

SECOND REGULAR SESSION

SENATE BILL NO. 949

89TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SIMS.

Read 1st time February 24, 1998, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

S3970.011

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to an income tax credit for certain property taxes.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be known as section 135.065, to read as follows:

135.065. 1. Any taxpayer shall be entitled to a tax credit against any tax otherwise due under the provisions of chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, in the amount of twenty percent of the ad valorem property taxes paid upon manufacturing equipment or machinery purchased after December 31, 1998. The tax credit shall be limited to the property taxes paid in the year of purchase and the property taxes paid in each of the first four years thereafter. The portion of tax credits which exceeds the taxpayer's liability may be carried forward for up to five years.

2. For the purposes of this section "property taxes" paid upon distributable property, as defined in section 151.020, RSMo and sections 153.032, 153.034 and 153.036, RSMo, shall be calculated as follows: thirty-three and one-third percent of the acquisition cost of manufacturing equipment or machinery depreciated, using the depreciation method employed by the taxpayer in keeping its books and records, but not below thirty percent of said acquisition cost, times the statewide average rate of property taxes levied the preceding year as determined by the state tax commission.

3. "Manufacturing equipment and machinery" as used in this section means any

machinery, equipment or parts thereof, used primarily in manufacturing, processing, compounding, mining, fabricating or producing a product.

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