

SENATE BILL NO. 1443

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR BURGER.

5936S.011

KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 620, RSMo, by adding thereto one new section relating to a tax credit for certain capital investments.

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

Section A. Chapter 620, RSMo, is amended by adding thereto
2 one new section, to be known as section 620.2012, to read as
3 follows:

620.2012. 1. In exchange for the consideration
2 provided by the new tax revenues and other economic stimuli
3 that will be generated by the creation or retention of jobs
4 and the making of new capital investment in this state, a
5 qualified company may be eligible to receive the tax credits
6 described in this section if:

7 (1) The department makes, and the qualified company
8 accepts, a proposal for benefits that includes tax credits
9 authorized by this section; and

10 (2) The qualified company will expend at least fifty
11 million dollars in new capital investment for the project no
12 later than two years after the date of the notice of intent.

13 2. Notwithstanding the provisions of subdivision (29)
14 of subsection 1 of section 620.2005 to the contrary, a data
15 storage center as defined in subdivision (4) of subsection 1
16 of section 144.810 shall not be eligible to be a qualified

17 company for the purposes of the tax credits authorized under
18 this section.

19 3. A qualified company that intends to seek the
20 benefits authorized under this section shall submit to the
21 department a notice of intent. Notwithstanding the
22 provisions of subsection 1 of section 620.2020 to the
23 contrary, a notice of intent from a qualified company that
24 did not receive and accept a proposal of benefits for tax
25 credits under this section shall be ineligible for the tax
26 credits under this section. The department shall respond
27 within thirty days to a notice of intent with an approval or
28 a rejection, provided that the department may withhold
29 approval or provide a contingent approval until it is
30 satisfied that proper documentation of eligibility has been
31 provided. A failure of the department to respond within
32 thirty days shall not result in the notice of intent being
33 deemed approved.

34 4. The tax credits authorized by this section shall
35 not exceed two and one-half percent of the new capital
36 investment made at the project facility during the three-
37 year period beginning upon the date of the notice of
38 intent. No new capital investment incurred prior to the
39 date of the notice of intent shall be eligible for tax
40 credits under this section.

41 5. Tax credits authorized by this section shall be
42 included in and subject to the limitations on the maximum
43 amount of tax credits that may be authorized in a fiscal
44 year as provided in subdivision (1) of subsection 7 of
45 section 620.2020. The provisions of subsection 9 of section
46 620.2020 shall also apply to tax credits authorized pursuant
47 to this section, except that any authorization of tax
48 credits under this section shall expire if, within two years

49 from the date of the notice of intent for the project, the
50 qualified company has failed to meet the minimum required
51 new capital investment as required in subdivision (2) of
52 subsection 1 of this section.

53 6. The amount of tax credits proposed and awarded to a
54 qualified company under this section shall not exceed the
55 least amount necessary to obtain the qualified company's
56 commitment to initiate the project. In determining the
57 amount of tax credits to include in a proposal for benefits
58 to a qualified company under this section, the department
59 shall consider the following factors:

60 (1) The significance of the qualified company's need
61 for program benefits;

62 (2) The overall size and quality of the proposed
63 project, including the number of jobs created or retained,
64 new capital investment, proposed wages for such jobs, growth
65 potential of the qualified company, and similar factors;

66 (3) The financial stability and creditworthiness of
67 the qualified company;

68 (4) The level of economic distress in the area;

69 (5) An evaluation of the competitiveness of
70 alternative locations for the project facility, as
71 applicable; and

72 (6) The percent of local incentives committed.

73 7. Notwithstanding the provisions of subsection 3 of
74 section 620.2020 to the contrary, a qualified company
75 receiving benefits under this section shall provide an
76 annual report of the number of jobs created or retained, and
77 wage information for such jobs, new capital investment, and
78 such other information as may be required by the department
79 to document the basis for program benefits no later than
80 ninety days prior to the end of the qualified company's tax

81 year immediately following the tax year for which the
82 benefits provided under this section are attributed.
83 Failure to timely file the annual report required under this
84 section may result in the forfeiture of tax credits
85 attributable to the year for which the reporting was
86 required.

87 8. Upon approval of a notice of intent to receive tax
88 credits under subsection 3 of this section, the department
89 and the qualified company shall enter into a written
90 agreement covering the applicable project period. The
91 agreement shall specify, at a minimum:

92 (1) The committed number of jobs created or retained,
93 wages for such jobs, and new capital investment for each
94 year during the project period;

95 (2) The terms and conditions upon the issuance of tax
96 credits, which, notwithstanding subsection 4 of section
97 620.2020 to the contrary, shall be issued no sooner than
98 when the qualified company files its first annual report
99 required under subsection 3 of section 620.2020 after making
100 the minimum required new capital investment as set forth in
101 subdivision (2) of subsection 1 of this section;

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

104 (4) Any other provisions the department may require.

105 9. Notwithstanding any other provision of law to the
106 contrary, any qualified company that is awarded tax credits
107 under this section shall not simultaneously receive benefits
108 under sections 135.100 to 135.155, 620.2010, or 620.2015 for
109 the same jobs, wages, or new capital investment that
110 qualified for tax credits under this section.

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