

SECOND REGULAR SESSION

HOUSE BILL NO. 2926

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE WILSON.

5987H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a community college instructor tax credit.

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 135.453, to read as follows:

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

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

(2) "Eligible compensation", the amount of compensation that the qualified taxpayer compensated a qualified career and technical instructor for services during which such instructor was engaged in instruction or duties relating to instruction at a qualified institution under the memorandum of understanding;

(3) "Qualified career and technical instructor", any individual who meets the qualifications set forth by the department of higher education and workforce development in conjunction with the department of elementary and secondary education, who provides services for compensation to a participating business and services for compensation as an instructor for a career to a qualified institution;

(4) "Qualified institution", a Missouri community college that has executed a memorandum of understanding with participating businesses located within such community college's district;

(5) "Qualified taxpayer", any individual, firm, partner in a firm, corporation, partnership, shareholder in an S corporation, or member of a limited liability company subject to the state income tax imposed under chapter 143, excluding the withholding

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 tax imposed under sections 143.191 to 143.265, who employs a qualified career
19 technical instructor in a full-time position and allows such instructor to provide
20 instruction during regular business hours to a qualified institution;

21 (6) "Tax credit", a credit against the tax otherwise due under chapter 143,
22 excluding withholding tax imposed under sections 143.191 to 143.265.

23 2. For all tax years beginning on or after January 1, 2025, a qualified taxpayer
24 shall be allowed to claim a tax credit against the taxpayer's state tax liability in an
25 amount equal to five thousand dollars or the eligible compensation amount paid to the
26 qualified career and technical instructor, whichever is less.

27 3. The total tax credits claimed by a qualified taxpayer under this section shall
28 not exceed five tax credits for any given tax year.

29 4. The application for the tax credits under this section shall be made to the
30 department and shall include information on the qualifications of the instructor, the
31 participating business entity, compensation information, and any other such
32 information that the department deems necessary. The department shall prescribe
33 the method for claiming the tax credits allowed in this section and may collaborate with
34 the department of higher education and workforce development and the department of
35 elementary and secondary education to set forth additional guidelines, qualifications,
36 rules, and regulations to effectuate the provisions of this section.

37 5. The cumulative amount of tax credits allowed to all taxpayers under this
38 section shall not exceed five hundred thousand dollars per fiscal year. If the amount of
39 tax credits claimed in a fiscal year under this section exceeds five hundred thousand
40 dollars, tax credits shall be allowed based on the order in which they are claimed.

41 6. The tax credit authorized under this section shall be nonrefundable and shall
42 not be assigned, transferred, sold, or otherwise conveyed.

43 7. No tax credit authorized under this section shall be carried forward to any
44 subsequent tax year.

45 8. The department of revenue, in conjunction with the department of higher
46 education and workforce development and the department of elementary and secondary
47 education, shall promulgate all necessary rules and regulations for the administration of
48 this section. Any rule or portion of a rule, as that term is defined in section 536.010, that
49 is created under the authority delegated in this section shall become effective only if it
50 complies with and is subject to all of the provisions of chapter 536 and, if applicable,
51 section 536.028. This section and chapter 536 are nonseverable and if any of the powers
52 vested with the general assembly pursuant to chapter 536 to review, to delay the
53 effective date, or to disapprove and annul a rule are subsequently held unconstitutional,

54 then the grant of rulemaking authority and any rule proposed or adopted after August
55 28, 2024, shall be invalid and void.

56 9. Under section 23.253 of the Missouri sunset act:

57 (1) The provisions of this section shall automatically sunset December thirty-first
58 six years after the effective date of this section unless reauthorized by an act of the
59 general assembly;

60 (2) If the provisions of this section are reauthorized, such provisions shall
61 automatically sunset December thirty-first twelve years after the effective date of the
62 reauthorization; and

63 (3) This section shall terminate on September first of the calendar year
64 immediately following the calendar year in which the provisions of this section are
65 sunset.

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