

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NOS. 1288, 1377 & 2050
99TH GENERAL ASSEMBLY

4663H.03C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 135.341, 135.600, and 135.630, RSMo, and to enact in lieu thereof three new sections relating to tax credits for contributions to certain benevolent organizations.

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

Section A. Sections 135.341, 135.600, and 135.630, RSMo, are repealed and three new sections enacted in lieu thereof, to be known as sections 135.341, 135.600, and 135.630, to read as follows:

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

- (1) "CASA", an entity which receives funding from the court-appointed special advocate fund established under section 476.777, including an association based in this state, affiliated with a national association, organized to provide support to entities receiving funding from the court-appointed special advocate fund;
- (2) "Child advocacy centers", the regional child assessment centers listed in subsection 2 of section 210.001, **including an association based in this state, affiliated with a national association, and organized to provide support to entities listed in subsection 2 of section 210.001;**
- (3) "Contribution", the amount of donation to a qualified agency;
- (4) "Crisis care center", entities contracted with this state which provide temporary care for children whose age ranges from birth through seventeen years of age whose parents or guardian are experiencing an unexpected and unstable or serious condition that requires immediate action resulting in short-term care, usually three to five continuous, uninterrupted days, for children who may be at risk for child abuse, neglect, or in an emergency situation;
- (5) "Department", the department of revenue;
- (6) "Director", the director of the department of revenue;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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

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

21 2. For all tax years beginning on or after January 1, 2013, a tax credit may be claimed
22 in an amount equal to up to fifty percent of a verified contribution to a qualified agency and shall
23 be named the champion for children tax credit. The minimum amount of any tax credit issued
24 shall not be less than fifty dollars and shall be applied to taxes due under chapter 143, excluding
25 sections 143.191 to 143.265. A contribution verification shall be issued to the taxpayer by the
26 agency receiving the contribution. Such contribution verification shall include the taxpayer's
27 name, Social Security number, amount of tax credit, amount of contribution, the name and
28 address of the agency receiving the credit, and the date the contribution was made. The tax credit
29 provided under this subsection shall be initially filed for the year in which the verified
30 contribution is made.

31 3. The cumulative amount of the tax credits redeemed shall not exceed one million **five**
32 **hundred thousand** dollars in any tax year. The amount available shall be equally divided
33 among the three qualified agencies: CASA, child advocacy centers, or crisis care centers, to be
34 used towards tax credits issued. In the event tax credits claimed under one agency do not total
35 the allocated amount for that agency, the unused portion for that agency will be made available
36 to the remaining agencies equally. In the event the total amount of tax credits claimed for any
37 one agency exceeds the amount available for that agency, the amount redeemed shall and will
38 be apportioned equally to all eligible taxpayers claiming the credit under that agency.

39 4. Prior to December thirty-first of each year, each qualified agency shall apply to the
40 department of social services in order to verify their qualified agency status. Upon a
41 determination that the agency is eligible to be a qualified agency, the department of social
42 services shall provide a letter of eligibility to such agency. No later than February first of each
43 year, the department of social services shall provide a list of qualified agencies to the department
44 of revenue. All tax credit applications to claim the champion for children tax credit shall be filed
45 between July first and April fifteenth of each fiscal year. A taxpayer shall apply for the
46 champion for children tax credit by attaching a copy of the contribution verification provided by
47 a qualified agency to such taxpayer's income tax return.

48 5. Any amount of tax credit which exceeds the tax due or which is applied for and
49 otherwise eligible for issuance but not issued shall not be refunded but may be carried over to
50 any subsequent ~~taxable~~ tax year, not to exceed a total of five years.

51 6. Tax credits may be assigned, transferred or sold.

52 7. (1) In the event a credit denial, due to lack of available funds, causes a balance-due
53 notice to be generated by the department of revenue, or any other redeeming agency, the taxpayer

54 will not be held liable for any penalty or interest, provided the balance is paid, or approved
55 payment arrangements have been made, within sixty days from the notice of denial.

56 (2) In the event the balance is not paid within sixty days from the notice of denial, the
57 remaining balance shall be due and payable under the provisions of chapter 143.

58 8. The department may promulgate such rules or regulations as are necessary to
59 administer the provisions of this section. Any rule or portion of a rule, as that term is defined
60 in section 536.010, that is created under the authority delegated in this section shall become
61 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if
62 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the
63 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective
64 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
65 rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid
66 and void.

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

68 (1) The program authorized under this section shall be reauthorized as of March 29,
69 ~~[2013]~~ **2019**, and shall expire on December 31, ~~[2019]~~ **2025**, unless reauthorized by the general
70 assembly; and

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

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

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

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

2 (1) "Contribution", a donation of cash, stock, bonds or other marketable securities, or
3 real property;

4 (2) "Maternity home", a residential facility located in this state:

5 (a) Established for the purpose of providing housing and assistance to pregnant women
6 who are carrying their pregnancies to term[.];

7 (b) **That does not perform, induce, or refer for abortions and that does not hold**
8 **itself out as performing, inducing, or referring for abortions;**

9 (c) **That provides services at no cost to clients;** and ~~[which]~~

10 (d) **That** is exempt from income taxation under the United States Internal Revenue
11 Code;

12 (3) "State tax liability", in the case of a business taxpayer, any liability incurred by such
13 taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153,
14 exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191
15 to 143.265, and related provisions, and in the case of an individual taxpayer, any liability
16 incurred by such taxpayer pursuant to the provisions of chapter 143;

17 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a shareholder in an S
18 corporation doing business in the state of Missouri and subject to the state income tax imposed
19 by the provisions of chapter 143, including any charitable organization which is exempt from
20 federal income tax and whose Missouri unrelated business taxable income, if any, would be
21 subject to the state income tax imposed under chapter 143, or a corporation subject to the annual
22 corporation franchise tax imposed by the provisions of chapter 147, or an insurance company
23 paying an annual tax on its gross premium receipts in this state, or other financial institution
24 paying taxes to the state of Missouri or any political subdivision of this state pursuant to the
25 provisions of chapter 148, or an express company which pays an annual tax on its gross receipts
26 in this state pursuant to chapter 153, or an individual subject to the state income tax imposed by
27 the provisions of chapter 143.

28 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
29 liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a
30 maternity home.

31 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
32 state tax liability for the ~~[taxable]~~ tax year that the credit is claimed, and such taxpayer shall not
33 be allowed to claim a tax credit in excess of fifty thousand dollars per ~~[taxable]~~ tax year.
34 However, any tax credit that cannot be claimed in the ~~[taxable]~~ tax year the contribution was
35 made may be carried over **only** to the next ~~[four]~~ succeeding ~~[taxable years until the full credit~~
36 ~~has been claimed]~~ tax year. **No tax credit issued under this section shall be assigned,**
37 **transferred, or sold.**

38 4. Except for any excess credit which is carried over pursuant to subsection 3 of this
39 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such
40 taxpayer's contribution or contributions to a maternity home or homes in such taxpayer's
41 ~~[taxable]~~ tax year has a value of at least one hundred dollars.

42 5. The director of the department of social services shall determine, at least annually,
43 which facilities in this state may be classified as maternity homes. The director of the
44 department of social services may require of a facility seeking to be classified as a maternity
45 home whatever information is reasonably necessary to make such a determination. The director
46 of the department of social services shall classify a facility as a maternity home if such facility
47 meets the definition set forth in subsection 1 of this section.

48 6. The director of the department of social services shall establish a procedure by which
49 a taxpayer can determine if a facility has been classified as a maternity home, and by which such
50 taxpayer can then contribute to such maternity home and claim a tax credit. Maternity homes
51 shall be permitted to decline a contribution from a taxpayer. The cumulative amount of tax
52 credits which may be claimed by all the taxpayers contributing to maternity homes in any one
53 fiscal year shall not exceed two million dollars for all fiscal years ending on or before June 30,
54 2014, and two million five hundred thousand dollars for all fiscal years beginning on or after July
55 1, 2014. **Tax credits shall be issued in the order contributions are received. If the amount**
56 **of tax credits redeemed in a fiscal year is less than the cumulative amount authorized**
57 **under this subsection, the difference shall be carried over to a subsequent fiscal year or**
58 **years and shall be added to the cumulative amount of tax credits that may be claimed in**
59 **that fiscal year or years.**

60 7. The director of the department of social services shall establish a procedure by which,
61 from the beginning of the fiscal year until some point in time later in the fiscal year to be
62 determined by the director of the department of social services, the cumulative amount of tax
63 credits are equally apportioned among all facilities classified as maternity homes. If a maternity
64 home fails to use all, or some percentage to be determined by the director of the department of
65 social services, of its apportioned tax credits during this predetermined period of time, the
66 director of the department of social services may reapportion these unused tax credits to those
67 maternity homes that have used all, or some percentage to be determined by the director of the
68 department of social services, of their apportioned tax credits during this predetermined period
69 of time. The director of the department of social services may establish more than one period
70 of time and reapportion more than once during each fiscal year. To the maximum extent
71 possible, the director of the department of social services shall establish the procedure described
72 in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits
73 possible up to the cumulative amount of tax credits available for the fiscal year.

74 8. This section shall become effective January 1, 2000, and shall apply to all tax years
75 after December 31, 1999, **until sunset.** [~~No tax credits shall be issued under this section after~~
76 ~~June 30, 2020.~~]

77 **9. Under section 23.253 of the Missouri sunset act:**

78 **(1) The provisions of the program authorized under this section shall automatically**
79 **sunset on December thirty-first six years after the effective date of this subsection unless**
80 **reauthorized by an act of the general assembly;**

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

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

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

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

2 (1) "Contribution", a donation of cash, stock, bonds, or other marketable securities, or
3 real property;

4 (2) "Director", the director of the department of social services;

5 (3) "Pregnancy resource center", a nonresidential facility located in this state:

6 (a) Established and operating primarily to provide assistance to women with crisis
7 pregnancies or unplanned pregnancies by offering pregnancy testing, counseling, emotional and
8 material support, and other similar services to encourage and assist such women in carrying their
9 pregnancies to term; and

10 (b) Where childbirths are not performed; and

11 (c) Which does not perform, induce, or refer for abortions and which does not hold itself
12 out as performing, inducing, or referring for abortions; and

13 (d) Which provides direct client services at the facility, as opposed to merely providing
14 counseling or referral services by telephone; and

15 (e) Which provides its services at no cost to its clients; and

16 (f) When providing medical services, such medical services must be performed in
17 accordance with Missouri statute; and

18 (g) Which is exempt from income taxation pursuant to the Internal Revenue Code of
19 1986, as amended;

20 (4) "State tax liability", in the case of a business taxpayer, any liability incurred by such
21 taxpayer pursuant to the provisions of chapters 143, 147, 148, and 153, excluding sections
22 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability
23 incurred by such taxpayer pursuant to the provisions of chapter 143, excluding sections 143.191
24 to 143.265 and related provisions;

25 (5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a shareholder in an S
26 corporation doing business in the state of Missouri and subject to the state income tax imposed
27 by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax
28 imposed by the provisions of chapter 147, or an insurance company paying an annual tax on its
29 gross premium receipts in this state, or other financial institution paying taxes to the state of

30 Missouri or any political subdivision of this state pursuant to the provisions of chapter 148, or
31 an express company which pays an annual tax on its gross receipts in this state pursuant to
32 chapter 153, or an individual subject to the state income tax imposed by the provisions of chapter
33 143, or any charitable organization which is exempt from federal income tax and whose Missouri
34 unrelated business taxable income, if any, would be subject to the state income tax imposed
35 under chapter 143.

36 2. (1) Beginning on March 29, 2013, any contribution to a pregnancy resource center
37 made on or after January 1, 2013, shall be eligible for tax credits as provided by this section.

38 (2) For all tax years beginning on or after January 1, 2007, a taxpayer shall be allowed
39 to claim a tax credit against the taxpayer's state tax liability in an amount equal to fifty percent
40 of the amount such taxpayer contributed to a pregnancy resource center.

41 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
42 state tax liability for the ~~[taxable]~~ tax year for which the credit is claimed, and such taxpayer
43 shall not be allowed to claim a tax credit in excess of fifty thousand dollars per ~~[taxable]~~ tax
44 year. However, any tax credit that cannot be claimed in the ~~[taxable]~~ tax year the contribution
45 was made may be carried over **only** to the next ~~[four]~~ succeeding ~~[taxable years until the full~~
46 ~~credit has been claimed]~~ tax year. **No tax credit issued under this section shall be assigned,**
47 **transferred, or sold.**

48 4. Except for any excess credit which is carried over pursuant to subsection 3 of this
49 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such
50 taxpayer's contribution or contributions to a pregnancy resource center or centers in such
51 taxpayer's ~~[taxable]~~ tax year has a value of at least one hundred dollars.

52 5. The director shall determine, at least annually, which facilities in this state may be
53 classified as pregnancy resource centers. The director may require of a facility seeking to be
54 classified as a pregnancy resource center whatever information which is reasonably necessary
55 to make such a determination. The director shall classify a facility as a pregnancy resource
56 center if such facility meets the definition set forth in subsection 1 of this section.

57 6. The director shall establish a procedure by which a taxpayer can determine if a facility
58 has been classified as a pregnancy resource center. Pregnancy resource centers shall be permitted
59 to decline a contribution from a taxpayer. The cumulative amount of tax credits which may be
60 claimed by all the taxpayers contributing to pregnancy resource centers in any one fiscal year
61 shall not exceed two million dollars for all fiscal years ending on or before June 30, 2014, and
62 two million five hundred thousand dollars for all fiscal years beginning on or after July 1, 2014.
63 Tax credits shall be issued in the order contributions are received. **If the amount of tax credits**
64 **redeemed in a fiscal year is less than the cumulative amount authorized under this**
65 **subsection, the difference shall be carried over to a subsequent fiscal year or years and**

66 **shall be added to the cumulative amount of tax credits that may be claimed in that fiscal**
67 **year or years.**

68 7. The director shall establish a procedure by which, from the beginning of the fiscal year
69 until some point in time later in the fiscal year to be determined by the director, the cumulative
70 amount of tax credits are equally apportioned among all facilities classified as pregnancy
71 resource centers. If a pregnancy resource center fails to use all, or some percentage to be
72 determined by the director, of its apportioned tax credits during this predetermined period of
73 time, the director may reapportion these unused tax credits to those pregnancy resource centers
74 that have used all, or some percentage to be determined by the director, of their apportioned tax
75 credits during this predetermined period of time. The director may establish more than one
76 period of time and reapportion more than once during each fiscal year. To the maximum extent
77 possible, the director shall establish the procedure described in this subsection in such a manner
78 as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of
79 tax credits available for the fiscal year.

80 8. Each pregnancy resource center shall provide information to the director concerning
81 the identity of each taxpayer making a contribution to the pregnancy resource center who is
82 claiming a tax credit pursuant to this section and the amount of the contribution. The director
83 shall provide the information to the director of revenue. The director shall be subject to the
84 confidentiality and penalty provisions of section 32.057 relating to the disclosure of tax
85 information.

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

87 (1) The **provisions of the** program authorized under this section shall ~~be reauthorized~~
88 ~~as of March 29, 2013, and shall expire~~ **automatically sunset** on December ~~[31, 2019,]~~ **thirty-**
89 **first six years after the effective date of this section** unless reauthorized by **an act of the**
90 general assembly; ~~and~~

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

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

96 ~~[(3)]~~ (4) The provisions of this subsection shall not be construed to limit or in any way
97 impair the department's ability to issue tax credits authorized on or before the date the program
98 authorized under this section expires or a taxpayer's ability to redeem such tax credits.

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