operations in a distressed community  
8 on or after January 1, 1999, and in either case  
9 has more than seventy-five percent of its  
employees at the facility in the distressed

community, and which has fewer than one hundred employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical devices, scientific research, animal research, computer software design or development, computer programming, including internet, web hosting, and other information technology, wireless or wired or other telecommunications or a professional firm shall receive a forty percent credit against income taxes owed pursuant to chapter 143, 147 or 148, other than taxes withheld pursuant to sections 143.191 to 143.265, for each of the three years after such move, if approved by the department of economic development, which shall issue a certificate of eligibility if the department determines that the taxpayer is eligible for such credit. The maximum amount of credits per taxpayer set forth in this subsection shall not exceed one hundred twenty-five thousand dollars for each of the three years for which the credit is claimed. The department of economic development, by means of rule or regulation promulgated pursuant to the provisions of chapter 536, shall assign appropriate North American Industry Classification System numbers to the companies which are eligible for the tax credits provided for in this section. Such three-year credits shall be awarded only one time to any company which moves its operations from outside of Missouri or outside of a distressed community into a distressed community or to a company which commences operations within a distressed community. A taxpayer shall file an application for certification of the tax credits for the first year in which credits are claimed and for each of the two succeeding taxable years for which credits are claimed.

2. Employees of such facilities physically working and earning wages for that work within a distressed community whose employers have been approved for tax credits pursuant to subsection 1 of this section by the department of economic development for whom payroll taxes are paid

54 shall also be eligible to receive a tax credit  
55 against individual income tax, imposed pursuant  
56 to chapter 143, equal to one and one-half  
57 percent of their gross salary paid at such  
58 facility earned for each of the three years that  
59 the facility receives the tax credit provided by  
60 this section, so long as they were qualified  
61 employees of such entity. The employer shall  
62 calculate the amount of such credit and shall  
63 report the amount to the employee and the  
64 department of revenue.

65 3. A tax credit against income taxes owed  
66 pursuant to chapter 143, 147 or 148, other than  
67 the taxes withheld pursuant to sections 143.191  
68 to 143.265, in lieu of the credit against income  
69 taxes as provided in subsection 1 of this  
70 section, may be taken by such an entity in a  
71 distressed community in an amount of forty  
72 percent of the amount of funds expended for  
73 computer equipment and its maintenance, medical  
74 laboratories and equipment, research laboratory  
75 equipment, manufacturing equipment, fiber optic  
76 equipment, high speed telecommunications, wiring  
77 or software development expense up to a maximum  
78 of seventy-five thousand dollars in tax credits  
79 for such equipment or expense per year per  
80 entity and for each of three years after  
81 commencement in or moving operations into a  
82 distressed community.

83 4. A corporation, partnership or sole  
84 partnership, which has no more than one hundred  
85 employees for whom payroll taxes are paid, which  
86 is already located in a distressed community and  
87 which expends funds for such equipment pursuant  
88 to subsection 3 of this section in an amount  
89 exceeding its average of the prior two years for  
90 such equipment, shall be eligible to receive a  
91 tax credit against income taxes owed pursuant to  
92 chapters 143, 147 and 148 in an amount equal to  
93 the lesser of seventy-five thousand dollars or  
94 twenty-five percent of the funds expended for  
95 such additional equipment per such entity. Tax  
96 credits allowed pursuant to this subsection or  
97 subsection 1 of this section may be carried back

98 to any of the three prior tax years and carried  
99 forward to any of the next five tax years.

100 5. An existing corporation, partnership or  
101 sole proprietorship that is located within a  
102 distressed community and that relocates  
103 employees from another facility outside of the  
104 distressed community to its facility within the  
105 distressed community, and an existing business  
106 located within a distressed community that hires  
107 new employees for that facility may both be  
108 eligible for the tax credits allowed by  
109 subsections 1 and 3 of this section. To be  
110 eligible for such tax credits, such a business,  
111 during one of its tax years, shall employ within  
112 a distressed community at least twice as many  
113 employees as were employed at the beginning of  
114 that tax year. A business hiring employees  
115 shall have no more than one hundred employees  
116 before the addition of the new employees. This  
117 subsection shall only apply to a business which  
118 is a manufacturing, biomedical, medical devices,  
119 scientific research, animal research, computer  
120 software design or development, computer  
121 programming or telecommunications business, or a  
122 professional firm.

123 6. Tax credits shall be approved for  
124 applicants meeting the requirements of this  
125 section in the order that such applications are  
126 received. Certificates of tax credits issued in  
127 accordance with this section may be transferred,  
128 sold or assigned by notarized endorsement which  
129 names the transferee.

130 7. The tax credits allowed pursuant to  
131 subsections 1, 2, 3, 4 and 5 of this section  
132 shall be for an amount of no more than ten  
133 million dollars for each year beginning in  
134 1999. The total maximum credit for all entities  
135 already located in distressed communities and  
136 claiming credits pursuant to subsection 4 of  
137 this section shall be seven hundred and fifty  
138 thousand dollars. The department of economic  
139 development in approving taxpayers for the  
140 credit as provided for in subsection 6 of this  
141 section shall use information provided by the

department of revenue regarding taxes paid in the previous year, or projected taxes for those entities newly established in the state, as the method of determining when this maximum will be reached and shall maintain a record of the order of approval. Any tax credit not used in the period for which the credit was approved may be carried over until the full credit has been allowed.

8. A Missouri employer relocating into a distressed community and having employees covered by a collective bargaining agreement at the facility from which it is relocating shall not be eligible for the credits in subsection 1, 3, 4 or 5 of this section, and its employees shall not be eligible for the credit in subsection 2 of this section if the relocation violates or terminates a collective bargaining agreement covering employees at the facility, unless the affected collective bargaining unit concurs with the move.

9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and 135.245, respectively, for the same business for the same tax period.]

[135.545. A taxpayer shall be allowed a credit for taxes paid pursuant to chapter 143, 147 or 148 in an amount equal to fifty percent of a qualified investment in transportation development for aviation, mass transportation, including parking facilities for users of mass transportation, railroads, ports, including parking facilities and limited access roads within ports, waterborne transportation, bicycle and pedestrian paths, or rolling stock located in a distressed community as defined in section 135.530, and which are part of a development plan approved by the appropriate local agency. If the department of economic development



determines the investment has been so approved, the department shall grant the tax credit in order of date received. A taxpayer may carry forward any unused tax credit for up to ten years and may carry it back for the previous three years until such credit has been fully claimed. Certificates of tax credit issued in accordance with this section may be transferred, sold or assigned by notarized endorsement which names the transferee. The tax credits allowed pursuant to this section shall be for an amount of no more than ten million dollars for each year. This credit shall apply to returns filed for all taxable years beginning on or after January 1, 1999. Any unused portion of the tax credit authorized pursuant to this section shall be available for use in the future by those entities until fully claimed. For purposes of this section, a "taxpayer" shall include 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.]

[135.546. For all tax years beginning on or after January 1, 2005, no tax credits shall be approved, awarded, or issued to any person or entity claiming any tax credit under section 135.545; if an organization has been allocated credits for contribution-based credits prior to January 1, 2005, the organization may issue such credits prior to January 1, 2007, for qualified contributions.]

[135.679. 1. This section shall be known and may be cited as the "Qualified Beef Tax Credit Act".

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

(1) "Agricultural property", any real and personal property, including but not limited to buildings, structures, improvements, equipment, and livestock, that is used in or is to be used in this state by residents of this state for:

11 (a) The operation of a farm or ranch; and  
12 (b) Grazing, feeding, or the care of  
13 livestock;

14 (2) "Authority", the agricultural and  
15 small business development authority established  
16 in chapter 348;

17 (3) "Backgrounded", any additional weight  
18 at the time of the first qualifying sale, before  
19 being finished, above the established baseline  
20 weight;

21 (4) "Baseline weight", the average weight  
22 in the immediate past two years of all beef  
23 animals sold that are thirty months of age or  
24 younger, categorized by sex. Baseline weight  
25 for qualified beef animals that are physically  
26 out-of-state but whose ownership is retained by  
27 a resident of this state shall be established by  
28 the average transfer weight in the immediate  
29 past two years of all beef animals that are  
30 thirty months of age or younger and that are  
31 transferred out-of-state but whose ownership is  
32 retained by a resident of this state,  
33 categorized by sex. The established baseline  
34 weight shall be effective for a period of three  
35 years. If the taxpayer is a qualifying beef  
36 animal producer with fewer than two years of  
37 production, the baseline weight shall be  
38 established by the available average weight in  
39 the immediate past year of all beef animals sold  
40 that are thirty months of age or younger,  
41 categorized by sex. If the qualifying beef  
42 animal producer has no previous production, the  
43 baseline weight shall be established by the  
44 authority;

45 (5) "Finished", the period from  
46 backgrounded to harvest;

47 (6) "Qualifying beef animal", any beef  
48 animal that is certified by the authority, that  
49 was born in this state after August 28, 2008,  
50 that was raised and backgrounded or finished in  
51 this state by the taxpayer, excluding any beef  
52 animal more than thirty months of age as  
53 verified by certified written birth records;

(7) "Qualifying sale", the first time a qualifying beef animal is sold in this state after the qualifying beef animal is backgrounded, and a subsequent sale if the weight of the qualifying beef animal at the time of the subsequent sale is greater than the weight of the qualifying beef animal at the time of the first qualifying sale of such beef animal;

(8) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 147;

(9) "Taxpayer", any individual or entity who:

(a) Is subject to the tax imposed in chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax imposed in chapter 147;

(b) In the case of an individual, is a resident of this state as verified by a 911 address or in the absence of a 911 system, a physical address; and

(c) Owns or rents agricultural property and principal place of business is located in this state.

3. (1) For all tax years beginning on or after January 1, 2009, but ending on or before December 31, 2021, a taxpayer shall be allowed a tax credit for the first qualifying sale and for a subsequent qualifying sale of all qualifying beef animals.

(2) The tax credit amount for the first qualifying sale shall be ten cents per pound for qualifying sale weights under six hundred pounds and twenty-five cents per pound for qualifying sale weights of six hundred pounds or greater, shall be based on the backgrounded weight of all qualifying beef animals at the time of the first qualifying sale, and shall be calculated as follows:

(a) If the qualifying sale weight is under six hundred pounds, the qualifying sale weight minus the baseline weight multiplied by ten cents, as long as the qualifying sale weight is

98 equal to or greater than one hundred pounds  
99 above the baseline weight; or

100 (b) If the qualifying sale weight is six  
101 hundred pounds or greater, the qualifying sale  
102 weight minus the baseline weight multiplied by  
103 twenty-five cents, as long as the qualifying  
104 sale weight is equal to or greater than one  
105 hundred pounds above the baseline weight.

106 (3) The tax credit amount for each  
107 subsequent qualifying sale shall be ten cents  
108 per pound for qualifying sale weights under six  
109 hundred pounds and twenty-five cents per pound  
110 for qualifying sale weights of six hundred  
111 pounds or greater, shall be based on the  
112 backgrounded weight of all qualifying beef  
113 animals at the time of the subsequent qualifying  
114 sale, and shall be calculated as follows:

115 (a) If the qualifying sale weight is under  
116 six hundred pounds, the qualifying sale weight  
117 minus the baseline weight multiplied by ten  
118 cents, as long as the qualifying sale weight is  
119 equal to or greater than one hundred pounds  
120 above the baseline weight; or

121 (b) If the qualifying sale weight is six  
122 hundred pounds or greater, the qualifying sale  
123 weight minus the baseline weight multiplied by  
124 twenty-five cents, as long as the qualifying  
125 sale weight is equal to or greater than one  
126 hundred pounds above the baseline weight.

127 The authority may waive no more than twenty-  
128 five percent of the one-hundred-pound weight  
129 gain requirement, but any such waiver shall be  
130 based on a disaster declaration issued by the  
131 U.S. Department of Agriculture.

132 4. The amount of the tax credit claimed  
133 shall not exceed the amount of the taxpayer's  
134 state tax liability for the tax year for which  
135 the credit is claimed. No tax credit claimed  
136 under this section shall be refundable. The tax  
137 credit shall be claimed in the tax year in which  
138 the qualifying sale of the qualifying beef  
139 occurred, but any amount of credit that the  
140 taxpayer is prohibited by this section from  
141 claiming in a tax year may be carried forward to

any of the taxpayer's four subsequent tax years. The total amount of tax credits that any taxpayer may claim shall not exceed fifteen thousand dollars per year. No taxpayer shall be allowed to claim tax credits under this section for more than three years. The amount of tax credits that may be issued to all eligible applicants claiming tax credits authorized in this section and section 135.686 in a calendar year shall not exceed two million dollars. Tax credits shall be issued on an as-received application basis until the calendar year limit is reached. Any credits not issued in any calendar year shall expire and shall not be issued in any subsequent years.

5. To claim the tax credit allowed under this section, the taxpayer shall submit to the authority an application for the tax credit on a form provided by the authority and any application fee imposed by the authority. The application shall be filed with the authority at the end of each calendar year in which a qualified sale was made and for which a tax credit is claimed under this section. The application shall include any certified documentation and information required by the authority. All required information obtained by the authority shall be confidential and not disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer and the qualified sale meet all criteria required by this section and approval is granted by the authority, the authority shall issue a tax credit certificate in the appropriate amount. Tax credit certificates issued under this section may be assigned, transferred, sold, or otherwise conveyed, and the new owner of the tax credit certificate shall have the same rights in the tax credit as the original taxpayer. Whenever a tax credit certificate is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall be filed with the authority specifying the name and address of the

new owner of the tax credit certificate or the value of the tax credit.

6. Any information provided under this section shall be confidential information, to be shared with no one except state and federal animal health officials, except as provided in subsection 5 of this section.

7. The authority shall, at least annually, submit a report to the Missouri general assembly reviewing the costs and benefits of the program established under this section.

8. The authority may promulgate rules to implement the provisions of this section. 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, 2007, shall be invalid and void.

9. This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298.]

[135.680. 1. As used in this section, the following terms shall mean:

(1) "Adjusted purchase price", the product of:

(a) The amount paid to the issuer of a qualified equity investment for such qualified equity investment; and

(b) The following fraction:

a. The numerator shall be the dollar amount of qualified low-income community investments held by the issuer in this state as

12 of the credit allowance date during the  
13 applicable tax year; and

14 b. The denominator shall be the total  
15 dollar amount of qualified low-income community  
16 investments held by the issuer in all states as  
17 of the credit allowance date during the  
18 applicable tax year;

19 c. For purposes of calculating the amount  
20 of qualified low-income community investments  
21 held by an issuer, an investment shall be  
22 considered held by an issuer even if the  
23 investment has been sold or repaid; provided  
24 that the issuer reinvests an amount equal to the  
25 capital returned to or recovered by the issuer  
26 from the original investment, exclusive of any  
27 profits realized, in another qualified low-  
28 income community investment within twelve months  
29 of the receipt of such capital. An issuer shall  
30 not be required to reinvest capital returned  
31 from qualified low-income community investments  
32 after the sixth anniversary of the issuance of  
33 the qualified equity investment, the proceeds of  
34 which were used to make the qualified low-income  
35 community investment, and the qualified low-  
36 income community investment shall be considered  
37 held by the issuer through the seventh  
38 anniversary of the qualified equity investment's  
39 issuance;

40 (2) "Applicable percentage", zero percent  
41 for each of the first two credit allowance  
42 dates, seven percent for the third credit  
43 allowance date, and eight percent for the next  
44 four credit allowance dates;

45 (3) "Credit allowance date", with respect  
46 to any qualified equity investment:

47 (a) The date on which such investment is  
48 initially made; and

49 (b) Each of the six anniversary dates of  
50 such date thereafter;

51 (4) "Long-term debt security", any debt  
52 instrument issued by a qualified community  
53 development entity, at par value or a premium,  
54 with an original maturity date of at least seven  
55 years from the date of its issuance, with no

56 acceleration of repayment, amortization, or  
57 prepayment features prior to its original  
58 maturity date, and with no distribution,  
59 payment, or interest features related to the  
60 profitability of the qualified community  
61 development entity or the performance of the  
62 qualified community development entity's  
63 investment portfolio. The foregoing shall in no  
64 way limit the holder's ability to accelerate  
65 payments on the debt instrument in situations  
66 where the issuer has defaulted on covenants  
67 designed to ensure compliance with this section  
68 or Section 45D of the Internal Revenue Code of  
69 1986, as amended;

70 (5) "Qualified active low-income community  
71 business", the meaning given such term in  
72 Section 45D of the Internal Revenue Code of  
73 1986, as amended; provided that any business  
74 that derives or projects to derive fifteen  
75 percent or more of its annual revenue from the  
76 rental or sale of real estate shall not be  
77 considered to be a qualified active low-income  
78 community business;

79 (6) "Qualified community development  
80 entity", the meaning given such term in Section  
81 45D of the Internal Revenue Code of 1986, as  
82 amended; provided that such entity has entered  
83 into an allocation agreement with the Community  
84 Development Financial Institutions Fund of the  
85 U.S. Treasury Department with respect to credits  
86 authorized by Section 45D of the Internal  
87 Revenue Code of 1986, as amended, which includes  
88 the state of Missouri within the service area  
89 set forth in such allocation agreement;

90 (7) "Qualified equity investment", any  
91 equity investment in, or long-term debt security  
92 issued by, a qualified community development  
93 entity that:

94 (a) Is acquired after September 4, 2007,  
95 at its original issuance solely in exchange for  
96 cash;

97 (b) Has at least eighty-five percent of  
98 its cash purchase price used by the issuer to



99 make qualified low-income community investments;  
100 and

101 (c) Is designated by the issuer as a  
102 qualified equity investment under this  
103 subdivision and is certified by the department  
104 of economic development as not exceeding the  
105 limitation contained in subsection 2 of this  
106 section. This term shall include any qualified  
107 equity investment that does not meet the  
108 provisions of paragraph (a) of this subdivision  
109 if such investment was a qualified equity  
110 investment in the hands of a prior holder;

111 (8) "Qualified low-income community  
112 investment", any capital or equity investment  
113 in, or loan to, any qualified active low-income  
114 community business. With respect to any one  
115 qualified active low-income community business,  
116 the maximum amount of qualified low-income  
117 community investments made in such business, on  
118 a collective basis with all of its affiliates,  
119 that may be used from the calculation of any  
120 numerator described in subparagraph a. of  
121 paragraph (b) of subdivision (1) of this  
122 subsection shall be ten million dollars whether  
123 issued to one or several qualified community  
124 development entities;

125 (9) "Tax credit", a credit against the tax  
126 otherwise due under chapter 143, excluding  
127 withholding tax imposed in sections 143.191 to  
128 143.265, or otherwise due under section 375.916  
129 or chapter 147, 148, or 153;

130 (10) "Taxpayer", any individual or entity  
131 subject to the tax imposed in chapter 143,  
132 excluding withholding tax imposed in sections  
133 143.191 to 143.265, or the tax imposed in  
134 section 375.916 or chapter 147, 148, or 153.

135 2. A taxpayer that makes a qualified  
136 equity investment earns a vested right to tax  
137 credits under this section. On each credit  
138 allowance date of such qualified equity  
139 investment the taxpayer, or subsequent holder of  
140 the qualified equity investment, shall be  
141 entitled to a tax credit during the taxable year  
142 including such credit allowance date. The tax

credit amount shall be equal to the applicable percentage of the adjusted purchase price paid to the issuer of such qualified equity investment. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the tax year for which the tax credit is claimed. No tax credit claimed under this section shall be refundable or transferable. Tax credits earned by a partnership, limited liability company, S-corporation, or other pass-through entity may be allocated to the partners, members, or shareholders of such entity for their direct use in accordance with the provisions of any agreement among such partners, members, or shareholders. Any amount of tax credit that the taxpayer is prohibited by this section from claiming in a taxable year may be carried forward to any of the taxpayer's five subsequent taxable years. The department of economic development shall limit the monetary amount of qualified equity investments permitted under this section to a level necessary to limit tax credit utilization at no more than twenty-five million dollars of tax credits in any fiscal year. Such limitation on qualified equity investments shall be based on the anticipated utilization of credits without regard to the potential for taxpayers to carry forward tax credits to later tax years.

3. The issuer of the qualified equity investment shall certify to the department of economic development the anticipated dollar amount of such investments to be made in this state during the first twelve-month period following the initial credit allowance date. If on the second credit allowance date, the actual dollar amount of such investments is different than the amount estimated, the department of economic development shall adjust the credits arising on the second allowance date to account for such difference.

4. The department of economic development shall recapture the tax credit allowed under

187 this section with respect to such qualified  
188 equity investment under this section if:

189 (1) Any amount of the federal tax credit  
190 available with respect to a qualified equity  
191 investment that is eligible for a tax credit  
192 under this section is recaptured under Section  
193 45D of the Internal Revenue Code of 1986, as  
194 amended; or

195 (2) The issuer redeems or makes principal  
196 repayment with respect to a qualified equity  
197 investment prior to the seventh anniversary of  
198 the issuance of such qualified equity  
199 investment. Any tax credit that is subject to  
200 recapture shall be recaptured from the taxpayer  
201 that claimed the tax credit on a return.

202 5. The department of economic development  
203 shall promulgate rules to implement the  
204 provisions of this section, including recapture  
205 provisions on a scaled proportional basis, and  
206 to administer the allocation of tax credits  
207 issued for qualified equity investments, which  
208 shall be conducted on a first-come, first-serve  
209 basis. Any rule or portion of a rule, as that  
210 term is defined in section 536.010, that is  
211 created under the authority delegated in this  
212 section shall become effective only if it  
213 complies with and is subject to all of the  
214 provisions of chapter 536 and, if applicable,  
215 section 536.028. This section and chapter 536  
216 are nonseverable and if any of the powers vested  
217 with the general assembly pursuant to chapter  
218 536 to review, to delay the effective date, or  
219 to disapprove and annul a rule are subsequently  
220 held unconstitutional, then the grant of  
221 rulemaking authority and any rule proposed or  
222 adopted after September 4, 2007, shall be  
223 invalid and void.

224 6. For fiscal years following fiscal year  
225 2010, qualified equity investments shall not be  
226 made under this section unless reauthorization  
227 is made pursuant to this subsection. For all  
228 fiscal years following fiscal year 2010, unless  
229 the general assembly adopts a concurrent  
230 resolution granting authority to the department

of economic development to approve qualified equity investments for the Missouri new markets development program and clearly describing the amount of tax credits available for the next fiscal year, or otherwise complies with the provisions of this subsection, no qualified equity investments may be permitted to be made under this section. The amount of available tax credits contained in such a resolution shall not exceed the limitation provided under subsection 2 of this section. In any year in which the provisions of this section shall sunset pursuant to subsection 7 of this section, reauthorization shall be made by general law and not by concurrent resolution. Nothing in this subsection shall preclude a taxpayer who makes a qualified equity investment prior to the expiration of authority to make qualified equity investments from claiming tax credits relating to such qualified equity investment for each applicable credit allowance date.

7. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after September 4, 2007, unless reauthorized by an act of the general assembly; and

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

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset. However, nothing in this subsection shall preclude a taxpayer who makes a qualified equity investment prior to sunset of this section under the provisions of section 23.253 from claiming tax credits relating to such qualified equity investment for each credit allowance date.]

[135.682. 1. The director of the department of economic development or the director's designee shall issue letter rulings regarding the tax credit program authorized under section 135.680, subject to the terms and conditions set forth in this section. The director of the department of economic development may impose additional terms and conditions consistent with this section to requests for letter rulings by regulation promulgated under chapter 536. For the purposes of this section, the term "letter ruling" means a written interpretation of law to a specific set of facts provided by the applicant requesting a letter ruling.

2. The director or director's designee shall respond to a request for a letter ruling within sixty days of receipt of such request. The applicant may provide a draft letter ruling for the department's consideration. The applicant may withdraw the request for a letter ruling, in writing, prior to the issuance of the letter ruling. The director or the director's designee may refuse to issue a letter ruling for good cause, but must list the specific reasons for refusing to issue the letter ruling. Good cause includes, but is not limited to:

(1) The applicant requests the director to determine whether a statute is constitutional or a regulation is lawful;

(2) The request involves a hypothetical situation or alternative plans;

(3) The facts or issues presented in the request are unclear, overbroad, insufficient, or otherwise inappropriate as a basis upon which to issue a letter ruling; and

(4) The issue is currently being considered in a rulemaking procedure, contested case, or other agency or judicial proceeding that may definitely resolve the issue.

3. Letter rulings shall bind the director and the director's agents and their successors until such time as the taxpayer or its shareholders, members, or partners, as

45 applicable, claim all of such tax credits on a  
46 Missouri tax return, subject to the terms and  
47 conditions set forth in properly published  
48 regulations. The letter ruling shall apply only  
49 to the applicant.

50 4. Letter rulings issued under the  
51 authority of this section shall not be a rule as  
52 defined in section 536.010 in that it is an  
53 interpretation issued by the department with  
54 respect to a specific set of facts and intended  
55 to apply only to that specific set of facts, and  
56 therefore shall not be subject to the rulemaking  
57 requirements of chapter 536.

58 5. Information in letter ruling requests  
59 as described in section 620.014 shall be closed  
60 to the public. Copies of letter rulings shall  
61 be available to the public provided that the  
62 applicant identifying information and otherwise  
63 protected information is redacted from the  
64 letter ruling as provided in subsection 1 of  
65 section 610.024.]

2 [135.700. For all tax years beginning on  
3 or after January 1, 1999, a grape grower or wine  
4 producer shall be allowed a tax credit against  
5 the state tax liability incurred pursuant to  
6 chapter 143, exclusive of the provisions  
7 relating to the withholding of tax as provided  
8 in sections 143.191 to 143.265, in an amount  
9 equal to twenty-five percent of the purchase  
10 price of all new equipment and materials used  
11 directly in the growing of grapes or the  
12 production of wine in the state. Each grower or  
13 producer shall apply to the department of  
14 economic development and specify the total  
15 amount of such new equipment and materials  
16 purchased during the calendar year. The  
17 department of economic development shall certify  
18 to the department of revenue the amount of such  
19 tax credit to which a grape grower or wine  
20 producer is entitled pursuant to this section.  
21 The provisions of this section notwithstanding,  
a grower or producer may only apply for and

22 receive the credit authorized by this section  
23 for five tax periods.]

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

3 (1) "Alternative fuel vehicle refueling  
4 property", property in this state owned by an  
5 eligible applicant and used for storing  
6 alternative fuels and for dispensing such  
7 alternative fuels into fuel tanks of motor  
8 vehicles owned by such eligible applicant or  
9 private citizens;

10 (2) "Alternative fuels", any motor fuel at  
11 least seventy percent of the volume of which  
12 consists of one or more of the following:

- 13 (a) Ethanol;
- 14 (b) Natural gas;
- 15 (c) Compressed natural gas, or CNG;
- 16 (d) Liquefied natural gas, or LNG;
- 17 (e) Liquefied petroleum gas, or LP gas,  
18 propane, or autogas;
- 19 (f) Any mixture of biodiesel and diesel  
20 fuel, without regard to any use of kerosene;
- 21 (g) Hydrogen;

22 (3) "Department", the department of  
23 economic development;

24 (4) "Electric vehicle recharging  
25 property", property in this state owned by an  
26 eligible applicant and used for recharging  
27 electric motor vehicles owned by such eligible  
28 applicant or private citizens;

29 (5) "Eligible applicant", a business  
30 entity or private citizen that is the owner of  
31 an electric vehicle recharging property or an  
32 alternative fuel vehicle refueling property;

33 (6) "Qualified Missouri contractor", a  
34 contractor whose principal place of business is  
35 located in Missouri and has been located in  
36 Missouri for a period of not less than five  
37 years;

38 (7) "Qualified property", an electric  
39 vehicle recharging property or an alternative  
40 fuel vehicle refueling property which, if  
41 constructed after August 28, 2014, was

constructed with at least fifty-one percent of the costs being paid to qualified Missouri contractors for the:

(a) Fabrication of premanufactured equipment or process piping used in the construction of such facility;

(b) Construction of such facility; and

(c) General maintenance of such facility during the time period in which such facility receives any tax credit under this section.

If no qualified Missouri contractor is located within seventy-five miles of the property, the requirement that fifty-one percent of the costs shall be paid to qualified Missouri contractors shall not apply.

2. For all tax years beginning on or after January 1, 2015, but before January 1, 2018, any eligible applicant who installs and operates a qualified property shall be allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or due under chapter 147 or chapter 148 for any tax year in which the applicant is constructing the qualified property. The credit allowed in this section per eligible applicant who is a private citizen shall not exceed fifteen hundred dollars or per eligible applicant that is a business entity shall not exceed the lesser of twenty thousand dollars or twenty percent of the total costs directly associated with the purchase and installation of any alternative fuel storage and dispensing equipment or any recharging equipment on any qualified property, which shall not include the following:

(1) Costs associated with the purchase of land upon which to place a qualified property;

(2) Costs associated with the purchase of an existing qualified property; or

(3) Costs for the construction or purchase of any structure.

3. Tax credits allowed by this section shall be claimed by the eligible applicant at the time such applicant files a return for the



86 tax year in which the storage and dispensing or  
87 recharging facilities were placed in service at  
88 a qualified property, and shall be applied  
89 against the income tax liability imposed by  
90 chapter 143, chapter 147, or chapter 148 after  
91 all other credits provided by law have been  
92 applied. The cumulative amount of tax credits  
93 which may be claimed by eligible applicants  
94 claiming all credits authorized in this section  
95 shall not exceed one million dollars in any  
96 calendar year, subject to appropriations.

97 4. If the amount of the tax credit exceeds  
98 the eligible applicant's tax liability, the  
99 difference shall not be refundable. Any amount  
100 of credit that an eligible applicant is  
101 prohibited by this section from claiming in a  
102 taxable year may be carried forward to any of  
103 such applicant's two subsequent taxable years.  
104 Tax credits allowed under this section may be  
105 assigned, transferred, sold, or otherwise  
106 conveyed.

107 5. Any qualified property, for which an  
108 eligible applicant receives tax credits under  
109 this section, which ceases to sell alternative  
110 fuel or recharge electric vehicles shall cause  
111 the forfeiture of such eligible applicant's tax  
112 credits provided under this section for the  
113 taxable year in which the qualified property  
114 ceased to sell alternative fuel or recharge  
115 electric vehicles and for future taxable years  
116 with no recapture of tax credits obtained by an  
117 eligible applicant with respect to such  
118 applicant's tax years which ended before the  
119 sale of alternative fuel or recharging of  
120 electric vehicles ceased.

121 6. The director of revenue shall establish  
122 the procedure by which the tax credits in this  
123 section may be claimed, and shall establish a  
124 procedure by which the cumulative amount of tax  
125 credits is apportioned equally among all  
126 eligible applicants claiming the credit. To the  
127 maximum extent possible, the director of revenue  
128 shall establish the procedure described in this  
129 subsection in such a manner as to ensure that

eligible applicants can claim all the tax credits possible up to the cumulative amount of tax credits available for the taxable year. No eligible applicant claiming a tax credit under this section shall be liable for any interest or penalty for filing a tax return after the date fixed for filing such return as a result of the apportionment procedure under this subsection.

7. Any eligible applicant desiring to claim a tax credit under this section shall submit the appropriate application for such credit with the department. The application for a tax credit under this section shall include any information required by the department. The department shall review the applications and certify to the department of revenue each eligible applicant that qualifies for the tax credit.

8. The department and the department of revenue may promulgate rules to implement the provisions of this section. 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, 2008, shall be invalid and void.

9. The provisions of section 23.253 of the Missouri sunset act notwithstanding:

(1) The provisions of the new program authorized under this section shall automatically sunset three years after December 31, 2014, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall

174 automatically sunset six years after the  
175 effective date of the reauthorization of this  
176 section; and  
177 (3) This section shall terminate on  
178 December thirty-first of the calendar year  
179 immediately following the calendar year in which  
180 the program authorized under this section is  
181 sunset; and  
182 (4) The provisions of this subsection  
183 shall not be construed to limit or in any way  
184 impair the department's ability to redeem tax  
185 credits authorized on or before the date the  
186 program authorized under this section expires or  
187 a taxpayer's ability to redeem such tax credits.]

2 [135.766. An eligible small business, as  
3 defined in Section 44 of the Internal Revenue  
4 Code, shall be allowed a credit against the tax  
5 otherwise due pursuant to chapter 143, not  
6 including sections 143.191 to 143.265, in an  
7 amount equal to any amount paid by the eligible  
8 small business to the United States Small  
9 Business Administration as a guaranty fee  
10 pursuant to obtaining Small Business  
11 Administration guaranteed financing and to  
12 programs administered by the United States  
13 Department of Agriculture for rural development  
14 or farm service agencies. No tax credits  
15 provided under this section shall be authorized  
16 on or after the thirtieth day following the  
17 effective date of this act. The provisions of  
18 this subsection shall not be construed to limit  
19 or in any way impair the department's ability to  
20 issue tax credits authorized prior to the  
21 thirtieth day following the effective date of  
22 this act, or a taxpayer's ability to redeem such  
tax credits.]

2 [135.950. The following terms, whenever  
3 used in sections 135.950 to 135.970 mean:  
4 (1) "Average wage", the new payroll  
5 divided by the number of new jobs;  
6 (2) "Blighted area", the same meaning as  
defined pursuant to section 99.805;

7           (3) "Board", an enhanced enterprise zone  
8 board established pursuant to section 135.957;

9           (4) "Commencement of commercial  
10 operations" shall be deemed to occur during the  
11 first taxable year for which the new business  
12 facility is first put into use by the taxpayer  
13 in the enhanced business enterprise in which the  
14 taxpayer intends to use the new business  
15 facility;

16          (5) "County average wage", the average  
17 wages in each county as determined by the  
18 department for the most recently completed full  
19 calendar year. However, if the computed county  
20 average wage is above the statewide average  
21 wage, the statewide average wage shall be deemed  
22 the county average wage for such county for the  
23 purpose of determining eligibility. The  
24 department shall publish the county average wage  
25 for each county at least annually.

26 Notwithstanding the provisions of this  
27 subdivision to the contrary, for any taxpayer  
28 that in conjunction with their project is  
29 relocating employees from a Missouri county with  
30 a higher county average wage, such taxpayer  
31 shall obtain the endorsement of the governing  
32 body of the community from which jobs are being  
33 relocated or the county average wage for their  
34 project shall be the county average wage for the  
35 county from which the employees are being  
36 relocated;

37          (6) "Department", the department of  
38 economic development;

39          (7) "Director", the director of the  
40 department of economic development;

41          (8) "Employee", a person employed by the  
42 enhanced business enterprise that is scheduled  
43 to work an average of at least one thousand  
44 hours per year, and such person at all times has  
45 health insurance offered to him or her, which is  
46 partially paid for by the employer;

47          (9) "Enhanced business enterprise", an  
48 industry or one of a cluster of industries that  
49 is either:

(a) Identified by the department as critical to the state's economic security and growth; or

(b) Will have an impact on industry cluster development, as identified by the governing authority in its application for designation of an enhanced enterprise zone and approved by the department; but excluding gambling establishments (NAICS industry group 7132), retail trade (NAICS sectors 44 and 45), educational services (NAICS sector 61), religious organizations (NAICS industry group 8131), public administration (NAICS sector 92), and food and drinking places (NAICS subsector 722), however, notwithstanding provisions of this section to the contrary, headquarters or administrative offices of an otherwise excluded business may qualify for benefits if the offices serve a multistate territory. In the event a national, state, or regional headquarters operation is not the predominant activity of a project facility, the new jobs and investment of such headquarters operation is considered eligible for benefits under this section if the other requirements are satisfied. Service industries may be eligible only if a majority of its annual revenues will be derived from out of the state;

(10) "Existing business facility", any facility in this state which was employed by the taxpayer claiming the credit in the operation of an enhanced business enterprise immediately prior to an expansion, acquisition, addition, or replacement;

(11) "Facility", any building used as an enhanced business enterprise located within an enhanced enterprise zone, including the land on which the facility is located and all machinery, equipment, and other real and depreciable tangible personal property acquired for use at and located at or within such facility and used in connection with the operation of such facility;

(12) "Facility base employment", the greater of the number of employees located at the 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 employees located at the facility, or in the event the project facility has not been in operation for a full twelve-month period, the average number of employees for the number of months the facility has been in operation prior to the date of the notice of intent;

(13) "Facility base payroll", the total amount of taxable wages paid by the enhanced business enterprise to employees of the enhanced business enterprise located at the facility in the twelve months prior to the notice of intent, not including the payroll of owners of the enhanced business enterprise unless the enhanced business enterprise is participating in an employee stock ownership plan. For the purposes of calculating the benefits under this program, the amount of base payroll shall increase each year based on the consumer price index or other comparable measure, as determined by the department;

(14) "Governing authority", the body holding primary legislative authority over a county or incorporated municipality;

(15) "Megaproject", any manufacturing or assembling facility, approved by the department for construction and operation within an enhanced enterprise zone, which satisfies the following:

(a) The new capital investment is projected to exceed three hundred million dollars over a period of eight years from the date of approval by the department;

(b) The number of new jobs is projected to exceed one thousand over a period of eight years beginning on the date of approval by the department;

(c) The average wage of new jobs to be created shall exceed the county average wage;

(d) The taxpayer shall offer health insurance to all new jobs and pay at least eighty percent of such insurance premiums; and

(e) An acceptable plan of repayment, to the state, of the tax credits provided for the megaproject has been provided by the taxpayer;

(16) "NAICS", the 1997 edition of the North American Industry Classification System as prepared by the Executive Office of the President, Office of Management and Budget. Any NAICS sector, subsector, industry group or industry identified in this section shall include its corresponding classification in subsequent federal industry classification systems;

(17) "New business facility", a facility that does not produce or generate electrical energy from a renewable energy resource and satisfies the following requirements:

(a) Such facility is employed by the taxpayer in the operation of an enhanced business enterprise. Such facility shall not be considered a new business facility in the hands of the taxpayer if the taxpayer's only activity with respect to such facility is to lease it to another person or persons. If the taxpayer employs only a portion of such facility in the operation of an enhanced business enterprise, and leases another portion of such facility to another person or persons or does not otherwise use such other portions in the operation of an enhanced business enterprise, the portion employed by the taxpayer in the operation of an enhanced business enterprise shall be considered a new business facility, if the requirements of paragraphs (b), (c), and (d) of this subdivision are satisfied;

(b) Such facility is acquired by, or leased to, the taxpayer after December 31, 2004. A facility shall be deemed to have been acquired by, or leased to, the taxpayer after December 31, 2004, if the transfer of title to the taxpayer, the transfer of possession pursuant to a binding contract to transfer title to the

taxpayer, or the commencement of the term of the lease to the taxpayer occurs after December 31, 2004;

(c) If such facility was acquired by the taxpayer from another taxpayer and such facility was employed immediately prior to the acquisition by another taxpayer in the operation of an enhanced business enterprise, the operation of the same or a substantially similar enhanced business enterprise is not continued by the taxpayer at such facility; and

(d) Such facility is not a replacement business facility, as defined in subdivision (27) of this section;

(18) "New business facility employee", an employee of the taxpayer in the operation of a new business facility during the taxable year for which the credit allowed by section 135.967 is claimed, except that truck drivers and rail and barge vehicle operators and other operators of rolling stock for hire shall not constitute new business facility employees;

(19) "New business facility investment", the value of real and depreciable tangible personal property, acquired by the taxpayer as part of the new business facility, which is used by the taxpayer in the operation of the new business facility, during the taxable year for which the credit allowed by 135.967 is claimed, except that trucks, truck-trailers, truck semitrailers, rail vehicles, barge vehicles, aircraft and other rolling stock for hire, track, switches, barges, bridges, tunnels, and rail yards and spurs shall not constitute new business facility investments. The total value of such property during such taxable year shall be:

(a) Its original cost if owned by the taxpayer; or

(b) Eight times the net annual rental rate, if leased by the taxpayer. The net annual rental rate shall be the annual rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from subrentals. The



new business facility investment shall be determined by dividing by twelve the sum of the total value of such property on the last business day of each calendar month of the taxable year. If the new business facility is in operation for less than an entire taxable year, the new business facility investment shall be determined by dividing the sum of the total value of such property on the last business day of each full calendar month during the portion of such taxable year during which the new business facility was in operation by the number of full calendar months during such period;

(20) "New job", the number of employees located at the facility that exceeds the facility base employment less any decrease in the number of the 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;

(21) "Notice of intent", a form developed by the department which is completed by the enhanced business enterprise and submitted to the department which states the enhanced business enterprise's intent to hire new jobs and request benefits under such program;

(22) "Related facility", a facility operated by the enhanced business enterprise or a related company in this state that is directly related to the operation of the project facility;

(23) "Related facility base employment", the greater of:

(a) The number of employees located at all related facilities on the date of the notice of intent; or

(b) For the twelve-month period prior to the date of the notice of intent, the average number of employees located at all related facilities of the enhanced business enterprise or a related company located in this state;

(24) "Related taxpayer":

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

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

(c) A corporation, partnership, trust or association controlled by an individual, corporation, partnership, trust or association in control of the taxpayer. "Control of a corporation" shall mean 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, "control of a partnership or association" shall mean ownership of at least fifty percent of the capital or profits interest in such partnership or association, and "control of a trust" shall mean ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such trust; ownership shall be determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

(25) "Renewable energy generation zone", an area which has been found, by a resolution or ordinance adopted by the governing authority having jurisdiction of such area, to be a blighted area and which contains land, improvements, or a lock and dam site which is unutilized or underutilized for the production, generation, conversion, and conveyance of electrical energy from a renewable energy resource;

(26) "Renewable energy resource", shall include:

- (a) Wind;
- (b) Solar thermal sources or photovoltaic cells and panels;
- (c) Dedicated crops grown for energy production;
- (d) Cellulosic agricultural residues;
- (e) Plant residues;
- (f) Methane from landfills, agricultural operations, or wastewater treatment;
- (g) Thermal depolymerization or pyrolysis for converting waste material to energy;

(h) Clean and untreated wood such as pallets;

(i) Hydroelectric power, which shall include electrical energy produced or generated by hydroelectric power generating equipment, as such term is defined in section 137.010;

(j) Fuel cells using hydrogen produced by one or more of the renewable resources provided in paragraphs (a) to (i) of this subdivision; or

(k) Any other sources of energy, not including nuclear energy, that are certified as renewable by rule by the department of economic development;

(27) "Replacement business facility", a facility otherwise described in subdivision (17) of this section, hereafter referred to in this subdivision as "new facility", which replaces another facility, hereafter referred to in this subdivision as "old facility", located within the state, which the taxpayer or a related taxpayer previously operated but discontinued operating on or before the close of the first taxable year for which the credit allowed by this section is claimed. A new facility shall be deemed to replace an old facility if the following conditions are met:

(a) The old facility was operated by the taxpayer or a related taxpayer during the taxpayer's or related taxpayer's taxable period immediately preceding the taxable year in which commencement of commercial operations occurs at the new facility; and

(b) The old facility was employed by the taxpayer or a related taxpayer in the operation of an enhanced business enterprise and the taxpayer continues the operation of the same or substantially similar enhanced business enterprise at the new facility. Notwithstanding the preceding provisions of this subdivision, a facility shall not be considered a replacement business facility if the taxpayer's new business facility investment, as computed in subdivision (19) of this section, in the new facility during the tax period for which the credits allowed in

356 section 135.967 are claimed exceed one million  
357 dollars and if the total number of employees at  
358 the new facility exceeds the total number of  
359 employees at the old facility by at least two;

360 (28) "Same or substantially similar  
361 enhanced business enterprise", an enhanced  
362 business enterprise in which the nature of the  
363 products produced or sold, or activities  
364 conducted, are similar in character and use or  
365 are produced, sold, performed, or conducted in  
366 the same or similar manner as in another  
367 enhanced business enterprise.]

2 [135.953. 1. For purposes of sections  
3 135.950 to 135.970, an area shall meet the  
4 following criteria in order to qualify as an  
5 enhanced enterprise zone:

6 (1) The area shall be a blighted area,  
7 have pervasive poverty, unemployment and general  
8 distress; and

9 (2) At least sixty percent of the  
10 residents living in the area have incomes below  
11 ninety percent of the median income of all  
12 residents:

13 (a) Within the state of Missouri,  
14 according to the last decennial census or other  
15 appropriate source as approved by the director;  
16 or

17 (b) Within the county or city not within a  
18 county in which the area is located, according  
19 to the last decennial census or other  
20 appropriate source as approved by the director;  
21 and

22 (3) The resident population of the area  
23 shall be at least five hundred but not more than  
24 one hundred thousand at the time of designation  
25 as an enhanced enterprise zone if the area lies  
26 within a metropolitan statistical area, as  
27 established by the United States Census Bureau,  
28 or if the area does not lie within a  
29 metropolitan statistical area, the resident  
30 population of the area at the time of  
31 designation shall be at least five hundred but  
not more than forty thousand inhabitants. If

the population of the jurisdiction of the governing authority does not meet the minimum population requirements set forth in this subdivision, the population of the area must be at least fifty percent of the population of the jurisdiction. However, no enhanced enterprise zone shall be created which consists of the total area within the political boundaries of a county;

(4) The level of unemployment of persons, according to the most recent data available from the United States Bureau of Census and approved by the director, within the area is equal to or exceeds the average rate of unemployment for:

(a) The state of Missouri over the previous twelve months; or

(b) The county or city not within a county over the previous twelve months; and

(5) No finding of blight under this chapter shall be used to meet the conditions for blight under any other statute of this state.

2. Notwithstanding the requirements of subsection 1 of this section to the contrary, an enhanced enterprise zone may be established in an area located within a county for which public and individual assistance has been requested by the governor pursuant to Section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121, et seq., for an emergency proclaimed by the governor pursuant to section 44.100 due to a natural disaster of major proportions, if the area to be designated is blighted and sustained severe damage as a result of such natural disaster, as determined by the state emergency management agency. An application for designation as an enhanced enterprise zone pursuant to this subsection shall be made before the expiration of one year from the date the governor requested federal relief for the area sought to be designated.

3. Notwithstanding the requirements of subsection 1 of this section to the contrary, an enhanced enterprise zone may be designated in a county of declining population if it meets the

requirements of subdivisions (1), (3) and either (2) or (4) of subsection 1 of this section. For the purposes of this subsection, a "county of declining population" is one that has lost one percent or more of its population as demonstrated by comparing the most recent decennial census population to the next most recent decennial census population for the county.

4. In addition to meeting the requirements of subsection 1, 2, or 3 of this section, an area, to qualify as an enhanced enterprise zone, shall be demonstrated by the governing authority to have either:

(1) The potential to create sustainable jobs in a targeted industry; or

(2) A demonstrated impact on local industry cluster development.

5. Notwithstanding the requirements of subsections 1 and 4 of this section to the contrary, a renewable energy generation zone may be designated as an enhanced enterprise zone if the renewable energy generation zone meets the criteria set forth in subdivision (25) of section 135.950.]

[135.957. 1. A governing authority planning to seek designation of an enhanced enterprise zone shall establish an enhanced enterprise zone board. The number of members on the board shall be seven. One member of the board shall be appointed by the school district or districts located within the area proposed for designation as an enhanced enterprise zone. One member of the board shall be appointed by other affected taxing districts. The remaining five members shall be chosen by the chief elected official of the county or municipality.

2. The school district member and the affected taxing district member shall each have initial terms of five years. Of the five members appointed by the chief elected official, two shall have initial terms of four years, two shall have initial terms of three years, and one

19 shall have an initial term of two years.  
20 Thereafter, members shall serve terms of five  
21 years. Each commissioner shall hold office  
22 until a successor has been appointed. All  
23 vacancies shall be filled in the same manner as  
24 the original appointment. For inefficiency or  
25 neglect of duty or misconduct in office, a  
26 member of the board may be removed by the  
27 applicable appointing authority.

28 3. A majority of the members shall  
29 constitute a quorum of such board for the  
30 purpose of conducting business and exercising  
31 the powers of the board and for all other  
32 purposes. Action may be taken by the board upon  
33 a vote of a majority of the members present.

34 4. The members of the board annually shall  
35 elect a chair from among the members.

36 5. The role of the board shall be to  
37 conduct the activities necessary to advise the  
38 governing authority on the designation of an  
39 enhanced enterprise zone and any other advisory  
40 duties as determined by the governing  
41 authority. The role of the board after the  
42 designation of an enhanced enterprise zone shall  
43 be review and assessment of zone activities as  
44 it relates to the annual reports as set forth in  
45 section 135.960.]

[135.960. 1. Any governing authority that  
2 desires to have any portion of a city or  
3 unincorporated area of a county under its  
4 control designated as an enhanced enterprise  
5 zone shall hold a public hearing for the purpose  
6 of obtaining the opinion and suggestions of  
7 those persons who will be affected by such  
8 designation.

9 2. After a public hearing is held as  
10 required in subsection 1 of this section, the  
11 governing authority may, by a majority vote of  
12 the members of the governing authority, adopt an  
13 ordinance or resolution designating a specific  
14 area as an enhanced enterprise zone. Such  
15 ordinance shall include, in addition to a

description of the physical, social, and economic characteristics of the area:

(1) A plan to provide adequate police protection within the area;

(2) A specific and practical process for individual businesses to obtain waivers from burdensome local regulations, ordinances, and orders which serve to discourage economic development within the area to be designated an enhanced enterprise zone, except that such waivers shall not substantially endanger the health or safety of the employees of any such business or the residents of the area;

(3) A description of what other specific actions will be taken to support and encourage private investment within the area;

(4) A plan to ensure that resources are available to assist area residents to participate in increased development through self-help efforts and in ameliorating any negative effects of designation of the area as an enhanced enterprise zone;

(5) A statement describing the projected positive and negative effects of designation of the area as an enhanced enterprise zone;

(6) A specific plan to provide assistance to any person or business dislocated as a result of activities within the enhanced enterprise zone. Such plan shall determine the need of dislocated persons for relocation assistance; provide, prior to displacement, information about the type, location, and price of comparable housing or commercial property; provide information concerning state and federal programs for relocation assistance and provide other advisory services to displaced persons. Public agencies may choose to provide assistance under the Uniform Relocation and Real Property Acquisition Act, 42 U.S.C. Section 4601, et seq., to meet the requirements of this subdivision; and

(7) A description or plan that demonstrates the requirements of subsection 4 of section 135.953.



60           3. An enhanced enterprise zone designation  
61 shall expire in twenty-five years.

62           4. Each designated enhanced enterprise  
63 zone board shall report to the director on an  
64 annual basis regarding the status of the zone  
65 and business activity within the zone.】

          【135.963. 1. Improvements made to real  
2 property as such term is defined in section  
3 137.010 which are made in an enhanced enterprise  
4 zone subsequent to the date such zone or  
5 expansion thereto was designated may, upon  
6 approval of an authorizing resolution or  
7 ordinance by the governing authority having  
8 jurisdiction of the area in which the  
9 improvements are made, be exempt, in whole or in  
10 part, from assessment and payment of ad valorem  
11 taxes of one or more affected political  
12 subdivisions. Improvements made to real  
13 property, as such term is defined in section  
14 137.010, which are locally assessed and in a  
15 renewable energy generation zone designated as  
16 an enhanced enterprise zone, subsequent to the  
17 date such enhanced enterprise zone or expansion  
18 thereto was designated, may, upon approval of an  
19 authorizing resolution or ordinance by the  
20 governing authority having jurisdiction of the  
21 area in which the improvements are made, be  
22 exempt, in whole or in part, from assessment and  
23 payment of ad valorem taxes of one or more  
24 affected political subdivisions. In addition to  
25 enhanced business enterprises, a speculative  
26 industrial or warehouse building constructed by  
27 a public entity or a private entity if the land  
28 is leased by a public entity may be subject to  
29 such exemption.

30           2. Such authorizing resolution shall  
31 specify the percent of the exemption to be  
32 granted, the duration of the exemption to be  
33 granted, and the political subdivisions to which  
34 such exemption is to apply and any other terms,  
35 conditions, or stipulations otherwise required.  
36 A copy of the resolution shall be provided to  
37 the director within thirty calendar days

38 following adoption of the resolution by the  
39 governing authority.

40 3. No exemption shall be granted until the  
41 governing authority holds a public hearing for  
42 the purpose of obtaining the opinions and  
43 suggestions of residents of political  
44 subdivisions to be affected by the exemption  
45 from property taxes. The governing authority  
46 shall send, by certified mail, a notice of such  
47 hearing to each political subdivision in the  
48 area to be affected and shall publish notice of  
49 such hearing in a newspaper of general  
50 circulation in the area to be affected by the  
51 exemption at least twenty days prior to the  
52 hearing but not more than thirty days prior to  
53 the hearing. Such notice shall state the time,  
54 location, date, and purpose of the hearing.

55 4. Notwithstanding subsection 1 of this  
56 section, at least one-half of the ad valorem  
57 taxes otherwise imposed on subsequent  
58 improvements to real property located in an  
59 enhanced enterprise zone of enhanced business  
60 enterprises or speculative industrial or  
61 warehouse buildings as indicated in subsection 1  
62 of this section shall become and remain exempt  
63 from assessment and payment of ad valorem taxes  
64 of any political subdivision of this state or  
65 municipality thereof, if said political  
66 subdivision or municipality levies ad valorem  
67 taxes, for a period of not less than ten years  
68 following the date such improvements were  
69 assessed, provided the improved properties are  
70 used for enhanced business enterprises. The  
71 exemption for speculative buildings is subject  
72 to the approval of the governing authority for a  
73 period not to exceed two years if the building  
74 is owned by a private entity and five years if  
75 the building is owned or ground leased by a  
76 public entity. This shall not preclude the  
77 building receiving an exemption for the  
78 remaining time period established by the  
79 governing authority if it was occupied by an  
80 enhanced business enterprise. The two- and five-  
81 year time periods indicated for speculative

82 buildings shall not be an addition to the local  
83 abatement time period for such facility.

84 5. No exemption shall be granted for a  
85 period more than twenty-five years, provided,  
86 however, that during the ten years prior to the  
87 expiration of an enhanced enterprise zone no  
88 exemption shall be granted for a period of more  
89 than ten years.

90 6. The provisions of subsection 1 of this  
91 section shall not apply to improvements made to  
92 real property begun prior to August 28, 2004.

93 7. The abatement referred to in this  
94 section shall not relieve the assessor or other  
95 responsible official from ascertaining the  
96 amount of the equalized assessed value of all  
97 taxable property annually as required by section  
98 99.855, 99.957, or 99.1042 and shall not have  
99 the effect of reducing the payments in lieu of  
100 taxes referred to in subdivision (2) of  
101 subsection 1 of section 99.845, subdivision (2)  
102 of subsection 3 of section 99.957, or  
103 subdivision (2) of subsection 3 of section  
104 99.1042 unless such reduction is set forth in  
105 the plan approved by the governing body of the  
106 municipality pursuant to subdivision (1) of  
107 subsection 1 of section 99.820, section 99.942,  
108 or section 99.1027.]

2 [135.967. 1. A taxpayer who establishes a  
3 new business facility may, upon approval by the  
4 department, be allowed a credit, each tax year  
5 for up to ten tax years, in an amount determined  
6 as set forth in this section, against the tax  
7 imposed by chapter 143, excluding withholding  
8 tax imposed by sections 143.191 to 143.265. No  
9 taxpayer shall receive multiple ten-year periods  
10 for subsequent expansions at the same facility.

11 2. Notwithstanding any provision of law to  
12 the contrary, any taxpayer who establishes a new  
13 business facility in an enhanced enterprise zone  
14 and is awarded state tax credits under this  
15 section may not also receive tax credits under  
16 sections 135.100 to 135.150, sections 135.200 to  
135.286, or section 135.535, and may not

simultaneously receive tax credits under sections 620.1875 to 620.1890 at the same facility.

3. No credit shall be issued pursuant to this section unless:

(1) The number of new business facility employees engaged or maintained in employment at the new business facility for the taxable year for which the credit is claimed equals or exceeds two; and

(2) The new business facility investment for the taxable year for which the credit is claimed equals or exceeds one hundred thousand dollars.

4. The annual amount of credits allowed for an approved enhanced business enterprise shall be the lesser of:

(1) The annual amount authorized by the department for the enhanced business enterprise, which shall be limited to the projected state economic benefit, as determined by the department; or

(2) The sum calculated based upon the following:

(a) A credit of four hundred dollars for each new business facility employee employed within an enhanced enterprise zone;

(b) An additional credit of four hundred dollars for each new business facility employee who is a resident of an enhanced enterprise zone;

(c) An additional credit of four hundred dollars for each new business facility employee who is paid by the enhanced business enterprise a wage that exceeds the average wage paid within the county in which the facility is located, as determined by the department; and

(d) A credit equal to two percent of new business facility investment within an enhanced enterprise zone.

5. Prior to January 1, 2007, in no event shall the department authorize more than four million dollars annually to be issued for all enhanced business enterprises. After December 31, 2006, in no event shall the department

61 authorize more than twenty-four million dollars  
62 annually to be issued for all enhanced business  
63 enterprises.

64 6. If a facility, which does not  
65 constitute a new business facility, is expanded  
66 by the taxpayer, the expansion shall be  
67 considered eligible for the credit allowed by  
68 this section if:

69 (1) The taxpayer's new business facility  
70 investment in the expansion during the tax  
71 period in which the credits allowed in this  
72 section are claimed exceeds one hundred thousand  
73 dollars and if the number of new business  
74 facility employees engaged or maintained in  
75 employment at the expansion facility for the  
76 taxable year for which credit is claimed equals  
77 or exceeds two, and the total number of  
78 employees at the facility after the expansion is  
79 at least two greater than the total number of  
80 employees before the expansion; and

81 (2) The taxpayer's investment in the  
82 expansion and in the original facility prior to  
83 expansion shall be determined in the manner  
84 provided in subdivision (19) of section 135.950.

85 7. The number of new business facility  
86 employees during any taxable year shall be  
87 determined by dividing by twelve the sum of the  
88 number of individuals employed on the last  
89 business day of each month of such taxable  
90 year. If the new business facility is in  
91 operation for less than the entire taxable year,  
92 the number of new business facility employees  
93 shall be determined by dividing the sum of the  
94 number of individuals employed on the last  
95 business day of each full calendar month during  
96 the portion of such taxable year during which  
97 the new business facility was in operation by  
98 the number of full calendar months during such  
99 period. For the purpose of computing the credit  
100 allowed by this section in the case of a  
101 facility which qualifies as a new business  
102 facility under subsection 6 of this section, and  
103 in the case of a new business facility which  
104 satisfies the requirements of paragraph (c) of

subdivision (17) of section 135.950, or  
subdivision (25) of section 135.950, the number  
of new business facility employees at such  
facility shall be reduced by the average number  
of individuals employed, computed as provided in  
this subsection, at the facility during the  
taxable year immediately preceding the taxable  
year in which such expansion, acquisition, or  
replacement occurred and shall further be  
reduced by the number of individuals employed by  
the taxpayer or related taxpayer that was  
subsequently transferred to the new business  
facility from another Missouri facility and for  
which credits authorized in this section are not  
being earned, whether such credits are earned  
because of an expansion, acquisition,  
relocation, or the establishment of a new  
facility.

8. In the case where a new business  
facility employee who is a resident of an  
enhanced enterprise zone for less than a twelve-  
month period is employed for less than a twelve-  
month period, the credits allowed by paragraph  
(b) of subdivision (2) of subsection 4 of this  
section shall be determined by multiplying four  
hundred dollars by a fraction, the numerator of  
which is the number of calendar days during the  
taxpayer's tax year for which such credits are  
claimed, in which the employee was a resident of  
an enhanced enterprise zone, and the denominator  
of which is three hundred sixty-five.

9. For the purpose of computing the credit  
allowed by this section in the case of a  
facility which qualifies as a new business  
facility pursuant to subsection 6 of this  
section, and in the case of a new business  
facility which satisfies the requirements of  
paragraph (c) of subdivision (17) of section  
135.950 or subdivision (25) of section 135.950,  
the amount of the taxpayer's new business  
facility investment in such facility shall be  
reduced by the average amount, computed as  
provided in subdivision (19) of section 135.950  
for new business facility investment, of the

investment of the taxpayer, or related taxpayer immediately preceding such expansion or replacement or at the time of acquisition. Furthermore, the amount of the taxpayer's new business facility investment shall also be reduced by the amount of investment employed by the taxpayer or related taxpayer which was subsequently transferred to the new business facility from another Missouri facility and for which credits authorized in this section are not being earned, whether such credits are earned because of an expansion, acquisition, relocation, or the establishment of a new facility.

10. For a taxpayer with flow-through tax treatment to its members, partners, or shareholders, the credit shall be allowed to members, partners, or shareholders in proportion to their share of ownership on the last day of the taxpayer's tax period.

11. Credits may not be carried forward but shall be claimed for the taxable year during which commencement of commercial operations occurs at such new business facility, and for each of the nine succeeding taxable years for which the credit is issued.

12. Certificates of tax credit authorized by this section may be transferred, sold, or assigned by filing a notarized endorsement thereof with the department that names the transferee, the amount of tax credit transferred, and the value received for the credit, as well as any other information reasonably requested by the department. The sale price cannot be less than seventy-five percent of the par value of such credits.

13. The director of revenue shall issue a refund to the taxpayer to the extent that the amount of credits allowed in this section exceeds the amount of the taxpayer's income tax.

14. Prior to the issuance of tax credits, the department shall verify through the department of revenue, or any other state department, that the tax credit applicant does

193 not owe any delinquent income, sales, or use tax  
194 or interest or penalties on such taxes, or any  
195 delinquent fees or assessments levied by any  
196 state department and through the department of  
197 commerce and insurance that the applicant does  
198 not owe any delinquent insurance taxes. Such  
199 delinquency shall not affect the authorization  
200 of the application for such tax credits, except  
201 that the amount of credits issued shall be  
202 reduced by the applicant's tax delinquency. If  
203 the department of revenue or the department of  
204 commerce and insurance, or any other state  
205 department, concludes that a taxpayer is  
206 delinquent after June fifteenth but before July  
207 first of any year and the application of tax  
208 credits to such delinquency causes a tax  
209 deficiency on behalf of the taxpayer to arise,  
210 then the taxpayer shall be granted thirty days  
211 to satisfy the deficiency in which interest,  
212 penalties, and additions to tax shall be  
213 tolled. After applying all available credits  
214 toward a tax delinquency, the administering  
215 agency shall notify the appropriate department,  
216 and that department shall update the amount of  
217 outstanding delinquent tax owed by the  
218 applicant. If any credits remain after  
219 satisfying all insurance, income, sales, and use  
220 tax delinquencies, the remaining credits shall  
221 be issued to the applicant, subject to the  
222 restrictions of other provisions of law.]

2 [135.968. 1. A taxpayer who establishes a  
3 megaproject, approved by the department, within  
4 an enhanced enterprise zone shall, in exchange  
5 for the consideration provided by new tax  
6 revenues and other economic stimuli that will be  
7 generated from the new jobs created by the  
8 megaproject, be allowed an income tax credit  
9 equal to the percentage of actual new annual  
10 payroll of the taxpayer attributable to  
11 employees directly related to the manufacturing  
12 and assembly process and administration, as  
13 provided under subsection 4 of this section. A  
taxpayer seeking approval of a megaproject shall



14 submit an application to the department. The  
15 department shall not approve any megaproject  
16 after December 31, 2008. The department shall  
17 not approve any credits for megaprojects to be  
18 issued prior to January 1, 2013, and in no event  
19 shall the department authorize more than forty  
20 million dollars to be issued annually for all  
21 megaprojects. The total amount of credits  
22 issued under this section shall not exceed two  
23 hundred forty million dollars.

24 2. In considering applications for  
25 approval of megaprojects, the department may  
26 approve an application if:

27 (1) The taxpayer's project is financially  
28 sound and the taxpayer has adequately  
29 demonstrated an ability to successfully  
30 undertake and complete the megaproject. This  
31 determination shall be supported by a  
32 professional third-party market feasibility  
33 analysis conducted on behalf of the state by a  
34 firm with direct experience with the industry of  
35 the proposed megaproject, and by a professional  
36 third-party financial analysis of the taxpayer's  
37 ability to complete the project;

38 (2) The taxpayer's plan of repayment to  
39 the state of the amount of tax credits provided  
40 is reasonable and sound;

41 (3) The taxpayer's megaproject will create  
42 new jobs that were not jobs previously performed  
43 by employees of the taxpayer or a related  
44 taxpayer in Missouri;

45 (4) Local taxing entities are providing a  
46 significant level of incentives for the  
47 megaproject relative to the projected new local  
48 tax revenues created by the megaproject;

49 (5) There is at least one other state or  
50 foreign country that the taxpayer verifies is  
51 being considered for the project, and receiving  
52 megaproject tax credits is a major factor in the  
53 taxpayer's decision to go forward with the  
54 project and not receiving the credit will result  
55 in the taxpayer not creating new jobs in  
56 Missouri;

57           (6) The megaproject will be located in an  
58 enhanced enterprise zone which constitutes an  
59 economic or social liability and a detriment to  
60 the public health, safety, morals, or welfare in  
61 its present condition and use;

62           (7) The completion of the megaproject will  
63 serve an essential public municipal purpose by  
64 creating a substantial number of new jobs for  
65 citizens, increasing their purchasing power,  
66 improving their living conditions, and relieving  
67 the demand for unemployment and welfare  
68 assistance thereby promoting the economic  
69 development of the enhanced enterprise zone, the  
70 municipality, and the state; and

71           (8) The creation of new jobs will assist  
72 the state in providing the services needed to  
73 protect the health, safety, and social and  
74 economic well-being of the citizens of the state.

75           3. Prior to final approval of an  
76 application, a binding contract shall be  
77 executed between the taxpayer and the department  
78 of economic development which shall include, but  
79 not be limited to:

80           (1) A repayment plan providing for cash  
81 payment to the state general revenue fund which  
82 shall result in a positive internal rate of  
83 return to the state and fully comply with the  
84 provisions of the World Trade Organization  
85 Agreement on Subsidies and Countervailing  
86 Measures. The rate of return shall be  
87 commercially reasonable and, over the life of  
88 the project, exceed one hundred and fifty  
89 percent of the state's borrowing costs based on  
90 the AAA-rated twenty-year tax-exempt bond rate  
91 average over a twenty-year borrowing period.  
92 The rate shall be verified by a professional  
93 third-party financial analysis;

94           (2) The taxpayer's obligation to construct  
95 a facility of at least one million square feet  
96 within five years from the date of approval;

97           (3) A requirement that the issuance of tax  
98 credits authorized under this section shall  
99 cease and the taxpayer shall immediately submit  
100 payment, to the state general revenue fund, in

an amount equal to all credits previously issued less any amounts previously repaid, increased by an additional amount that shall provide the state a reasonable rate of return, in the event the taxpayer:

(a) Fails to construct a facility of at least one million square feet within five years of the date of approval;

(b) Fails to make a scheduled payment as required by the repayment plan; or

(c) Fails to compensate new jobs at rate equal to or in excess of the county average wage or fails to offer health insurance to all such new jobs and pay at least eighty percent of such premiums; and

(4) A requirement that the department shall suspend issuance of tax credits authorized under this section if, at any point, the total amount of tax credits issued less the total amount of repayments received equals one hundred and fifty-five million dollars.

4. Upon approval of an application by the department, tax credits shall be issued annually for a period not to exceed eight years from the commencement of commercial operations of the megaproject. The eight-year period for the issuance of megaproject tax credits may extend beyond the expiration of the enhanced enterprise zone. The maximum percentage of the annual payroll of the taxpayer for new jobs located at the megaproject which may be approved or issued by the department for tax credits shall not exceed:

(1) Eighty percent for the first three years that tax credits will be issued for the megaproject;

(2) Sixty percent for the next two subsequent years;

(3) Fifty percent for the next two subsequent years; and

(4) Thirty percent for the remaining year.

In no event shall the department issue more than forty million dollars annually in megaproject tax credits to any taxpayer. In any

given year, the amount of tax credits issued shall be the lesser of forty million dollars, the applicable annual payroll percentage, or the amount of tax credits remaining unissued under the two hundred forty million dollar limitation on megaproject tax credit issuance provided under subsection 1 of this section.

5. Tax credits issued under this section may be claimed against the tax imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265. For taxpayers with flow-through tax treatment of its members, partners, or shareholders, the credit shall be allowed to members, partners, or shareholders in proportion to their share of ownership on the last day of the taxpayer's tax period. The director of revenue shall issue a refund to a taxpayer to the extent the amount of credits allowed in this section exceeds the amount of the taxpayer's income tax liability in the year redemption is authorized. An owner of tax credits issued under this section shall not be required to have any Missouri income tax liability in order to redeem such tax credits and receive a refund. The director of revenue shall prepare a form to permit the owner of such tax credits to obtain a refund.

6. Certificates of tax credits authorized under this section may be transferred, sold, or assigned by filing a notarized endorsement thereof with the department that names the transferee, the amount of tax credit transferred, and the value received for the credit, as well as any other information reasonably requested by the department. Upon such transfer, sale, or assignment, the transferee shall be the owner of such tax credits entitled to claim the tax credits or any refunds with respect thereto issued to the taxpayer. Tax credits may not be carried forward past the year of issuance. Tax credits authorized by this section may not be pledged or used to secure any bonds or other indebtedness issued by the state or any political subdivision

of the state. Once such tax credits have been issued, nothing shall prohibit the owner of the tax credits from pledging the tax credits to any lender or other third party.

7. Any taxpayer issued tax credits under this section shall provide an annual report to the department and the house and senate appropriations committees of the number of new jobs located at the megaproject, the new annual payroll of such new jobs, and such other information as may be required by the department to document the basis for benefits under this section. The department may withhold the approval of the annual issuance of any tax credits until it is satisfied that proper documentation has been provided, and shall reduce the tax credits to reflect any reduction in new payroll. If the department determines the average wage is below the county average wage, or the taxpayer has not maintained employee health insurance as required, the taxpayer shall not receive tax credits for that year.

8. Notwithstanding any provision of law to the contrary, any taxpayer who is awarded tax credits under this section shall not also receive tax credits under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections 620.1875 to 620.1890.

9. Any action brought in any court contesting the approval of a megaproject and the issuance of the tax credits, or any other action undertaken pursuant to this section related to such megaproject, shall be filed within ninety days following approval of the megaproject by the department.

10. Records and documents relating to a proposed megaproject shall be deemed closed records until such time as the application has been approved. Provisions of this subsection to the contrary notwithstanding, records containing business plan information which may endanger the competitiveness of the business shall remain closed.

233           11. Notwithstanding any provision of this  
234 section to the contrary, no taxpayer who  
235 receives megaproject tax credits authorized  
236 under this section or any related taxpayer shall  
237 employ, prior to January 1, 2022, directly:

238           (1) Any elected public official of this  
239 state holding office as of January 1, 2008;

240           (2) Any director, deputy director,  
241 division director, or employee directly involved  
242 in negotiations between the department of  
243 economic development and a taxpayer relative to  
244 the megaproject who was employed as of January  
245 1, 2008, by the department.]

          [135.970. The department may adopt such  
2 rules, statements of policy, procedures, forms,  
3 and guidelines as may be necessary to carry out  
4 the provisions of sections 135.950 to 135.970.  
5 Any rule or portion of a rule, as that term is  
6 defined in section 536.010, that is created  
7 under the authority delegated in this section  
8 shall become effective only if it complies with  
9 and is subject to all of the provisions of  
10 chapter 536 and, if applicable, section  
11 536.028. This section and chapter 536 are  
12 nonseverable and if any of the powers vested  
13 with the general assembly pursuant to chapter  
14 536 to review, to delay the effective date, or  
15 to disapprove and annul a rule are subsequently  
16 held unconstitutional, then the grant of  
17 rulemaking authority and any rule proposed or  
18 adopted after August 28, 2004, shall be invalid  
19 and void.]

          [135.973. After January 1, 2007, all  
2 enterprise zones designated before January 1,  
3 2006, shall be eligible to receive the tax  
4 benefits under sections 135.950 to 135.970.]

          [135.1125. 1. As used in this section,  
2 the following terms shall mean:

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

5           (2) "Department", the Missouri department  
6 of social services;

7           (3) "Eligible donation", a donation of  
8 cash, stock, bonds or other marketable  
9 securities, or real property made to an eligible  
10 provider;

11           (4) "Eligible provider", an organization  
12 that provides funding for unmet health, hunger,  
13 and hygiene needs of children in school;

14           (5) "Taxpayer", a person, firm, partner in  
15 a firm, corporation, or a shareholder in an S  
16 corporation doing business in the state of  
17 Missouri and subject to the state income tax  
18 imposed in chapter 143, an insurance company  
19 paying an annual tax on its gross premium  
20 receipts in this state, any other financial  
21 institution paying taxes to the state of  
22 Missouri or any political subdivision of this  
23 state under chapter 148, or any charitable  
24 organization which is exempt from federal income  
25 tax and whose Missouri unrelated business  
26 taxable income, if any, would be subject to the  
27 state income tax imposed under chapter 143.

28           2. For all taxable years beginning on or  
29 after January 1, 2019, any taxpayer shall be  
30 allowed a credit against the taxes otherwise due  
31 under chapter 143 or 148, excluding withholding  
32 tax under sections 143.191 to 143.265, in an  
33 amount equal to fifty percent of the amount of  
34 an eligible donation. The amount of the tax  
35 credit claimed shall not exceed the amount of  
36 the taxpayer's state income tax liability in the  
37 tax year for which the credit is claimed. Any  
38 amount of credit that the taxpayer is prohibited  
39 by this section from claiming in a tax year  
40 shall not be refundable, but may be carried  
41 forward to any of the taxpayer's four subsequent  
42 taxable years.

43           3. To claim the credit authorized in this  
44 section, a provider may submit to the department  
45 an application for the tax credit authorized by  
46 this section on behalf of taxpayers. The  
47 department shall verify that the provider has  
48 submitted the following items accurately and  
49 completely:

50           (1) A valid application in the form and  
51 format required by the department;

52           (2) A statement attesting to the eligible  
53 donation received, which shall include the name  
54 and taxpayer identification number of the  
55 individual making the eligible donation, the  
56 amount of the eligible donation, and the date  
57 the eligible donation was received by the  
58 provider; and

59           (3) A payment from the eligible provider  
60 in an amount equal to fifty percent of the  
61 eligible donation.

62           If the provider applying for the tax credit  
63 meets all criteria required by this subsection,  
64 the department shall issue a certificate in the  
65 appropriate amount.

66           4. Tax credits issued under this section  
67 may be assigned, transferred, sold, or otherwise  
68 conveyed, and the new owner of the tax credit  
69 shall have the same rights in the credit as the  
70 taxpayer. Whenever a certificate is assigned,  
71 transferred, sold, or otherwise conveyed, a  
72 notarized endorsement shall be filed with the  
73 department specifying the name and address of  
74 the new owner of the tax credit or the value of  
75 the credit.

76           5. The department shall promulgate rules  
77 to implement the provisions of this section.  
78 Any rule or portion of a rule, as that term is  
79 defined in section 536.010, that is created  
80 under the authority delegated in this section  
81 shall become effective only if it complies with  
82 and is subject to all of the provisions of  
83 chapter 536 and, if applicable, section  
84 536.028. This section and chapter 536 are  
85 nonseverable and if any of the powers vested  
86 with the general assembly pursuant to chapter  
87 536 to review, to delay the effective date, or  
88 to disapprove and annul a rule are subsequently  
89 held unconstitutional, then the grant of  
90 rulemaking authority and any rule proposed or  
91 adopted after August 28, 2018, shall be invalid  
92 and void.



93           6. Pursuant to section 23.253 of the  
94 Missouri sunset act:

95           (1) The provisions of this section shall  
96 automatically sunset six years after August 28,  
97 2018, unless reauthorized by an act of the  
98 general assembly; and

99           (2) If such program is reauthorized, the  
100 program authorized under this section shall  
101 automatically sunset twelve years after the  
102 effective date of the reauthorization of this  
103 section; and

104           (3) This section shall terminate on  
105 September first of the calendar year immediately  
106 following the calendar year in which the program  
107 authorized under this section is sunset.]

          [173.196. 1. Any business firm, as  
2 defined in section 32.105, may make a donation  
3 to the "Missouri Higher Education Scholarship  
4 Donation Fund", which is hereby created in the  
5 state treasury. A donating business firm shall  
6 receive a tax credit as provided in this section  
7 equal to fifty percent of the amount of the  
8 donation, except that tax credits shall be  
9 awarded each fiscal year in the order donations  
10 are received and the amount of tax credits  
11 authorized shall total no more than two hundred  
12 and fifty thousand dollars for each fiscal year.

13           2. The department of revenue shall grant  
14 tax credits approved under this section which  
15 shall be applied in the order specified in  
16 subsection 1 of section 32.115 until used. The  
17 tax credits provided under this section shall be  
18 refundable, and any tax credit not used in the  
19 fiscal year in which approved may be carried  
20 over the next five succeeding calendar or fiscal  
21 years until the full credit has been claimed.  
22 Notwithstanding any other law to the contrary,  
23 any tax credits granted under this section may  
24 be assigned, transferred, sold, or otherwise  
25 conveyed without consent or approval. Such  
26 taxpayer, hereinafter the assignor for purposes  
27 of this section, may sell, assign, exchange, or  
28 otherwise transfer earned tax credits:

29           (1) For no less than seventy-five percent  
30 of the par value of such credits; and

31           (2) In an amount not to exceed one hundred  
32 percent of annual earned credits.

33           3. No tax credit authorized under this  
34 section may be applied against any tax applied  
35 in a tax year beginning prior to January 1, 1995.

36           4. All revenues credited to the fund shall  
37 be used, subject to appropriations, to provide  
38 scholarships authorized under sections 173.197  
39 to 173.199, and for no other purpose.

40           5. For all tax years beginning on or after  
41 January 1, 2005, no tax credits shall be  
42 authorized, awarded, or issued to any person or  
43 entity claiming any tax credit under this  
44 section.]

          [320.093. 1. Any person, firm or  
2 corporation who purchases a dry fire hydrant, as  
3 defined in section 320.273, or provides an  
4 acceptable means of water storage for such dry  
5 fire hydrant including a pond, tank or other  
6 storage facility with the primary purpose of  
7 fire protection within the state of Missouri,  
8 shall be eligible for a credit on income taxes  
9 otherwise due pursuant to chapter 143, except  
10 sections 143.191 to 143.261, as an incentive to  
11 implement safe and efficient fire protection  
12 controls. The tax credit, not to exceed five  
13 thousand dollars, shall be equal to fifty  
14 percent of the cost in actual expenditure for  
15 any new water storage construction, equipment,  
16 development and installation of the dry hydrant,  
17 including pipes, valves, hydrants and labor for  
18 each such installation of a dry hydrant or new  
19 water storage facility. The amount of the tax  
20 credit claimed for in-kind contributions shall  
21 not exceed twenty-five percent of the total  
22 amount of the contribution for which the tax  
23 credit is claimed.

24           2. Any amount of credit which exceeds the  
25 tax due shall not be refunded but may be carried  
26 over to any subsequent taxable year, not to  
27 exceed seven years. The person, firm or

28 corporation may elect to assign to a third party  
29 the approved tax credit. The certificate of  
30 assignment and other appropriate forms shall be  
31 filed with the Missouri department of revenue  
32 and the department of economic development.

33 3. The person, firm or corporation shall  
34 make application for the credit to the  
35 department of economic development after  
36 receiving approval of the state fire marshal.  
37 The fire marshal shall establish by rule  
38 promulgated pursuant to chapter 536 the  
39 requirements to be met based on the National  
40 Resources Conservation Service's Dry Hydrant  
41 Standard. The state fire marshal or designated  
42 local representative shall review and authorize  
43 the construction and installation of any dry  
44 fire hydrant site. Only approved dry fire  
45 hydrant sites shall be eligible for tax credits  
46 as indicated in this section. Under no  
47 circumstance shall such authority deny any  
48 entity the ability to provide a dry fire hydrant  
49 site when tax credits are not requested.

50 4. The department of public safety shall  
51 certify to the department of revenue that the  
52 dry hydrant system meets the requirements to  
53 obtain a tax credit as specified in subsection 5  
54 of this section.

55 5. In order to qualify for a tax credit  
56 under this section, a dry hydrant or new water  
57 storage facility shall meet the following  
58 minimum requirements:

59 (1) Each body of water or water storage  
60 structure shall be able to provide two hundred  
61 fifty gallons per minute for a continuous two-  
62 hour period during a fifty-year drought or  
63 freeze at a vertical lift of eighteen feet;

64 (2) Each dry hydrant shall be located  
65 within twenty-five feet of an all-weather  
66 roadway and shall be accessible to fire  
67 protection equipment;

68 (3) Dry hydrants shall be located a  
69 reasonable distance from other dry or  
70 pressurized hydrants; and

71           (4) The site shall provide a measurable  
72 economic improvement potential for rural  
73 development.

74           6. New credits shall not be awarded under  
75 this section after August 28, 2010. The total  
76 amount of all tax credits allowed pursuant to  
77 this section is five hundred thousand dollars in  
78 any one fiscal year as approved by the director  
79 of the department of economic development.

80           7. Any rule or portion of a rule, as that  
81 term is defined in section 536.010, that is  
82 created under the authority delegated in this  
83 section shall become effective only if it  
84 complies with and is subject to all of the  
85 provisions of chapter 536 and, if applicable,  
86 section 536.028. This section and chapter 536  
87 are nonseverable and if any of the powers vested  
88 with the general assembly pursuant to chapter  
89 536 to review, to delay the effective date or to  
90 disapprove and annul a rule are subsequently  
91 held unconstitutional, then the grant of  
92 rulemaking authority and any rule proposed or  
93 adopted after August 28, 2007, shall be invalid  
94 and void.]

          [348.300. As used in sections 348.300 to  
2 348.318, the following terms mean:

3           (1) "Commercial activity located in  
4 Missouri", any research, development, prototype  
5 fabrication, and subsequent precommercialization  
6 activity, or any activity related thereto,  
7 conducted in Missouri for the purpose of  
8 producing a service or a product or process for  
9 manufacture, assembly or sale or developing a  
10 service based on such a product or process by  
11 any person, corporation, partnership, joint  
12 venture, unincorporated association, trust or  
13 other organization doing business in Missouri.  
14 Subsequent to January 1, 1999, a commercial  
15 activity located in Missouri shall mean only  
16 such activity that is located within a  
17 distressed community, as defined in section  
18 135.530;

19           (2) "Follow-up capital", capital provided  
20 to a commercial activity located in Missouri in  
21 which a qualified fund has previously invested  
22 seed capital or start-up capital and which does  
23 not exceed ten times the amount of such seed and  
24 start-up capital;

25           (3) "Person", any individual, corporation,  
26 partnership, or other entity, including any  
27 charitable corporation which is exempt from  
28 federal income tax and whose Missouri unrelated  
29 business taxable income, if any, would be  
30 subject to the state income tax imposed under  
31 chapter 143;

32           (4) "Qualified contribution", cash  
33 contribution to a qualified fund;

34           (5) "Qualified economic development  
35 organization", any corporation organized under  
36 the provisions of chapter 355 which has as of  
37 January 1, 1991, obtained a contract with the  
38 department of economic development to operate an  
39 innovation center to promote, assist and  
40 coordinate the research and development of new  
41 services, products or processes in the state of  
42 Missouri; and the Missouri technology  
43 corporation organized pursuant to the provisions  
44 of sections 348.250 to 348.275;

45           (6) "Qualified fund", any corporation,  
46 partnership, joint venture, unincorporated  
47 association, trust or other organization which  
48 is established under the laws of Missouri after  
49 December 31, 1985, which meets all of the  
50 following requirements established by this  
51 subdivision. The fund shall have as its sole  
52 purpose and business the making of investments,  
53 of which at least ninety percent of the dollars  
54 invested shall be qualified investments. The  
55 fund shall enter into a contract with one or  
56 more qualified economic development  
57 organizations which shall entitle the qualified  
58 economic development organizations to receive  
59 not less than ten percent of all distributions  
60 of equity and dividends or other earnings of the  
61 fund. Such contracts shall require the  
62 qualified fund to transfer to the Missouri

63 technology corporation organized pursuant to the  
64 provisions of sections 348.250 to 348.275 this  
65 interest and make corresponding distributions  
66 thereto in the event the qualified economic  
67 development organization holding such interest  
68 is dissolved or ceases to do business for a  
69 period of one year or more;

70 (7) "Qualified investment", any investment  
71 of seed capital, start-up capital, or follow-up  
72 capital in any commercial activity located in  
73 Missouri;

74 (8) "Seed capital", capital provided to a  
75 commercial activity located in Missouri for  
76 research, development and precommercialization  
77 activities to prove a concept for a new product  
78 or process or service, and for activities  
79 related thereto;

80 (9) "Start-up capital", capital provided  
81 to a commercial activity located in Missouri for  
82 use in preproduction product development or  
83 service development or initial marketing  
84 thereof, and for activities related thereto;

85 (10) "State tax liability", any state tax  
86 liability incurred by a taxpayer under the  
87 provisions of chapters 143, 147 and 148,  
88 exclusive of the provisions relating to the  
89 withholding of tax as provided for in sections  
90 143.191 to 143.265 and related provisions;

91 (11) "Uninvested capital", the amount of  
92 any distribution, other than of earnings, by a  
93 qualified fund made within five years of the  
94 issuance of a certificate of tax credit as  
95 provided by sections 348.300 to 348.318; or the  
96 portion of all qualified contributions to a  
97 qualified fund which are not invested as  
98 qualified investments within five years of the  
99 issuance of a certificate of tax credit as  
100 provided by sections 348.300 to 348.318 to the  
101 extent that the amount not so invested exceeds  
102 ten percent of all such qualified contributions.]

[348.300. As used in sections 348.300 to  
2 348.318, the following terms mean:

3           (1) "Commercial activity located in  
4 Missouri", any research, development, prototype  
5 fabrication, and subsequent precommercialization  
6 activity, or any activity related thereto,  
7 conducted in Missouri for the purpose of  
8 producing a service or a product or process for  
9 manufacture, assembly or sale or developing a  
10 service based on such a product or process by  
11 any person, corporation, partnership, joint  
12 venture, unincorporated association, trust or  
13 other organization doing business in Missouri.  
14 Subsequent to January 1, 1999, a commercial  
15 activity located in Missouri shall mean only  
16 such activity that is located within a  
17 distressed community, as defined in section  
18 135.530;

19           (2) "Follow-up capital", capital provided  
20 to a commercial activity located in Missouri in  
21 which a qualified fund has previously invested  
22 seed capital or start-up capital and which does  
23 not exceed ten times the amount of such seed and  
24 start-up capital;

25           (3) "Person", any individual, corporation,  
26 partnership, or other entity, including any  
27 charitable corporation which is exempt from  
28 federal income tax and whose Missouri unrelated  
29 business taxable income, if any, would be  
30 subject to the state income tax imposed under  
31 chapter 143;

32           (4) "Qualified contribution", cash  
33 contribution to a qualified fund;

34           (5) "Qualified economic development  
35 organization", any corporation organized under  
36 the provisions of chapter 355 which has as of  
37 January 1, 1991, obtained a contract with the  
38 department of economic development to operate an  
39 innovation center to promote, assist and  
40 coordinate the research and development of new  
41 services, products or processes in the state of  
42 Missouri; and the Missouri technology  
43 corporation organized pursuant to the provisions  
44 of sections 348.253 to 348.266;

45           (6) "Qualified fund", any corporation,  
46 partnership, joint venture, unincorporated

association, trust or other organization which is established under the laws of Missouri after December 31, 1985, which meets all of the following requirements established by this subdivision. The fund shall have as its sole purpose and business the making of investments, of which at least ninety percent of the dollars invested shall be qualified investments. The fund shall enter into a contract with one or more qualified economic development organizations which shall entitle the qualified economic development organizations to receive not less than ten percent of all distributions of equity and dividends or other earnings of the fund. Such contracts shall require the qualified fund to transfer to the Missouri technology corporation organized pursuant to the provisions of sections 348.253 to 348.266 this interest and make corresponding distributions thereto in the event the qualified economic development organization holding such interest is dissolved or ceases to do business for a period of one year or more;

(7) "Qualified investment", any investment of seed capital, start-up capital, or follow-up capital in any commercial activity located in Missouri;

(8) "Seed capital", capital provided to a commercial activity located in Missouri for research, development and precommercialization activities to prove a concept for a new product or process or service, and for activities related thereto;

(9) "Start-up capital", capital provided to a commercial activity located in Missouri for use in preproduction product development or service development or initial marketing thereof, and for activities related thereto;

(10) "State tax liability", any state tax liability incurred by a taxpayer under the provisions of chapters 143, 147 and 148, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions;



91           (11) "Uninvested capital", the amount of  
92           any distribution, other than of earnings, by a  
93           qualified fund made within five years of the  
94           issuance of a certificate of tax credit as  
95           provided by sections 348.300 to 348.318; or the  
96           portion of all qualified contributions to a  
97           qualified fund which are not invested as  
98           qualified investments within five years of the  
99           issuance of a certificate of tax credit as  
100          provided by sections 348.300 to 348.318 to the  
101          extent that the amount not so invested exceeds  
102          ten percent of all such qualified contributions.]

          [348.302. 1. Any person who makes a  
2          qualified contribution to a qualified fund shall  
3          be entitled to receive a tax credit equal to  
4          fifty percent of the amount of the qualified  
5          contribution. The tax credit shall be evidenced  
6          by a tax credit certificate in accordance with  
7          the provisions of sections 348.300 to 348.318  
8          and may be used to satisfy the state tax  
9          liability of the owner of such certificate that  
10         becomes due in the tax year in which the  
11         qualified contribution is made, or in any of the  
12         ten tax years thereafter. No person may receive  
13         a tax credit pursuant to sections 348.300 to  
14         348.318 unless that person presents a tax credit  
15         certificate to the department of revenue for  
16         payment of such state tax liability.

17         2. The amount of such qualified  
18         contributions which can be made is limited so  
19         that the aggregate of all tax credits authorized  
20         under the provisions of sections 348.300 to  
21         348.318 shall not exceed nine million dollars.  
22         All tax credits authorized under the provisions  
23         of this section may be transferred, sold or  
24         assigned.]

          [348.304. The total amount of credit  
2          evidenced by certificates of tax credit issued  
3          to taxpayers at the request of any one qualified  
4          economic development organization shall not  
5          exceed two million dollars; except that, this  
6          two-million-dollar limitation shall not apply to  
7          certificates of tax credit issued after January

1, 1996. Prior to January 1, 1996, any qualified economic development organization may enter into a contractual agreement with any other qualified economic development organization to allocate to the latter any portion of the two million dollars of tax credits which it is authorized to issue to taxpayers under the provisions of this section. The certificate of tax credit may be issued in one aggregate certificate or in a reasonable number of multiple certificates in regard to one qualified contribution. Any issued certificate may be surrendered in exchange for new certificates not to exceed in value the value of the issued certificate. The number and denomination of multiple certificates, if issued, shall be determined by the director of the department of economic development.]

[348.306. No person shall receive, by issuance, transfer or assignment, certificates of tax credit issued under the provisions of sections 348.300 to 348.318 in an amount in excess of one million dollars. Subject to the provisions of this section, certificates of tax credit issued in accordance with sections 348.300 to 348.318 may be transferred or assigned by notarized endorsement thereof which names the transferee.]

[348.308. 1. The director of the department of economic development shall be responsible for the administration and issuance of the certificate of tax credits authorized by sections 348.300 to 348.318. The director of the department of economic development shall issue a certificate of tax credit at the request of any qualified economic development organization. Each request shall include a true copy of the documents creating the qualified fund and the interest of the qualified economic development organization in the qualified fund, the name of the person who is to receive a certificate of tax credit, the type of state tax liability, as specified in subdivision (10) of

section 348.300, against which the tax credit is to be used, and the amount of the certificate of tax credit to be issued to the person making the qualified contribution. Each request shall be acknowledged under oath by the person making the qualified contribution and the president of the qualified economic development organization.

2. In the event that two or more qualified economic development organizations have an interest in a qualified fund, either or both of such qualified economic development organizations may request issuance of certificates of tax credit in accordance with the provisions of sections 348.300 to 348.318 to persons contributing to qualified funds.]

[348.310. The Missouri department of revenue shall accept a certificate of tax credit in lieu of other payment in such amount as is equal to the lesser of the amount of the tax or the remaining unused amount of the credit as indicated on the certificate of tax credit; and shall indicate on the certificate of tax credit the amount of tax thereby paid, the date of such payment, and the remainder of the unused credit available to the taxpayer after such payment. The certificate of tax credit shall be returned to the director of the department of economic development. The director of the department of economic development shall issue a new certificate to the proper owner for any unused balance.]

[348.312. No provision of sections 348.300 to 348.318 shall be construed to require a qualified economic development organization to accept an interest in any fund, nor shall any provision of sections 348.300 to 348.318 be construed to limit or restrict the terms and conditions on which a qualified economic development organization may agree to accept an interest in any fund.]

[348.316. 1. Each qualified fund, on or before the due date of its federal income tax

3 return, shall make a report for a period  
4 corresponding to the qualified fund's federal  
5 income tax year. The report shall be made on a  
6 form required by the department of economic  
7 development. It shall be verified by the  
8 affidavit of the fund's president, or another  
9 authorized officer, to the department of  
10 economic development. It shall state the amount  
11 of all uninvested capital, whether distributions  
12 of equity or funds not invested in qualified  
13 investments, and it shall contain other such  
14 information as may be required by the director  
15 of the department of economic development.

16 2. Upon the receipt of such returns, the  
17 director of the department of economic  
18 development shall verify the same and certify  
19 the amount of tax due from the various funds to  
20 the director of revenue within sixty days from  
21 the date of the return. The director of revenue  
22 shall send each qualified fund a notice of tax  
23 due within thirty days of the date of  
24 certification by the department of economic  
25 development. The qualified fund shall pay the  
26 tax as provided in the notice within thirty days  
27 of the date of such notice.]

2 [348.318. Except as otherwise specifically  
3 provided in sections 348.300 to 348.318,  
4 interest and penalty provisions and procedural  
5 matters under the provisions of sections 348.300  
6 to 348.318 shall be determined pursuant to and  
7 in the manner prescribed in the following  
8 sections of the revised statutes of Missouri,  
9 the state income tax law, governing similar  
10 procedures thereunder: sections 143.271 to  
11 143.301, 143.511, 143.551 to 143.571, 143.611 to  
12 143.751, 143.771, 143.791 to 143.861, 143.881 to  
143.971, and 143.986.]

2 [620.635. Sections 620.635 to 620.653  
3 shall be known and may be cited as the "Missouri  
4 New Enterprise Creation Act".]

2 [620.638. As used in sections 620.635 to  
620.653, the following terms mean:

3           (1) "Committed contributions", the total  
4 amount of qualified contributions that are  
5 committed to a qualifying fund by contractual  
6 agreement;

7           (2) "Corporation", the Missouri technology  
8 corporation as established pursuant to section  
9 348.251;

10          (3) "Department", the department of  
11 economic development;

12          (4) "Director", the director of the  
13 department of economic development;

14          (5) "Follow-up capital", capital provided  
15 to a qualified business in which a qualified  
16 fund has previously invested seed capital or  
17 start-up capital. No more than forty percent of  
18 the qualified contributions to a qualified fund  
19 may be used for follow-up capital, and no  
20 qualified contributions which generate tax  
21 credits before the second round of allocations  
22 as authorized by section 620.650 shall be used  
23 for follow-up capital investments;

24          (6) "Person", any individual, corporation,  
25 partnership, limited liability company or other  
26 entity, including any charitable organization  
27 which is exempt from federal income tax and  
28 whose Missouri unrelated business taxable  
29 income, if any, would be subject to the state  
30 income tax imposed under chapter 143;

31          (7) "Positive cash flow", total cash  
32 receipts from sales or services, but not from  
33 investments or loans, exceeding total cash  
34 expenditures as calculated on a fiscal year  
35 basis;

36          (8) "Qualified business", any  
37 independently owned and operated business which  
38 is headquartered and located in Missouri and  
39 which is involved in or intends to be involved  
40 in commerce for the purpose of manufacturing,  
41 processing or assembling products, conducting  
42 research and development, or providing services  
43 in interstate commerce. Such a business shall  
44 maintain its headquarters in Missouri for a  
45 period of at least three years from the date of

46 receipt of a qualified investment or be subject  
47 to penalties pursuant to section 620.017;

48 (9) "Qualified contribution", cash  
49 contributions to a qualified fund pursuant to  
50 the terms of contractual agreements made between  
51 the qualified fund and a qualified economic  
52 development organization authorized by the  
53 corporation to enter into such contracts;

54 (10) "Qualified economic development  
55 organization", any corporation organized  
56 pursuant to the provisions of chapter 355 that,  
57 as of January 1, 1991, had obtained a contract  
58 with the department to operate an innovation  
59 center to promote, assist and coordinate the  
60 research and development of new services,  
61 products or processes in this state;

62 (11) "Qualified fund", a fund established  
63 by any corporation, partnership, joint venture,  
64 unincorporated association, trust or other  
65 organization established pursuant to the laws of  
66 Missouri and approved by the corporation;

67 (12) "Qualified investment", any  
68 investment of seed capital, start-up capital or  
69 follow-up capital in a qualified business that  
70 does not cause more than ten percent of all the  
71 qualified contributions to a qualified fund to  
72 be invested in a single qualified business;

73 (13) "Seed capital", capital provided to a  
74 qualified business for research, development and  
75 precommercialization activities to prove a  
76 concept for a new product, process or service,  
77 and for activities related thereto; provided  
78 that, seed capital shall not be provided to any  
79 business which in a past fiscal year has  
80 experienced a positive cash flow;

81 (14) "Start-up capital", capital provided  
82 to a qualified business for use in preproduction  
83 product development, service development or  
84 initial marketing thereof; provided that, start-  
85 up capital shall not be provided to any business  
86 which has experienced a positive cash flow in a  
87 past fiscal year;

88 (15) "Uninvested capital", that portion of  
89 any qualified contribution to a qualified fund,

90 other than management fees not to exceed three  
91 percent per year of committed contributions,  
92 qualified investments and other expenses or fees  
93 authorized by the corporation, that is not  
94 invested as a qualified investment within ten  
95 years of its receipt.]

2 [620.641. The powers and duties of the  
3 Missouri seed capital investment board shall be  
4 transferred to the Missouri technology  
5 corporation effective August 28, 2011, and the  
6 Missouri seed capital investment board shall be  
dissolved.]

2 [620.644. 1. The Missouri seed capital  
3 and commercialization strategy shall be jointly  
4 developed and approved by the boards of  
5 directors of all of the qualified economic  
6 development organizations and submitted as one  
7 plan to the corporation for its approval. The  
8 board shall not approve any qualified fund,  
9 exclusive of the fund approved by the  
10 corporation, unless such fund is described in  
11 the Missouri seed capital and commercialization  
12 strategy. The strategy shall include a proposal  
13 for the establishment and operation of between  
14 one and four qualified funds in Missouri,  
15 including the fund approved by the corporation  
16 pursuant to the provisions of section 620.653.  
17 The initial strategy shall be submitted to the  
18 board no later than July 1, 2000, and shall be  
19 approved or rejected by the board within three  
20 months of receipt. No tax credits authorized  
21 pursuant to the provisions of sections 620.635  
22 to 620.653 shall be awarded until such strategy  
23 has been approved by the board, other than tax  
24 credits authorized for qualified contributions  
to the fund approved by the corporation.

25 2. The department shall authorize the use  
26 of up to twenty million dollars in tax credits  
27 by the approved qualified funds, in aggregate  
28 pursuant to the provisions of section 620.650,  
29 with not more than five million dollars of tax  
30 credits being issued in any one year.

31           3. The corporation shall approve the  
32 professional managers employed by the qualified  
33 funds according to criteria similar to that used  
34 by the U.S. Small Business Administration's  
35 Small Business Investment Corporation Program.

36           4. The department may promulgate any rules  
37 and regulations necessary to administer the  
38 provisions of sections 620.635 to 620.653. No  
39 rule or regulation or portion of a rule or  
40 regulation promulgated pursuant to the authority  
41 of this section shall become effective unless it  
42 has been promulgated pursuant to the provisions  
43 of chapter 536.

44           5. The corporation shall report the  
45 following to the department:

46           (1) As soon as practicable after the  
47 receipt of a qualified contribution the name of  
48 each person from which the qualified  
49 contribution was received, the amount of each  
50 contributor's qualified contribution and the tax  
51 credits computed pursuant to this section;

52           (2) On a quarterly basis, the amount of  
53 qualified investments made to any qualified  
54 business;

55           (3) On a quarterly basis, verification  
56 that the investment of seed capital, start-up  
57 capital, or follow-up capital in a qualified  
58 business does not direct more than ten percent  
59 of all the qualified contributions to a  
60 qualified fund to be invested in a single  
61 qualifying business.

62           6. Each qualified fund shall provide  
63 annual audited financial statements, including  
64 the opinion of an independent certified public  
65 accountant, to the department within ninety days  
66 of the close of the state fiscal year. The  
67 audit shall address the methods of operation and  
68 conduct of the business of the qualified  
69 economic development organization to determine  
70 compliance with the statutes and program and  
71 program rules and that the qualified  
72 contributions received by the qualified fund  
73 have been invested as required by this section.]



[620.647. 1. The corporation may authorize each qualified economic development organization to enter into contractual agreements with any qualified fund allowing such qualified fund to offer tax credits authorized pursuant to the provisions of sections 620.635 to 620.653 to those persons making qualified contributions to the qualified fund. The corporation shall establish policies and procedures requiring each authorized qualified economic development organization to secure from each qualified fund and its investors the maximum fund equity interest possible, as dictated by market conditions, in exchange for the use of the tax credits. All tax credits authorized pursuant to sections 620.635 to 620.653 shall be administered by the department.

2. Each qualified fund shall enter into a contract with one or more qualified economic development organizations which shall entitle all qualified economic development organizations in existence at that time to receive and share equally all distributions of equity and dividends or other earnings of the fund that are generated as a result of any equity interest secured as a result of actions taken to comply with subsection 1 of this section. Such contracts shall require the qualified funds to transfer to the corporation all distributions of dividends or other earnings of the fund that are owed to any qualified economic development organization that has dissolved or has ceased doing business for a period of one year or more.

3. All distributions of dividends, earnings, equity or the like owed pursuant to the provisions of sections 620.635 to 620.653 to a qualified economic development organization by any qualified fund shall be paid to the qualified economic development organization. The qualified economic development organization shall use such payments solely for reinvestment in qualified funds in order to provide ongoing seed capital, start-up capital and follow-up capital for Missouri businesses. No qualified

45 economic development organization may transfer  
46 any dividends, earnings, equity or the like owed  
47 it pursuant to sections 620.635 to 620.653 to  
48 any other person or entity without the approval  
49 of the corporation.]

[620.650. 1. The sole purpose of each  
2 qualified fund is to make investments. One  
3 hundred percent of investments made from  
4 qualified contributions shall be qualified  
5 investments.

6 2. Any person who makes a qualified  
7 contribution to a qualified fund shall receive a  
8 tax credit against the tax otherwise due  
9 pursuant to chapter 143, chapter 147, or chapter  
10 148, other than taxes withheld pursuant to  
11 sections 143.191 to 143.265, in an amount equal  
12 to one hundred percent of such person's  
13 qualified contribution.

14 3. Such person shall submit to the  
15 department an application for the tax credit on  
16 a form provided by the department. The  
17 department shall award tax credits in the order  
18 the applications are received and based upon the  
19 strategy approved by the corporation. Tax  
20 credits issued pursuant to this section may be  
21 claimed for the tax year in which the qualified  
22 contribution is made or in any of the following  
23 ten years, and may be assigned, transferred or  
24 sold.

25 4. There is hereby imposed on each  
26 qualified fund a tax equal to fifteen percent of  
27 the qualified fund's uninvested capital at the  
28 close of such qualified fund's tax year. For  
29 purposes of tax computation, any distribution  
30 made by a qualified fund during a tax year is  
31 deemed made at the end of such tax year. Each  
32 tax year, every qualified fund shall remit the  
33 tax imposed by this section to the director of  
34 the department of revenue for deposit in the  
35 state treasury to the credit of the general  
36 revenue fund.]

[620.653. The provisions of sections  
2 620.635 to 620.650 to the contrary

3 notwithstanding, one qualified fund shall be  
4 approved by the corporation as soon as  
5 practicable after July 8, 1999. Such fund need  
6 not be initially incorporated into the seed  
7 capital and commercialization strategy until  
8 after the appointment of the board. After the  
9 appointment of the board, all powers exercised  
10 by the corporation in relation to that fund  
11 shall be transferred to the board. After the  
12 dissolution of the board, all powers exercised  
13 by the board shall be transferred to the  
14 corporation. The corporation shall approve the  
15 professional fund manager employed by the  
16 qualified fund established by this section.]

[620.1875. Sections 620.1875 to 620.1890  
2 shall be known and may be cited as the "Missouri  
3 Quality Jobs Act".]

[620.1878. For the purposes of sections  
2 620.1875 to 620.1890, the following terms shall  
3 mean:

4 (1) "Approval", a document submitted by  
5 the department to the qualified company that  
6 states the benefits that may be provided by this  
7 program;

8 (2) "Average wage", the new payroll  
9 divided by the number of new jobs;

10 (3) "Commencement of operations", the  
11 starting date for the qualified company's first  
12 new employee, which must be no later than twelve  
13 months from the date of the approval;

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

24 Notwithstanding the provisions of this  
25 subdivision to the contrary, for any qualified  
26 company that in conjunction with their project

27 is relocating employees from a Missouri county  
28 with a higher county average wage, the company  
29 shall obtain the endorsement of the governing  
30 body of the community from which jobs are being  
31 relocated or the county average wage for their  
32 project shall be the county average wage for the  
33 county from which the employees are being  
34 relocated;

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

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

39 (7) "Employee", a person employed by a  
40 qualified company;

41 (8) "Full-time employee", an employee of  
42 the qualified company that is scheduled to work  
43 an average of at least thirty-five hours per  
44 week for a twelve-month period, and one for  
45 which the qualified company offers health  
46 insurance and pays at least fifty percent of  
47 such insurance premiums;

48 (9) "High-impact project", a qualified  
49 company that, within two years from commencement  
50 of operations, creates one hundred or more new  
51 jobs;

52 (10) "Local incentives", the present value  
53 of the dollar amount of direct benefit received  
54 by a qualified company for a project facility  
55 from one or more local political subdivisions,  
56 but shall not include loans or other funds  
57 provided to the qualified company that must be  
58 repaid by the qualified company to the political  
59 subdivision;

60 (11) "NAICS", the 1997 edition of the  
61 North American Industry Classification System as  
62 prepared by the Executive Office of the  
63 President, Office of Management and Budget. Any  
64 NAICS sector, subsector, industry group or  
65 industry identified in this section shall  
66 include its corresponding classification in  
67 subsequent federal industry classification  
68 systems;

69 (12) "New direct local revenue", the  
70 present value of the dollar amount of direct net

71 new tax revenues of the local political  
72 subdivisions likely to be produced by the  
73 project over a ten-year period as calculated by  
74 the department, excluding local earnings tax,  
75 and net new utility revenues, provided the local  
76 incentives include a discount or other direct  
77 incentives from utilities owned or operated by  
78 the political subdivision;

79 (13) "New investment", the purchase or  
80 leasing of new tangible assets to be placed in  
81 operation at the project facility, which will be  
82 directly related to the new jobs;

83 (14) "New job", the number of full-time  
84 employees located at the project facility that  
85 exceeds the project facility base employment  
86 less any decrease in the number of full-time  
87 employees at related facilities below the  
88 related facility base employment. No job that  
89 was created prior to the date of the notice of  
90 intent shall be deemed a new job. An employee  
91 that spends less than fifty percent of the  
92 employee's work time at the facility is still  
93 considered to be located at a facility if the  
94 employee receives his or her directions and  
95 control from that facility, is on the facility's  
96 payroll, one hundred percent of the employee's  
97 income from such employment is Missouri income,  
98 and the employee is paid at or above the state  
99 average wage;

100 (15) "New payroll", the amount of taxable  
101 wages of full-time employees, excluding owners,  
102 located at the project facility that exceeds the  
103 project facility base payroll. If full-time  
104 employment at related facilities is below the  
105 related facility base employment, any decrease  
106 in payroll for full-time employees at the  
107 related facilities below that related facility  
108 base payroll shall also be subtracted to  
109 determine new payroll;

110 (16) "Notice of intent", a form developed  
111 by the department, completed by the qualified  
112 company and submitted to the department which  
113 states the qualified company's intent to hire  
114 new jobs and request benefits under this program;

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

(18) "Program", the Missouri quality jobs program provided in sections 620.1875 to 620.1890;

(19) "Project facility", the building used by a qualified company at which the new jobs and new investment will be located. A project facility may include separate buildings that are located within fifteen miles of each other or within the same county such that their purpose and operations are interrelated;

(20) "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;

(21) "Project facility base payroll", 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, not including the payroll of the owners of the qualified company unless the qualified company is participating in an employee stock ownership plan. 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;

(22) "Project period", the time period that the benefits are provided to a qualified company;

(23) "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, offers health insurance to all full-time employees of all facilities located in this state, and pays at least fifty percent of such insurance premiums. For the purposes of sections 620.1875 to 620.1890, the term "qualified company" shall not include:

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

(b) Retail trade establishments (NAICS sectors 44 and 45);

(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 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 between January 1, 2009, and December 31, 2009, 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; or

(k) Biodiesel production.

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

(24) "Qualified renewable energy sources" shall not be construed to include ethanol distillation or production or biodiesel production; however, it shall include:

(a) Open-looped biomass;

(b) Close-looped biomass;

(c) Solar;

(d) Wind;

(e) Geothermal; and

(f) Hydropower;

(25) "Related company" means:

(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 subdivision, "control of a corporation" shall mean 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, "control of a partnership or association" shall mean ownership of at least fifty percent of the capital or profits interest in such partnership or association, "control of a trust" shall mean ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such trust, and ownership shall be determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

(26) "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;

(27) "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;

(28) "Related facility base payroll", 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, not including the payroll of the owners of the qualified company unless the qualified company is participating in an employee stock ownership plan. 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;

(29) "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;

(30) "Small and expanding business project", a qualified company that within two years of the date of the approval creates a minimum of twenty new jobs if the project facility is located in a rural area or a minimum of forty new jobs if the project facility is not located in a rural area and creates fewer than one hundred new jobs regardless of the location of the project facility;

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

(32) "Technology business project", a qualified company that within two years of the date of the approval creates a minimum of ten new jobs involved in the operations of a company:

(a) Which is a technology company, as determined by a regulation promulgated by the department under the provisions of section 620.1884 or classified by NAICS codes;

(b) Which owns or leases a facility which produces electricity derived from qualified renewable energy sources, or produces fuel for the generation of electricity from qualified renewable energy sources, but does not include any company that has received the alcohol mixture credit, alcohol credit, or small ethanol producer credit pursuant to 26 U.S.C. Section 40 of the tax code in the previous tax year;

(c) Which researches, develops, or manufactures power system technology for: aerospace; space; defense; hybrid vehicles; or implantable or wearable medical devices; or

(d) Which is a clinical molecular diagnostic laboratory focused on detecting and monitoring infections in immunocompromised patient populations;

(33) "Withholding tax", the state tax imposed by sections 143.191 to 143.265. For purposes of this program, the withholding tax

333 shall be computed using a schedule as determined  
334 by the department based on average wages.]

[620.1881. 1. The department of economic  
2 development shall respond within thirty days to  
3 a company who provides a notice of intent with  
4 either an approval or a rejection of the notice  
5 of intent. The department shall give preference  
6 to qualified companies and projects targeted at  
7 an area of the state which has recently been  
8 classified as a disaster area by the federal  
9 government. Failure to respond on behalf of the  
10 department of economic development shall result  
11 in the notice of intent being deemed an approval  
12 for the purposes of this section. A qualified  
13 company who is provided an approval for a  
14 project shall be allowed a benefit as provided  
15 in this program in the amount and duration  
16 provided in this section. A qualified company  
17 may receive additional periods for subsequent  
18 new jobs at the same facility after the full  
19 initial period if the minimum thresholds are met  
20 as set forth in sections 620.1875 to 620.1890.  
21 There is no limit on the number of periods a  
22 qualified company may participate in the  
23 program, as long as the minimum thresholds are  
24 achieved and the qualified company provides the  
25 department with the required reporting and is in  
26 proper compliance for this program or other  
27 state programs. A qualified company may elect  
28 to file a notice of intent to start a new  
29 project period concurrent with an existing  
30 project period if the minimum thresholds are  
31 achieved and the qualified company provides the  
32 department with the required reporting and is in  
33 proper compliance for this program and other  
34 state programs; however, the qualified company  
35 may not receive any further benefit under the  
36 original approval for jobs created after the  
37 date of the new notice of intent, and any jobs  
38 created before the new notice of intent may not  
39 be included as new jobs for the purpose of  
40 benefit calculation in relation to the new  
41 approval. When a qualified company has filed

42 and received approval of a notice of intent and  
43 subsequently files another notice of intent, the  
44 department shall apply the definition of project  
45 facility under subdivision (19) of section  
46 620.1878 to the new notice of intent as well as  
47 all previously approved notices of intent and  
48 shall determine the application of the  
49 definitions of new job, new payroll, project  
50 facility base employment, and project facility  
51 base payroll accordingly.

52 2. Notwithstanding any provision of law to  
53 the contrary, any qualified company that is  
54 awarded benefits under this program may not  
55 simultaneously receive tax credits or exemptions  
56 under sections 135.100 to 135.150, sections  
57 135.200 to 135.286, section 135.535, or sections  
58 135.900 to 135.906 at the same project  
59 facility. The benefits available to the company  
60 under any other state programs for which the  
61 company is eligible and which utilize  
62 withholding tax from the new jobs of the company  
63 must first be credited to the other state  
64 program before the withholding retention level  
65 applicable under the Missouri quality jobs act  
66 will begin to accrue. These other state  
67 programs include, but are not limited to, the  
68 Missouri works jobs training program under  
69 sections 620.800 to 620.809, the real property  
70 tax increment allocation redevelopment act,  
71 sections 99.800 to 99.865, or the Missouri  
72 downtown and rural economic stimulus act under  
73 sections 99.915 to 99.980. If any qualified  
74 company also participates in the Missouri works  
75 jobs training program in sections 620.800 to  
76 620.809, the company shall retain no withholding  
77 tax, but the department shall issue a refundable  
78 tax credit for the full amount of benefit  
79 allowed under this subdivision. The calendar  
80 year annual maximum amount of tax credits which  
81 may be issued to a qualifying company that also  
82 participates in the new job training program  
83 shall be increased by an amount equivalent to  
84 the withholding tax retained by that company  
85 under the new jobs training program. However,

if the combined benefits of the quality jobs program and the new jobs training program exceed the projected state benefit of the project, as determined by the department of economic development through a cost-benefit analysis, the increase in the maximum tax credits shall be limited to the amount that would not cause the combined benefits to exceed the projected state benefit. Any taxpayer who is awarded benefits under this program who knowingly hires individuals who are not allowed to work legally in the United States shall immediately forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any withholding taxes already retained.

3. The types of projects and the amount of benefits to be provided are:

(1) Small and expanding business projects: 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 retain an amount equal to the withholding tax as calculated under subdivision (33) of section 620.1878 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 for a period of three years from the date the required number of new jobs were created if the average wage of the new payroll equals or exceeds the county average wage or for a period of five years from the date the required number of new jobs were created if the average wage of the new payroll equals or exceeds one hundred twenty percent of the county average wage;

(2) Technology business projects: 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 retain an amount equal to a maximum of five percent of new payroll for a period of five years from the date

the required number of jobs were created from the withholding tax of 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 the average wage of the new payroll equals or exceeds the county average wage. An additional one-half percent of new payroll may be added to the five percent maximum if the average wage of the new payroll in any year exceeds one hundred twenty percent of the county average wage in the county in which the project facility is located, plus an additional one-half percent of new payroll may be added if the average wage of the new payroll in any year exceeds one hundred forty percent of the average wage in 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 subdivision 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 subdivision;

(3) High impact projects: 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 retain an amount from the withholding tax of 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 three percent of new payroll for a period of five years from the date the required number of jobs were created if the average wage of the new payroll equals or exceeds the county average wage of the county in which the project facility is located. For high-impact projects in a facility located within two adjacent counties, the new payroll shall equal or exceed the higher county average wage of the adjacent counties. The percentage of payroll allowed under this subdivision shall be three and one-half percent

of new payroll if the average wage of the new payroll in any year exceeds one hundred twenty percent of the county average wage in the county in which the project facility is located. The percentage of payroll allowed under this subdivision shall be four percent of new payroll if the average wage of the new payroll in any year exceeds one hundred forty percent of the county average wage in the county in which the project facility is located. An additional one percent of new payroll may be added to these percentages if local incentives equal between ten percent and twenty-four percent of the new direct local revenue; an additional two percent of new payroll is added to these percentages if the local incentives equal between twenty-five percent and forty-nine percent of the new direct local revenue; or an additional three percent of payroll is added to these percentages if the local incentives equal fifty percent or more of the new direct local revenue. The department shall issue a refundable tax credit for any difference between the amount of benefit allowed under this subdivision 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 subdivision;

(4) Job retention projects: a qualified company may receive a tax credit for the retention of jobs in this state, provided the qualified company and the project meets all of the following conditions:

(a) For each of the twenty-four months preceding the year in which application for the program is made the qualified company must have maintained at least one thousand full-time employees at the employer's site in the state at which the jobs are based, and the average wage of such employees must meet or exceed the county average wage;

(b) The qualified company retained at the project facility the level of full-time employees that existed in the taxable year

immediately preceding the year in which  
application for the program is made;

(c) The qualified company is considered to  
have a significant statewide effect on the  
economy, and has been determined to represent a  
substantial risk of relocation from the state by  
the quality jobs advisory task force established  
in section 620.1887; provided, however, until  
such time as the initial at-large members of the  
quality jobs advisory task force are appointed,  
this determination shall be made by the director  
of the department of economic development;

(d) The qualified company in the project  
facility will cause to be invested a minimum of  
seventy million dollars in new investment prior  
to the end of two years or will cause to be  
invested a minimum of thirty million dollars in  
new investment prior to the end of two years and  
maintain an annual payroll of at least seventy  
million dollars during each of the years for  
which a credit is claimed; and

(e) The local taxing entities shall  
provide local incentives of at least fifty  
percent of the new direct local revenues created  
by the project over a ten-year period.

The quality jobs advisory task force may  
recommend to the department of economic  
development that appropriate penalties be  
applied to the company for violating the  
agreement. The amount of the job retention  
credit granted may be equal to up to fifty  
percent of the amount of withholding tax  
generated by the full-time jobs at the project  
facility for a period of five years. The  
calendar year annual maximum amount of tax  
credit that may be issued to any qualified  
company for a job retention project or  
combination of job retention projects shall be  
seven hundred fifty thousand dollars per year,  
but the maximum amount may be increased up to  
one million dollars if such action is proposed  
by the department and approved by the quality  
jobs advisory task force established in section  
620.1887; provided, however, until such time as



the initial at-large members of the quality jobs advisory task force are appointed, this determination shall be made by the director of the department of economic development. In considering such a request, the task force shall rely on economic modeling and other information supplied by the department when requesting the increased limit on behalf of the job retention project. In no event shall the total amount of all tax credits issued for the entire job retention program under this subdivision exceed three million dollars annually. Notwithstanding the above, no tax credits shall be issued for job retention projects approved by the department after August 30, 2013;

(5) Small business job retention and flood survivor relief: a qualified company may receive a tax credit under sections 620.1875 to 620.1890 for the retention of jobs and flood survivor relief in this state for each job retained over a three-year period, provided that:

(a) The qualified company did not receive any state or federal benefits, incentives, or tax relief or abatement in locating its facility in a flood plain;

(b) The qualified company and related companies have fewer than one hundred employees at the time application for the program is made;

(c) The average wage of the qualified company's and related companies' employees must meet or exceed the county average wage;

(d) All of the qualified company's and related companies' facilities are located in this state;

(e) The facilities at the primary business site in this state have been directly damaged by floodwater rising above the level of a five hundred year flood at least two years, but fewer than eight years, prior to the time application is made;

(f) The qualified company made significant efforts to protect the facilities prior to any impending danger from rising floodwaters;

(g) For each year it receives tax credits under sections 620.1875 to 620.1890, the qualified company and related companies retained, at the company's facilities in this state, at least the level of full-time, year-round employees that existed in the taxable year immediately preceding the year in which application for the program is made; and

(h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company cumulatively invests at least two million dollars in capital improvements in facilities and equipment located at such facilities that are not located within a five hundred year flood plain as designated by the Federal Emergency Management Agency, and amended from time to time. The amount of the small business job retention and flood survivor relief credit granted may be equal to up to one hundred percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of three years. The calendar year annual maximum amount of tax credit that may be issued to any qualified company for a small business job retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the maximum amount may be increased up to five hundred thousand dollars if such action is proposed by the department and approved by the quality jobs advisory task force established in section 620.1887. In considering such a request, the task force shall rely on economic modeling and other information supplied by the department when requesting an increase in the limit on behalf of the small business job retention and flood survivor relief project. In no event shall the total amount of all tax credits issued for the entire small business job retention and flood survivor relief program under this subdivision exceed five hundred thousand dollars annually. Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued for small business job retention

349 and flood survivor relief projects approved by  
350 the department after August 30, 2010.

351 4. The qualified company shall provide an  
352 annual report of the number of jobs and such  
353 other information as may be required by the  
354 department to document the basis for the  
355 benefits of this program. The department may  
356 withhold the approval of any benefits until it  
357 is satisfied that proper documentation has been  
358 provided, and shall reduce the benefits to  
359 reflect any reduction in full-time employees or  
360 new payroll. Upon approval by the department,  
361 the qualified company may begin the retention of  
362 the withholding taxes when it reaches the  
363 minimum number of new jobs and the average wage  
364 exceeds the county average wage. Tax credits,  
365 if any, may be issued upon satisfaction by the  
366 department that the qualified company has  
367 exceeded the county average wage and the minimum  
368 number of new jobs. In such annual report, if  
369 the average wage is below the county average  
370 wage, the qualified company has not maintained  
371 the employee insurance as required, or if the  
372 number of new jobs is below the minimum, the  
373 qualified company shall not receive tax credits  
374 or retain the withholding tax for the balance of  
375 the benefit period. In the case of a qualified  
376 company that initially filed a notice of intent  
377 and received an approval from the department for  
378 high-impact benefits and the minimum number of  
379 new jobs in an annual report is below the  
380 minimum for high-impact projects, the company  
381 shall not receive tax credits for the balance of  
382 the benefit period but may continue to retain  
383 the withholding taxes if it otherwise meets the  
384 requirements of a small and expanding business  
385 under this program.

386 5. The maximum calendar year annual tax  
387 credits issued for the entire program shall not  
388 exceed eighty million dollars. Notwithstanding  
389 any provision of law to the contrary, the  
390 maximum annual tax credits authorized under  
391 section 135.535 are hereby reduced from ten  
392 million dollars to eight million dollars, with

the balance of two million dollars transferred to this program. There shall be no limit on the amount of withholding taxes that may be retained by approved companies under this program.

6. The department shall allocate the annual tax credits based on the date of the approval, reserving such tax credits based on the department's best estimate of new jobs and new payroll of the project, and the other factors in the determination of benefits of this program. However, the annual issuance of tax credits is subject to the annual verification of the actual new payroll. The allocation of tax credits for the period assigned to a project shall expire if, within two years from the date of commencement of operations, or approval if applicable, the minimum thresholds have not been achieved. The qualified company may retain authorized amounts from the withholding tax under this section once the minimum new jobs thresholds are met for the duration of the project period. No benefits shall be provided under this program until the qualified company meets the minimum new jobs thresholds. In the event the qualified company does not meet the minimum new job threshold, the qualified company may submit a new notice of intent or the department may provide a new approval for a new project of the qualified company at the project facility or other facilities.

7. For a qualified company with flow-through tax treatment to its members, partners, or shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion to their share of ownership on the last day of the qualified company's tax period.

8. Tax credits may be claimed against taxes otherwise imposed by chapters 143 and 148, and may not be carried forward but shall be claimed within one year of the close of the taxable year for which they were issued, except as provided under subdivision (4) of subsection 3 of this section.

436           9. Tax credits authorized by this section  
437 may be transferred, sold, or assigned by filing  
438 a notarized endorsement thereof with the  
439 department that names the transferee, the amount  
440 of tax credit transferred, and the value  
441 received for the credit, as well as any other  
442 information reasonably requested by the  
443 department.

444           10. Prior to the issuance of tax credits,  
445 the department shall verify through the  
446 department of revenue, or any other state  
447 department, that the tax credit applicant does  
448 not owe any delinquent income, sales, or use tax  
449 or interest or penalties on such taxes, or any  
450 delinquent fees or assessments levied by any  
451 state department and through the department of  
452 commerce and insurance that the applicant does  
453 not owe any delinquent insurance taxes. Such  
454 delinquency shall not affect the authorization  
455 of the application for such tax credits, except  
456 that at issuance credits shall be first applied  
457 to the delinquency and any amount issued shall  
458 be reduced by the applicant's tax delinquency.  
459 If the department of revenue or the department  
460 of commerce and insurance, or any other state  
461 department, concludes that a taxpayer is  
462 delinquent after June fifteenth but before July  
463 first of any year and the application of tax  
464 credits to such delinquency causes a tax  
465 deficiency on behalf of the taxpayer to arise,  
466 then the taxpayer shall be granted thirty days  
467 to satisfy the deficiency in which interest,  
468 penalties, and additions to tax shall be  
469 tolled. After applying all available credits  
470 toward a tax delinquency, the administering  
471 agency shall notify the appropriate department  
472 and that department shall update the amount of  
473 outstanding delinquent tax owed by the  
474 applicant. If any credits remain after  
475 satisfying all insurance, income, sales, and use  
476 tax delinquencies, the remaining credits shall  
477 be issued to the applicant, subject to the  
478 restrictions of other provisions of law.

11. Except as provided under subdivision (4) of subsection 3 of this section, the director of revenue shall issue a refund to the qualified company to the extent that the amount of credits allowed in this section exceeds the amount of the qualified company's income tax.

12. An employee of a qualified company will receive full credit for the amount of tax withheld as provided in section 143.211.

13. If any provision of sections 620.1875 to 620.1890 or application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or application of these sections which can be given effect without the invalid provisions or application, and to this end, the provisions of sections 620.1875 to 620.1890 are hereby declared severable.]

[620.1884. The department may adopt such rules, statements of policy, procedures, forms, and guidelines as may be necessary to carry out the provisions of sections 620.1875 to 620.1890. 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, 2005, shall be invalid and void.]

[620.1887. There is hereby created a volunteer task force, to be known as the "Quality Jobs Advisory Task Force", which shall consist of the chairperson of the economic development committee of the Missouri senate or his or her designee, a member of the economic

7 development committee of the Missouri senate  
8 appointed by the minority leader of the Missouri  
9 senate, the chairperson of the economic  
10 development committee of the Missouri house of  
11 representatives or his or her designee, a member  
12 of the economic development committee of the  
13 Missouri house of representatives appointed by  
14 the minority leader of the Missouri house of  
15 representatives, the director of the department  
16 of economic development or his or her designee,  
17 and two members to be appointed by the governor  
18 with the advice and consent of the senate.]

[620.1890. Prior to March first each year,  
2 the department will provide a report on the  
3 program to the general assembly including the  
4 names of participating companies, location of  
5 such companies, the annual amount of benefits  
6 provided, the estimated net state fiscal impact  
7 (direct and indirect new state taxes derived  
8 from the project), the number of new jobs  
9 created or jobs retained, the average wages of  
10 each project, and the types of qualified  
11 companies using the program.]

[620.2600. 1. This section shall be known  
2 and may be cited as the "Innovation Campus Tax  
3 Credit Act".

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

6 (1) "Certificate", a tax credit  
7 certificate issued under this section;

8 (2) "Department", the Missouri department  
9 of economic development;

10 (3) "Eligible donation", donations  
11 received from a taxpayer by innovation campuses  
12 that are to be used solely for projects that  
13 advance learning in the areas of science,  
14 technology, engineering, and mathematics.  
15 Eligible donations may include cash, publicly  
16 traded stocks and bonds, and real estate that  
17 shall and will be valued and documented  
18 according to the rules promulgated by the  
19 department of economic development;

(4) "Innovation education campus" or "innovation campus", as defined in section 178.1100, an educational partnership consisting of at least one of each of the following entities:

(a) A local Missouri high school or K-12 school district;

(b) A Missouri four-year public or private higher education institution;

(c) A Missouri-based business or businesses; and

(d) A Missouri two-year public higher education institution or state technical college of Missouri;

(5) "Taxpayer", any of the following individuals or entities who make an eligible donation to any innovation campus:

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

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

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

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

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

(f) Any charitable organization which 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.

3. For all taxable years beginning on or after January 1, 2015, any taxpayer shall be allowed a credit against the taxes otherwise due under chapters 147, 148, or 143, excluding withholding tax imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of the amount of an eligible donation, subject to the restrictions in this section. The amount of



64 the tax credit claimed shall not exceed the  
65 amount of the taxpayer's state income tax  
66 liability in the tax year for which the credit  
67 is claimed. Any amount of credit that the  
68 taxpayer is prohibited by this section from  
69 claiming in a tax year shall not be refundable,  
70 but may be carried forward to any of the  
71 taxpayer's four subsequent taxable years.

72 4. To claim the credit authorized in this  
73 section, an innovation campus may submit to the  
74 department an application for the tax credit  
75 authorized by this section on behalf of  
76 taxpayers. The department shall verify that the  
77 innovation campus has submitted the following  
78 items:

79 (1) A valid application in the form and  
80 format required by the department;

81 (2) A statement attesting to the eligible  
82 donation received, which shall include the name  
83 and taxpayer identification number of the  
84 individual or taxpayer making the eligible  
85 donation, the amount of the eligible donation,  
86 and the date the eligible donation was received  
87 by the innovation campus; and

88 (3) Payment from the innovation campus  
89 equal to the value of the tax credit for which  
90 application is made.

91 If the innovation campus applying for the  
92 tax credit meets all criteria required by this  
93 subsection, the department shall issue a  
94 certificate in the appropriate amount.

95 5. Tax credits issued under this section  
96 may be assigned, transferred, sold, or otherwise  
97 conveyed, and the new owner of the tax credit  
98 shall have the same rights in the credit as the  
99 taxpayer. Whenever a certificate is assigned,  
100 transferred, sold, or otherwise conveyed, a  
101 notarized endorsement shall be filed with the  
102 department specifying the name and address of  
103 the new owner of the tax credit and the value of  
104 the credit.

105 6. The department may promulgate rules to  
106 implement the provisions of this section. Any  
107 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 under and 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, 2014, shall be invalid and void.

7. Under section 23.253 of the Missouri sunset act:

(1) The program authorized under this section shall expire six years after August 28, 2014, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after August 28, 2014; and

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

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