

FIRST REGULAR SESSION

HOUSE BILL NO. 36

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE STACY.

0342H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.020, 135.110, 135.225, 135.235, 135.279, 135.327, 135.352, 135.403, 135.460, 135.481, 135.490, 135.503, 135.535, 135.545, 135.550, 135.700, 135.766, 135.967, 135.968, 135.1150, 135.1180, 143.119, 143.471, 148.064, 148.620, 148.655, 148.657, 191.1056, 192.2015, 208.770, 253.550, 348.302, 348.430, 348.432, 348.505, 375.774, 376.745, 376.975, 447.708, 620.495, 620.650, and 620.1881, RSMo, and to enact in lieu thereof forty-seven new sections relating to tax credits.

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

Section A. Sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.020, 135.110, 135.225, 135.235, 135.279, 135.327, 135.352, 135.403, 135.460, 135.481, 135.490, 135.503, 135.535, 135.545, 135.550, 135.700, 135.766, 135.967, 135.968, 135.1150, 135.1180, 143.119, 143.471, 148.064, 148.620, 148.655, 148.657, 191.1056, 192.2015, 208.770, 253.550, 348.302, 348.430, 348.432, 348.505, 375.774, 376.745, 376.975, 447.708, 620.495, 620.650, and 620.1881, RSMo, are repealed and forty-seven new sections enacted in lieu thereof, to be known as sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.020, 135.110, 135.225, 135.235, 135.279, 135.327, 135.352, 135.403, 135.460, 135.481, 135.490, 135.503, 135.535, 135.545, 135.550, 135.700, 135.766, 135.967, 135.968, 135.1150, 135.1180, 143.119, 143.471, 148.064, 148.620, 148.655, 148.657, 191.1056, 192.2015, 208.770, 253.550, 348.302, 348.430, 348.432, 348.505, 375.774, 376.745, 376.975, 447.708, 620.495, 620.650, and 620.1881, to read as follows:

32.115. 1. The department of revenue shall grant a tax credit, to be applied in the following order until used, against:

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.

- 3 (1) The annual tax on gross premium receipts of insurance companies in chapter 148;
4 (2) The tax on banks determined pursuant to subdivision (2) of subsection 2 of section
5 148.030;
6 (3) The tax on banks determined in subdivision (1) of subsection 2 of section 148.030;
7 (4) The tax on other financial institutions in chapter 148;
8 (5) The corporation franchise tax in chapter 147;
9 (6) The state income tax in chapter 143; and
10 (7) The annual tax on gross receipts of express companies in chapter 153.
- 11 2. For proposals approved pursuant to section 32.110:
- 12 (1) The amount of the tax credit shall not exceed fifty percent of the total amount
13 contributed during the ~~taxable~~ tax year by the business firm or, in the case of a financial
14 institution, where applicable, during the relevant income period in programs approved ~~[pursuant~~
15 ~~to]~~ **under** section 32.110;
- 16 (2) Except as provided in subsection 2 or 5 of this section, a tax credit of up to seventy
17 percent may be allowed for contributions to programs where activities fall within the scope of
18 special program priorities as defined with the approval of the governor in regulations
19 promulgated by the director of the department of economic development;
- 20 (3) Except as provided in subsection 2 or 5 of this section, the tax credit allowed for
21 contributions to programs located in any community shall be equal to seventy percent of the total
22 amount contributed where such community is a city, town or village which has fifteen thousand
23 or less inhabitants as of the last decennial census and is located in a county which is either
24 located in:
- 25 (a) An area that is not part of a standard metropolitan statistical area;
- 26 (b) A standard metropolitan statistical area but such county has only one city, town or
27 village which has more than fifteen thousand inhabitants; or
- 28 (c) A standard metropolitan statistical area and a substantial number of persons in such
29 county derive their income from agriculture.
- 30
- 31 Such community may also be in an unincorporated area in such county as provided in
32 subdivision (1), (2) or (3) of this subsection. Except in no case shall the total economic benefit
33 of the combined federal and state tax savings to the taxpayer exceed the amount contributed by
34 the taxpayer during the tax year;
- 35 (4) Such tax credit allocation, equal to seventy percent of the total amount contributed,
36 shall not exceed four million dollars in fiscal year 1999 and six million dollars in fiscal year 2000
37 and any subsequent fiscal year. When the maximum dollar limit on the seventy percent tax credit
38 allocation is committed, the tax credit allocation for such programs shall then be equal to fifty

39 percent credit of the total amount contributed. Regulations establishing special program
40 priorities are to be promulgated during the first month of each fiscal year and at such times
41 during the year as the public interest dictates. Such credit shall not exceed two hundred and fifty
42 thousand dollars annually except as provided in subdivision (5) of this subsection. No tax credit
43 shall be approved for any bank, bank and trust company, insurance company, trust company,
44 national bank, savings association, or building and loan association for activities that are a part
45 of its normal course of business. Any tax credit not used in the period the contribution was made
46 may be carried over the next five succeeding calendar or fiscal years until the full credit has been
47 claimed. Except as otherwise provided for proposals approved ~~[pursuant to]~~ **under** section
48 32.111, 32.112 or 32.117, in no event shall the total amount of all other tax credits allowed
49 ~~[pursuant to]~~ **under** sections 32.100 to 32.125 exceed thirty-two million dollars in any one fiscal
50 year, of which six million shall be credits allowed pursuant to section 135.460. If six million
51 dollars in credits are not approved, then the remaining credits may be used for programs
52 approved ~~[pursuant to]~~ **under** sections 32.100 to 32.125;

53 (5) The credit may exceed two hundred fifty thousand dollars annually and shall not be
54 limited if community services, crime prevention, education, job training, physical revitalization
55 or economic development, as defined by section 32.105, is rendered in an area defined by federal
56 or state law as an impoverished, economically distressed, or blighted area or as a neighborhood
57 experiencing problems endangering its existence as a viable and stable neighborhood, or if the
58 community services, crime prevention, education, job training, physical revitalization or
59 economic development is limited to impoverished persons.

60 3. For proposals approved ~~[pursuant to]~~ **under** section 32.111:

61 (1) The amount of the tax credit shall not exceed fifty-five percent of the total amount
62 invested in affordable housing assistance activities or market rate housing in distressed
63 communities as defined in section 135.530 by a business firm. Whenever such investment is
64 made in the form of an equity investment or a loan, as opposed to a donation alone, tax credits
65 may be claimed only where the loan or equity investment is accompanied by a donation which
66 is eligible for federal income tax charitable deduction, and where the total value of the tax credits
67 herein plus the value of the federal income tax charitable deduction is less than or equal to the
68 value of the donation. Any tax credit not used in the period for which the credit was approved
69 may be carried over the next ten succeeding calendar or fiscal years until the full credit has been
70 allowed. If the affordable housing units or market rate housing units in distressed communities
71 for which a tax is claimed are within a larger structure, parts of which are not the subject of a tax
72 credit claim, then expenditures applicable to the entire structure shall be reduced on a prorated
73 basis in proportion to the ratio of the number of square feet devoted to the affordable housing
74 units or market rate housing units in distressed communities, for purposes of determining the

75 amount of the tax credit. The total amount of tax credit granted for programs approved ~~[pursuant~~
76 ~~to]~~ **under** section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed two million
77 dollars, to be increased by no more than two million dollars each succeeding fiscal year, until the
78 total tax credits that may be approved reaches ten million dollars in any fiscal year;

79 (2) For any year during the compliance period indicated in the land use restriction
80 agreement, the owner of the affordable housing rental units for which a credit is being claimed
81 shall certify to the commission that all tenants renting claimed units are income eligible for
82 affordable housing units and that the rentals for each claimed unit are in compliance with the
83 provisions of sections 32.100 to 32.125. The commission is authorized, in its discretion, to audit
84 the records and accounts of the owner to verify such certification;

85 (3) In the case of owner-occupied affordable housing units, the qualifying owner
86 occupant shall, before the end of the first year in which credits are claimed, certify to the
87 commission that the occupant is income eligible during the preceding two years, and at the time
88 of the initial purchase contract, but not thereafter. The qualifying owner occupant shall further
89 certify to the commission, before the end of the first year in which credits are claimed, that
90 during the compliance period indicated in the land use restriction agreement, the cost of the
91 affordable housing unit to the occupant for the claimed unit can reasonably be projected to be
92 in compliance with the provisions of sections 32.100 to 32.125. Any succeeding owner occupant
93 acquiring the affordable housing unit during the compliance period indicated in the land use
94 restriction agreement shall make the same certification;

95 (4) If at any time during the compliance period the commission determines a project for
96 which a proposal has been approved is not in compliance with the applicable provisions of
97 sections 32.100 to 32.125 or rules promulgated therefor, the commission may within one
98 hundred fifty days of notice to the owner either seek injunctive enforcement action against the
99 owner, or seek legal damages against the owner representing the value of the tax credits, or
100 foreclose on the lien in the land use restriction agreement, selling the project at a public sale, and
101 paying to the owner the proceeds of the sale, less the costs of the sale and less the value of all tax
102 credits allowed herein. The commission shall remit to the director of revenue the portion of the
103 legal damages collected or the sale proceeds representing the value of the tax credits. However,
104 except in the event of intentional fraud by the taxpayer, the proposal's certificate of eligibility for
105 tax credits shall not be revoked.

106 4. For proposals approved ~~[pursuant to]~~ **under** section 32.112, the amount of the tax
107 credit shall not exceed fifty-five percent of the total amount contributed to a neighborhood
108 organization by business firms. Any tax credit not used in the period for which the credit was
109 approved may be carried over the next ten succeeding calendar or fiscal years until the full credit

110 has been allowed. The total amount of tax credit granted for programs approved [~~pursuant to~~]
111 **under** section 32.112 shall not exceed one million dollars for each fiscal year.

112 5. The total amount of tax credits used for market rate housing in distressed communities
113 [~~pursuant to~~] **under** sections 32.100 to 32.125 shall not exceed thirty percent of the total amount
114 of all tax credits authorized [~~pursuant to~~] **under** sections 32.111 and 32.112.

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

116 **(1) The provisions of the Neighborhood Assistance Act, under sections 32.100 to**
117 **32.125, shall automatically sunset on December thirty-first four years after the effective**
118 **date of this section unless reauthorized by an act of the general assembly;**

119 **(2) If such programs are reauthorized, the programs authorized under the**
120 **Neighborhood Assistance Act shall automatically sunset on December thirty-first four**
121 **years after the effective date of the reauthorization of this section;**

122 **(3) The Neighborhood Assistance Act shall terminate on September first of the**
123 **calendar year immediately following the calendar year in which the programs authorized**
124 **under the act are sunset; and**

125 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
126 **before this section is sunset.**

99.1205. 1. This section shall be known and may be cited as the "Distressed Areas Land
2 Assemblage Tax Credit Act".

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

4 (1) "Acquisition costs", the purchase price for the eligible parcel, costs of environmental
5 assessments, closing costs, real estate brokerage fees, reasonable demolition costs of vacant
6 structures, and reasonable maintenance costs incurred to maintain an acquired eligible parcel for
7 a period of five years after the acquisition of such eligible parcel. Acquisition costs shall not
8 include costs for title insurance and survey, attorney's fees, relocation costs, fines, or bills from
9 a municipality;

10 (2) "Applicant", any person, firm, partnership, trust, limited liability company, or
11 corporation which has:

12 (a) Incurred, within an eligible project area, acquisition costs for the acquisition of land
13 sufficient to satisfy the requirements under subdivision (8) of this subsection; and

14 (b) Been appointed or selected, pursuant to a redevelopment agreement by a municipal
15 authority, as a redeveloper or similar designation, under an economic incentive law, to redevelop
16 an urban renewal area or a redevelopment area that includes all of an eligible project area or
17 whose redevelopment plan or redevelopment area, which encompasses all of an eligible project
18 area, has been approved or adopted under an economic incentive law. In addition to being
19 designated the redeveloper, the applicant shall have been designated to receive economic

20 incentives only after the municipal authority has considered the amount of the tax credits in
21 adopting such economic incentives as provided in subsection 8 of this section. The
22 redevelopment agreement shall provide that:

23 a. The funds generated through the use or sale of the tax credits issued under this section
24 shall be used to redevelop the eligible project area;

25 b. No more than seventy-five percent of the urban renewal area identified in the urban
26 renewal plan or the redevelopment area identified in the redevelopment plan may be redeveloped
27 by the applicant; and

28 c. The remainder of the urban renewal area or the redevelopment area shall be
29 redeveloped by co-redevelopers or redevelopers to whom the applicant has assigned its
30 redevelopment rights and obligations under the urban renewal plan or the redevelopment plan;

31 (3) "Certificate", a tax credit certificate issued under this section;

32 (4) "Condemnation proceedings", any action taken by, or on behalf of, an applicant to
33 initiate an action in a court of competent jurisdiction to use the power of eminent domain to
34 acquire a parcel within the eligible project area. Condemnation proceedings shall include any
35 and all actions taken after the submission of a notice of intended acquisition to an owner of a
36 parcel within the eligible project area by a municipal authority or any other person or entity under
37 section 523.250;

38 (5) "Department", the Missouri department of economic development;

39 (6) "Economic incentive laws", any provision of Missouri law pursuant to which
40 economic incentives are provided to redevelopers of a parcel or parcels to redevelop the land,
41 such as tax abatement or payments in lieu of taxes, or redevelopment plans or redevelopment
42 projects approved or adopted which include the use of economic incentives to redevelop the land.
43 Economic incentive laws include, but are not limited to, the land clearance for redevelopment
44 authority law under sections 99.300 to 99.660, the real property tax increment allocation
45 redevelopment act under sections 99.800 to 99.865, the Missouri downtown and rural economic
46 stimulus act under sections 99.915 to 99.1060, and the downtown revitalization preservation
47 program under sections 99.1080 to 99.1092;

48 (7) "Eligible parcel", a parcel:

49 (a) Which is located within an eligible project area;

50 (b) Which is to be redeveloped;

51 (c) On which the applicant has not commenced construction prior to November 28,
52 2007;

53 (d) Which has been acquired without the commencement of any condemnation
54 proceedings with respect to such parcel brought by or on behalf of the applicant. Any parcel
55 acquired by the applicant from a municipal authority shall not constitute an eligible parcel; and

56 (e) On which all outstanding taxes, fines, and bills levied by municipal governments that
57 were levied by the municipality during the time period that the applicant held title to the eligible
58 parcel have been paid in full;

59 (8) "Eligible project area", an area which shall have satisfied the following requirements:

60 (a) The eligible project area shall consist of at least seventy-five acres and may include
61 parcels within its boundaries that do not constitute an eligible parcel;

62 (b) At least eighty percent of the eligible project area shall be located within a Missouri
63 qualified census tract area, as designated by the United States Department of Housing and Urban
64 Development under 26 U.S.C. Section 42, or within a distressed community as that term is
65 defined in section 135.530;

66 (c) The eligible parcels acquired by the applicant within the eligible project area shall
67 total at least fifty acres, which may consist of contiguous and noncontiguous parcels;

68 (d) The average number of parcels per acre in an eligible project area shall be four or
69 more;

70 (e) Less than five percent of the acreage within the boundaries of the eligible project area
71 shall consist of owner-occupied residences which the applicant has identified for acquisition
72 under the urban renewal plan or the redevelopment plan pursuant to which the applicant was
73 appointed or selected as the redeveloper or by which the person or entity was qualified as an
74 applicant under this section on the date of the approval or adoption of such plan;

75 (9) "Interest costs", interest, loan fees, and closing costs. Interest costs shall not include
76 attorney's fees;

77 (10) "Maintenance costs", costs of boarding up and securing vacant structures, costs of
78 removing trash, and costs of cutting grass and weeds;

79 (11) "Municipal authority", any city, town, village, county, public body corporate and
80 politic, political subdivision, or land trust of this state established and authorized to own land
81 within the state;

82 (12) "Municipality", any city, town, village, or county;

83 (13) "Parcel", a single lot or tract of land, and the improvements thereon, owned by, or
84 recorded as the property of, one or more persons or entities;

85 (14) "Redeveloped", the process of undertaking and carrying out a redevelopment plan
86 or urban renewal plan pursuant to which the conditions which provided the basis for an eligible
87 project area to be included in a redevelopment plan or urban renewal plan are to be reduced or
88 eliminated by redevelopment or rehabilitation; and

89 (15) "Redevelopment agreement", the redevelopment agreement or similar agreement
90 into which the applicant entered with a municipal authority and which is the agreement for the
91 implementation of the urban renewal plan or redevelopment plan pursuant to which the applicant

92 was appointed or selected as the redeveloper or by which the person or entity was qualified as
93 an applicant under this section; and such appointment or selection shall have been approved by
94 an ordinance of the governing body of the municipality, or municipalities, or in the case of any
95 city not within a county, the board of aldermen, in which the eligible project area is located. The
96 redevelopment agreement shall include a time line for redevelopment of the eligible project area.
97 The redevelopment agreement shall state that the named developer shall be subject to the
98 provisions of chapter 290.

99 3. Any applicant shall be entitled to a tax credit against the taxes imposed under chapters
100 143, 147, and 148, except for sections 143.191 to 143.265, in an amount equal to fifty percent
101 of the acquisition costs, and one hundred percent of the interest costs incurred for a period of five
102 years after the acquisition of an eligible parcel. No tax credits shall be issued under this section
103 until after January 1, 2008.

104 4. If the amount of such tax credit exceeds the total tax liability for the year in which the
105 applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be
106 carried forward for credit against the taxes imposed under chapters 143, 147, and 148 for the
107 succeeding six years, or until the full credit is used, whichever occurs first. The applicant shall
108 not be entitled to a tax credit for taxes imposed under sections 143.191 to 143.265. Applicants
109 entitled to receive such tax credits may transfer, sell, or assign the tax credits. Tax credits
110 granted to a partnership, a limited liability company taxed as a partnership, or multiple owners
111 of property shall be passed through to the partners, members, or owners respectively pro rata or
112 pursuant to an executed agreement among the partners, members, or owners documenting an
113 alternate distribution method.

114 5. A purchaser, transferee, or assignee of the tax credits authorized under this section
115 may use acquired tax credits to offset up to one hundred percent of the tax liabilities otherwise
116 imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265. A seller,
117 transferor, or assignor shall perfect such transfer by notifying the department in writing within
118 thirty calendar days following the effective date of the transfer and shall provide any information
119 as may be required by the department to administer and carry out the provisions of this section.

120 6. To claim tax credits authorized under this section, an applicant shall submit to the
121 department an application for a certificate. An applicant shall identify the boundaries of the
122 eligible project area in the application. The department shall verify that the applicant has
123 submitted a valid application in the form and format required by the department. The department
124 shall verify that the municipal authority held the requisite hearings and gave the requisite notices
125 for such hearings in accordance with the applicable economic incentive act, and municipal
126 ordinances. On an annual basis, an applicant may file for the tax credit for the acquisition costs,
127 and for the tax credit for the interest costs, subject to the limitations of this section. If an

128 applicant applying for the tax credit meets the criteria required under this section, the department
129 shall issue a certificate in the appropriate amount. If an applicant receives a tax credit for
130 maintenance costs as a part of the applicant's acquisition costs, the department shall post on its
131 internet website the amount and type of maintenance costs and a description of the
132 redevelopment project for which the applicant received a tax credit within thirty days after the
133 department issues the certificate to the applicant.

134 7. The total aggregate amount of tax credits authorized under this section shall not
135 exceed ninety-five million dollars. At no time shall the annual amount of the tax credits issued
136 under this section exceed twenty million dollars. If the tax credits that are to be issued under this
137 section exceed, in any year, the twenty million dollar limitation, the department shall either:

138 (1) Issue tax credits to the applicant in the amount of twenty million dollars, if there is
139 only one applicant entitled to receive tax credits in that year; or

140 (2) Issue the tax credits on a pro rata basis to all applicants entitled to receive tax credits
141 in that year. Any amount of tax credits, which an applicant is, or applicants are, entitled to
142 receive on an annual basis and are not issued due to the twenty million dollar limitation, shall
143 be carried forward for the benefit of the applicant or applicants to subsequent years.

144

145 No tax credits provided under this section shall be authorized after August 28, 2013. Any tax
146 credits which have been authorized on or before August 28, 2013, but not issued, may be issued,
147 subject to the limitations provided under this subsection, until all such authorized tax credits
148 have been issued.

149 8. Upon issuance of any tax credits pursuant to this section, the department shall report
150 to the municipal authority the applicant's name and address, the parcel numbers of the eligible
151 parcels for which the tax credits were issued, the itemized acquisition costs and interest costs for
152 which tax credits were issued, and the total value of the tax credits issued. The municipal
153 authority and the state shall not consider the amount of the tax credits as an applicant's cost, but
154 shall include the tax credits in any sources and uses and cost benefit analysis reviewed or created
155 for the purpose of awarding other economic incentives. The amount of the tax credits shall not
156 be considered an applicant's cost in the evaluation of the amount of any award of any other
157 economic incentives, but shall be considered in measuring the reasonableness of the rate of
158 return to the applicant with respect to such award of other economic incentives. The municipal
159 authority shall provide the report to any relevant commission, board, or entity responsible for the
160 evaluation and recommendation or approval of other economic incentives to assist in the
161 redevelopment of the eligible project area. Tax credits authorized under this section shall
162 constitute redevelopment tax credits, as such term is defined under section 135.800, and shall

163 be subject to all provisions applicable to redevelopment tax credits provided under sections
164 135.800 to 135.830.

165 9. The department may promulgate rules to implement the provisions of this section.
166 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
167 authority delegated in this section shall become effective only if it complies with and is subject
168 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
169 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
170 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
171 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
172 or adopted after August 28, 2007, shall be invalid and void.

173 **10. Under section 23.253 of the Missouri sunset act:**

174 **(1) The provisions of the Distressed Areas Land Assemblage Tax Credit Act shall**
175 **automatically sunset on December thirty-first three years after the effective date of this**
176 **section unless reauthorized by an act of the general assembly;**

177 **(2) If such program is reauthorized, the program authorized under this section**
178 **shall automatically sunset on December thirty-first three years after the effective date of**
179 **the reauthorization of this section;**

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

183 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
184 **before this section is sunset.**

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

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

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

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

8 (4) Is otherwise secured by a mortgage or deed of trust on real or personal property or
9 other security satisfactory to the board; provided that loans to finance export trade activities may
10 be secured by export accounts receivable or inventories of exportable goods satisfactory to the
11 board;

12 (5) Does not exceed five million dollars;

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

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

17 2. The board shall prescribe standards for the evaluation of the financial condition,
18 business history, and qualifications of each borrower and the terms and conditions of loans which
19 may be secured, and may require each application to include a financial report and evaluation
20 by an independent certified public accounting firm, in addition to such examination and
21 evaluation as may be conducted by any participating lender.

22 3. Each application for a loan secured by the development and reserve fund, the
23 infrastructure development fund or the export finance fund shall be reviewed in the first instance
24 by any participating lender to whom the application was submitted. If satisfied that the standards
25 prescribed by the board are met and that the loan is otherwise eligible to be secured by the
26 development and reserve fund, the infrastructure development fund or the export finance fund,
27 the participating lender shall certify the same and forward the application for final approval to
28 the board.

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

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

37 6. Any taxpayer, including any charitable organization that is exempt from federal
38 income tax and whose Missouri unrelated business taxable income, if any, would be subject to
39 the state income tax imposed under chapter 143, may, subject to the limitations provided under
40 subsection 8 of this section, receive a tax credit against any tax otherwise due under the
41 provisions of chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261,
42 chapter 147, or chapter 148, in the amount of fifty percent of any amount contributed in money
43 or property by the taxpayer to the development and reserve fund, the infrastructure development
44 fund or the export finance fund during the taxpayer's tax year, provided, however, the total tax
45 credits awarded in any calendar year beginning after January 1, 1994, shall not be the greater of
46 ten million dollars or five percent of the average growth in general revenue receipts in the
47 preceding three fiscal years. This limit may be exceeded only upon joint agreement by the
48 commissioner of administration, the director of the department of economic development, and
49 the director of the department of revenue that such action is essential to ensure retention or
50 attraction of investment in Missouri. If the board receives, as a contribution, real property, the

51 contributor at such contributor's own expense shall have two independent appraisals conducted
52 by appraisers certified by the Master Appraisal Institute. Both appraisals shall be submitted to
53 the board, and the tax credit certified by the board to the contributor shall be based upon the
54 value of the lower of the two appraisals. The board shall not certify the tax credit until the
55 property is deeded to the board. Such credit shall not apply to reserve participation fees paid by
56 borrowers under sections 100.250 to 100.297. The portion of earned tax credits which exceeds
57 the taxpayer's tax liability may be carried forward for up to five years.

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

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

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

65

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

79 8. Provisions of subsections 1 to 7 of this section to the contrary notwithstanding, no
80 more than ten million dollars in tax credits provided under this section, may be authorized or
81 approved annually. The limitation on tax credit authorization and approval provided under this
82 subsection may be exceeded only upon mutual agreement, evidenced by a signed and properly
83 notarized letter, by the commissioner of the office of administration, the director of the
84 department of economic development, and the director of the department of revenue that such
85 action is essential to ensure retention or attraction of investment in Missouri provided, however,
86 that in no case shall more than twenty-five million dollars in tax credits be authorized or

87 approved during such year. Taxpayers shall file, with the board, an application for tax credits
88 authorized under this section on a form provided by the board. The provisions of this subsection
89 shall not be construed to limit or in any way impair the ability of the board to authorize tax
90 credits for issuance for projects authorized or approved, by a vote of the board, on or before the
91 thirtieth day following the effective date of this act, or a taxpayer's ability to redeem such tax
92 credits.

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

94 **(1) The provisions authorizing a tax credit under subsection 6 of this section shall**
95 **automatically sunset on December thirty-first three years after the effective date of this**
96 **section unless reauthorized by an act of the general assembly;**

97 **(2) If such credit is reauthorized, the credit authorized under this section shall**
98 **automatically sunset on December thirty-first three years after the effective date of the**
99 **reauthorization of this section;**

100 **(3) The tax credit provisions shall terminate on September first of the calendar year**
101 **immediately following the calendar year in which the credit authorized under this section**
102 **is sunset; and**

103 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
104 **before this section is sunset.**

100.297. 1. The board may authorize a tax credit, as described in this section, to the
2 owner of any revenue bonds or notes issued by the board ~~[pursuant to]~~ **under** the provisions of
3 sections 100.250 to 100.297, for infrastructure facilities as defined in subdivision (9) of section
4 100.255, if, prior to the issuance of such bonds or notes, the board determines that:

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

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

9 2. Upon making the determinations specified in subsection 1 of this section, the board
10 may declare that each owner of an issue of revenue bonds or notes shall be entitled, in lieu of any
11 other deduction with respect to such bonds or notes, to a tax credit against any tax otherwise due
12 by such owner ~~[pursuant to]~~ **under** the provisions of chapter 143, excluding withholding tax
13 imposed ~~[by]~~ **under** sections 143.191 to 143.261, chapter 147, or chapter 148, in the amount of
14 one hundred percent of the unpaid principal of and unpaid interest on such bonds or notes held
15 by such owner in the ~~[taxable]~~ **tax** year of such owner following the calendar year of the default
16 of the loan by the borrower with respect to the project. The occurrence of a default shall be
17 governed by documents authorizing the issuance of the bonds. The tax credit allowed pursuant
18 to this section shall be available to the original owners of the bonds or notes or any subsequent

19 owner or owners thereof. Once an owner is entitled to a claim, any such tax credits shall be
20 transferable as provided in subsection 7 of section 100.286. Notwithstanding any provision of
21 Missouri law to the contrary, any portion of the tax credit to which any owner of a revenue bond
22 or note is entitled pursuant to this section which exceeds the total income tax liability of such
23 owner of a revenue bond or note shall be carried forward and allowed as a credit against any
24 future taxes imposed on such owner within the next ten years ~~[pursuant to]~~ **under** the provisions
25 of chapter 143, excluding withholding tax imposed ~~[by]~~ **under** sections 143.191 to 143.261,
26 chapter 147, or chapter 148. The eligibility of the owner of any revenue bond or note issued
27 ~~[pursuant to]~~ **under** the provisions of sections 100.250 to 100.297 for the tax credit provided by
28 this section shall be expressly stated on the face of each such bond or note. The tax credit
29 allowed ~~[pursuant to]~~ **under** this section shall also be available to any financial institution or
30 guarantor which executes any credit facility as security for bonds issued ~~[pursuant to]~~ **under** this
31 section to the same extent as if such financial institution or guarantor was an owner of the bonds
32 or notes, provided however, in such case the tax credits provided ~~[by]~~ **under** this section shall
33 be available immediately following any default of the loan by the borrower with respect to the
34 project. In addition to reimbursing the financial institution or guarantor for claims relating to
35 unpaid principal and interest, such claim may include payment of any unpaid fees imposed by
36 such financial institution or guarantor for use of the credit facility.

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

40 **4. Under section 23.253 of the Missouri sunset act:**

41 **(1) The provisions of the new program authorized under this section shall**
42 **automatically sunset on December thirty-first three years after the effective date of this**
43 **section unless reauthorized by an act of the general assembly;**

44 **(2) If such program is reauthorized, the program authorized under this section**
45 **shall automatically sunset on December thirty-first three years after the effective date of**
46 **the reauthorization of this section;**

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

50 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
51 **before this section is sunset.**

100.850. 1. The approved company shall remit to the board a job development
2 assessment fee, not to exceed five percent of the gross wages of each eligible employee whose
3 job was created as a result of the economic development project, or not to exceed ten percent if

4 the economic development project is located within a distressed community as defined in section
5 135.530, for the purpose of retiring bonds which fund the economic development project.

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

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

12 4. Any approved company which has paid an assessment for debt reduction shall be
13 allowed a tax credit equal to the amount of the assessment. The tax credit may be claimed
14 against taxes otherwise imposed by chapters 143 and 148, except withholding taxes imposed
15 under the provisions of sections 143.191 to 143.265, which were incurred during the tax period
16 in which the assessment was made.

17 5. In no event shall the aggregate amount of tax credits authorized by subsection 4 of this
18 section exceed twenty-five million dollars annually. Of such amount, nine hundred fifty
19 thousand dollars shall be reserved for an approved project for a world headquarters of a business
20 whose primary function is tax return preparation that is located in any home rule city with more
21 than four hundred thousand inhabitants and located in more than one county, which amount
22 reserved shall end in the year of the final maturity of the certificates issued for such approved
23 project.

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

27 **7. Under section 23.253 of the Missouri sunset act:**

28 **(1) The provisions of the tax credit authorized under subsection 4 of this section**
29 **shall automatically sunset on December thirty-first three years after the effective date of**
30 **this section unless reauthorized by an act of the general assembly;**

31 **(2) If such credit is reauthorized, the credit authorized under this section shall**
32 **automatically sunset on December thirty-first three years after the effective date of the**
33 **reauthorization of this section;**

34 **(3) The provisions of the tax credit shall terminate on September first of the**
35 **calendar year immediately following the calendar year in which the credit authorized**
36 **under this section is sunset; and**

37 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
38 **before this section is sunset.**

135.020. 1. A credit for property taxes shall be allowed for the amount provided in section 135.030. If the amount allowable as a credit exceeds the income tax reduced by other credits, then the excess shall be considered an overpayment of the income tax.

2. 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 thirty-first four years after the effective date of this section unless reauthorized by an act of the general assembly;

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

(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) Nothing in this subsection shall prohibit the redemption of tax credits issued before this section is sunset.

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 (7) 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~~ **under** 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 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

22 provided for in section 135.258, must be filed with the department of economic development no
23 later than fifteen days prior to the commencement of commercial operations at the new business
24 facility. The initial application for claiming tax credits must be made in the taxpayer's tax period
25 immediately following the tax period in which commencement of commercial operations began
26 at the new business facility. This provision shall have effect on all initial applications filed on
27 or after August 28, 1992. No credit shall be allowed pursuant to this section unless the number
28 of new business facility employees engaged or maintained in employment at the new business
29 facility for the ~~[taxable]~~ tax year for which the credit is claimed equals or exceeds two; except
30 that the number of new business facility employees engaged or maintained in employment by a
31 revenue-producing enterprise other than a revenue-producing enterprise defined in paragraphs
32 (a) to (g) and (i) to (l) of subdivision ~~[(11)]~~ (12) of section 135.100 which establishes an office
33 as defined ~~[in]~~ **under** subdivision ~~[(8)]~~ (9) of section 135.100 shall equal or exceed twenty-five.

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

37 (1) Some portion of the income tax otherwise imposed ~~[by]~~ **under** chapter 143,
38 excluding withholding tax imposed ~~[by]~~ **under** sections 143.191 to 143.265, or in the case of an
39 insurance company, the tax on the direct premiums, as defined in chapter 148, and in the case
40 of an insurance company exempt from the thirty percent employee requirement of section
41 135.230, against any obligation imposed ~~[pursuant to]~~ **under** section 375.916 with respect to
42 such taxpayer's new business facility income for the ~~[taxable]~~ tax year for which such credit is
43 allowed; or

44 (2) Up to fifty percent or, in the case of an economic development project located within
45 a distressed community as defined in section 135.530, seventy-five percent of the business
46 income tax otherwise imposed ~~[by]~~ **under** chapter 143, excluding withholding tax imposed ~~[by]~~
47 **under** sections 143.191 to 143.265, or in the case of an insurance company, the tax on the direct
48 premiums, as defined ~~[in]~~ **under** chapter 148, and in the case of an insurance company exempt
49 from the thirty percent employee requirement of section 135.230, against any obligation imposed
50 ~~[pursuant to]~~ **under** section 375.916 if the business operates no other facilities in Missouri. In
51 the case of an existing business facility operating more than one facility in Missouri, the credit
52 allowed in subsection 1 of this section shall offset up to the greater of the portion prescribed in
53 subdivision (1) of this subsection or twenty-five percent or, in the case of an economic
54 development project located within a distressed community as defined in section 135.530,
55 thirty-five percent of the business' tax, except that no taxpayer operating more than one facility
56 in Missouri shall be allowed to offset more than twenty-five percent or, in the case of an
57 economic development project located within a distressed community as defined in section

58 135.530, thirty-five percent of the taxpayer's business income tax in any tax period under the
59 method prescribed in this subdivision. Such credit shall be an amount equal to the sum of one
60 hundred dollars or, in the case of an economic development project located within a distressed
61 community as defined in section 135.530, one hundred fifty dollars for each new business facility
62 employee plus one hundred dollars or, in the case of an economic development project located
63 within a distressed community as defined in section 135.530, one hundred fifty dollars for each
64 one hundred thousand dollars, or major fraction thereof (which shall be deemed to be fifty-one
65 percent or more) in new business facility investment. For the purpose of this section, tax credits
66 earned by a taxpayer, who establishes a new business facility because it satisfies the requirements
67 of paragraph (c) of subdivision (4) of section 135.100, shall offset the greater of the portion
68 prescribed in subdivision (1) of this subsection or up to fifty percent or, in the case of an
69 economic development project located within a distressed community as defined in section
70 135.530, seventy-five percent of the business' tax provided the business operates no other
71 facilities in Missouri. In the case of a business operating more than one facility in Missouri, the
72 credit allowed in subsection 1 of this section shall offset up to the greater of the portion
73 prescribed in subdivision (1) of this subsection or twenty-five percent or, in the case of an
74 economic development project located within a distressed community as defined in section
75 135.530, thirty-five percent of the business' tax, except that no taxpayer operating more than one
76 facility in Missouri shall be allowed to offset more than twenty-five percent or, in the case of an
77 economic development project located within a distressed community as defined in section
78 135.530, thirty-five percent of the taxpayer's business income tax in any tax period under the
79 method prescribed in this subdivision.

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

83 (1) Some portion of the income tax otherwise imposed ~~by~~ **under** chapter 143,
84 excluding withholding tax imposed by sections 143.191 to 143.265, or in the case of an
85 insurance company, the tax on the direct premiums, as defined in chapter 148, and in the case
86 of an insurance company exempt from the thirty percent employee requirement of section
87 135.230, against any obligation imposed pursuant to section 375.916 with respect to such
88 taxpayer's new business facility income for the ~~taxable~~ **tax** year for which such credit is
89 allowed; or

90 (2) Up to one hundred percent of the business income tax otherwise imposed ~~by~~ **under**
91 chapter 143, excluding withholding tax imposed ~~by~~ **under** sections 143.191 to 143.265, or in
92 the case of an insurance company, the tax on the direct premiums, as defined in chapter 148, and
93 in the case of an insurance company exempt from the thirty percent employee requirement of

94 section 135.230, against any obligation imposed ~~[pursuant to]~~ **under** section 375.916 if the
95 business has no other facilities operating in Missouri. In the case of a taxpayer not operating an
96 existing business and operating more than one facility in Missouri, the credit allowed by
97 subsection 1 of this section shall offset up to the greater of the portion prescribed in subdivision
98 (1) of this subsection or twenty-five percent or, in the case of an economic development project
99 located within a distressed community as defined in section 135.530, thirty-five percent of the
100 business' tax, except that no taxpayer operating more than one facility in Missouri shall be
101 allowed to offset more than twenty-five percent or, in the case of an economic development
102 project located within a distressed community as defined in section 135.530, thirty-five percent
103 of the taxpayer's business income tax in any tax period under the method prescribed in this
104 subdivision. Such credit shall be an amount equal to the sum of seventy-five dollars or, in the
105 case of an economic development project located within a distressed community as defined in
106 section 135.530, one hundred twenty-five dollars for each new business facility employee plus
107 seventy-five dollars or, in the case of an economic development project located within a
108 distressed community as defined in section 135.530, one hundred twenty-five dollars for each
109 one hundred thousand dollars, or major fraction thereof (which shall be deemed to be fifty-one
110 percent or more) in new business facility investment.

111 4. The number of new business facility employees during any ~~[taxable]~~ **tax** year shall be
112 determined by dividing by twelve the sum of the number of individuals employed on the last
113 business day of each month of such ~~[taxable]~~ **tax** year. If the new business facility is in operation
114 for less than the entire ~~[taxable]~~ **tax** year, the number of new business facility employees shall
115 be determined by dividing the sum of the number of individuals employed on the last business
116 day of each full calendar month during the portion of such ~~[taxable]~~ **tax** year during which the
117 new business facility was in operation by the number of full calendar months during such period.
118 For the purpose of computing the credit allowed by this section in the case of a facility which
119 qualifies as a new business facility because it qualifies as a separate facility pursuant to
120 subsection 6 of this section, and, in the case of a new business facility which satisfies the
121 requirements of paragraph (c) of subdivision ~~[(4)]~~ **(5)** of section 135.100, or subdivision ~~[(10)]~~
122 **(11)** of section 135.100, the number of new business facility employees at such facility shall be
123 reduced by the average number of individuals employed, computed as provided in this
124 subsection, at the facility during the ~~[taxable]~~ **tax** year immediately preceding the ~~[taxable]~~ **tax**
125 year in which such expansion, acquisition, or replacement occurred and shall further be reduced
126 by the number of individuals employed by the taxpayer or related taxpayer that was subsequently
127 transferred to the new business facility from another Missouri facility and for which credits
128 authorized in this section are not being earned, whether such credits are earned because of an
129 expansion, acquisition, relocation or the establishment of a new facility.

130 5. For the purpose of computing the credit allowed by this section in the case of a facility
131 which qualifies as a new business facility because it qualifies as a separate facility [~~pursuant to~~
132 **under** subsection 6 of this section, and, in the case of a new business facility which satisfies the
133 requirements of paragraph (c) of subdivision [(4)] **(5)** of section 135.100 or subdivision [(10)]
134 **(11)** of section 135.100, the amount of the taxpayer's new business facility investment in such
135 facility shall be reduced by the average amount, computed as provided in subdivision [(7)] **(8)**
136 of section 135.100 for new business facility investment, of the investment of the taxpayer, or
137 related taxpayer immediately preceding such expansion or replacement or at the time of
138 acquisition. Furthermore, the amount of the taxpayer's new business facility investment shall
139 also be reduced by the amount of investment employed by the taxpayer or related taxpayer which
140 was subsequently transferred to the new business facility from another Missouri facility and for
141 which credits authorized in this section are not being earned, whether such credits are earned
142 because of an expansion, acquisition, relocation or the establishment of a new facility.

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

146 (1) The taxpayer's new business facility investment in the expansion during the tax
147 period in which the credits allowed in this section are claimed exceeds one hundred thousand
148 dollars, or, if less, one hundred percent of the investment in the original facility prior to
149 expansion and if the number of new business facility employees engaged or maintained in
150 employment at the expansion facility for the [~~taxable~~] **tax** year for which credit is claimed equals
151 or exceeds two, except that the number of new business facility employees engaged or
152 maintained in employment at the expansion facility for the [~~taxable~~] **tax** year for which the credit
153 is claimed equals or exceeds twenty-five if an office as defined in subdivision [(8)] **(9)** of section
154 135.100 is established by a revenue-producing enterprise other than a revenue-producing
155 enterprise defined in paragraphs (a) to (g) and (i) to (l) of subdivision [(11)] **(12)** of section
156 135.100 and the total number of employees at the facility after the expansion is at least two
157 greater than the total number of employees before the expansion, except that the total number
158 of employees at the facility after the expansion is at least greater than the number of employees
159 before the expansion by twenty-five, if an office as defined in subdivision [(8)] **(9)** of section
160 135.100 is established by a revenue-producing enterprise other than a revenue-producing
161 enterprise defined in paragraphs (a) to (g) and (i) to (l) of subdivision [(11)] **(12)** of section
162 135.100; and

163 (2) The expansion otherwise constitutes a new business facility. The taxpayer's
164 investment in the expansion and in the original facility prior to expansion shall be determined
165 in the manner provided in subdivision [(7)] **(8)** of section 135.100.

166 7. No credit shall be allowed pursuant to this section to a public utility, as such term is
167 defined in section 386.020. Notwithstanding any provision of this subsection to the contrary,
168 motor carriers, barge lines or railroads engaged in transporting property for hire, or any
169 interexchange telecommunications company or local exchange telecommunications company
170 that establishes a new business facility shall be eligible to qualify for credits allowed in this
171 section.

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

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

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

179 9. Notwithstanding any provision of law to the contrary, any employee-owned
180 engineering firm classified as SIC 8711, architectural firm as classified SIC 8712, or accounting
181 firm classified SIC 8721 establishing a new business facility because it qualifies as a
182 headquarters as defined in subsection 10 of this section, shall be allowed the credits described
183 in subsection 11 of this section under the same terms and conditions prescribed in sections
184 135.100 to 135.150; provided:

185 (1) Such facility maintains an average of at least five hundred new business facility
186 employees as defined in subdivision (5) of section 135.100 during the taxpayer's tax period in
187 which such credits are being claimed; and

188 (2) Such facility maintains an average of at least twenty million dollars in new business
189 facility investment as defined in subdivision (7) of section 135.100 during the taxpayer's tax
190 period in which such credits are being claimed.

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

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

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

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

198 (2) "Headquarters" means:

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

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

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

203 (1) Four hundred dollars for each new business facility employee as computed in
204 subsection 4 of this section and four percent of new business facility investment as computed in
205 subsection 5 of this section; or

206 (2) Five hundred dollars for each new business facility employee as computed in
207 subsection 4 of this section, and five hundred dollars of each one hundred thousand dollars of
208 new business facility investment as computed in subsection 5 of this section.

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

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

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

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

230 (2) In an amount not to exceed one hundred percent of such earned credits. The taxpayer
231 acquiring the earned credits referred to as the assignee for the purpose of this subsection may use
232 the acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed
233 ~~by~~ **under** chapter 143, excluding withholding tax imposed ~~by~~ **under** sections 143.191 to
234 143.261, or chapter 148, or in the case of an insurance company exempt from the thirty percent
235 employee requirement of section 135.230, against any obligation imposed ~~pursuant to~~ **under**
236 section 375.916. Unused credits in the hands of the assignee may be carried forward for up to
237 five tax periods, provided all such credits shall be claimed within ten tax periods following the

238 tax period in which commencement of commercial operations occurred at the new business
239 facility. The assignor shall enter into a written agreement with the assignee establishing the
240 terms and conditions of the agreement and shall perfect such transfer by notifying the director
241 in writing within thirty calendar days following the effective date of the transfer and shall
242 provide any information as may be required by the director to administer and carry out the
243 provisions of this subsection. Notwithstanding any other provision of law to the contrary, the
244 amount received by the assignor of such tax credit shall be taxable as income of the assignor, and
245 the difference between the amount paid by the assignee and the par value of the credits shall be
246 taxable as income of the assignee.

247 **15. Under section 23.253 of the Missouri sunset act:**

248 **(1) The provisions of the new program authorized under this section shall**
249 **automatically sunset on December thirty-first three years after the effective date of this**
250 **section unless reauthorized by an act of the general assembly;**

251 **(2) If such program is reauthorized, the program authorized under this section**
252 **shall automatically sunset on December thirty-first three years after the effective date of**
253 **the reauthorization of this section;**

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

257 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
258 **before this section is sunset.**

135.225. 1. The credits otherwise provided ~~[by]~~ **under** sections 135.100 to 135.150
2 shall upon proper application be granted to any taxpayer who shall establish and operate a new
3 business facility located within an enterprise zone, except one designated ~~[pursuant to]~~ **under**
4 subsection 5 of section 135.230, on the same terms and conditions specified in those sections,
5 except that:

6 **(1) The credit otherwise allowed for each new business facility employee employed**
7 **within an enterprise zone shall be four hundred dollars;**

8 **(2) An additional credit of four hundred dollars shall be granted for each twelve-month**
9 **period that a new business facility employee is a resident of an enterprise zone;**

10 **(3) An additional credit of four hundred dollars shall be granted for each twelve-month**
11 **period that the person employed as a new business facility employee is a person who, at the time**
12 **of such employment by the new business facility, met the criteria as set forth in section 135.240;**

13 **(4) The credit otherwise allowed for new business facility investment shall be equal to**
14 **the sum of ten percent of the first ten thousand dollars of such qualifying investment, plus five**

15 percent of the next ninety thousand dollars of such qualifying investment, plus two percent of
16 all remaining qualifying investments within an enterprise zone;

17 (5) In the case of a small corporation described in section 143.471 or a partnership, the
18 credits granted by this section shall be apportioned in proportion to the share of ownership of the
19 taxpayer on the last day of the taxpayer's tax period for which such tax credits are being claimed,
20 to the following:

21 (a) The shareholders of a small corporation described in section 143.471;

22 (b) The partners in a partnership;

23 (6) In the case of financial institutions described ~~[pursuant to the provisions of]~~ **under**
24 chapter 148, the credits allowed in subdivisions (1), (2), (3) and (4) of this subsection and the
25 credit allowed in section 135.235 may be used to offset the tax imposed ~~[by]~~ **under** chapter 148
26 and, in the case of an insurance company exempt from the thirty-percent employee requirement
27 of section 135.230, any obligations imposed ~~[pursuant to]~~ **under** section 375.916 subject to the
28 same method of apportionment as prescribed for taxes imposed ~~[by]~~ **under** chapter 143 and as
29 provided ~~[in]~~ **under** subdivision (6) of section 135.100 and subsections 2 and 3 of section
30 135.110;

31 (7) If a facility within an enterprise zone, which does not constitute a new business
32 facility, is expanded or improved by the taxpayer within the enterprise zone, the expansion or
33 improvement shall be considered a separate facility eligible for the credits allowed ~~[in]~~ **under**
34 this section and section 135.235, and the exemption allowed ~~[in]~~ **under** section 135.220, if:

35 (a) The new business facility investment in the expansion or improvement during the tax
36 period in which such credits and the exemption are claimed exceeds one hundred thousand
37 dollars or, if less than one hundred thousand dollars, is twenty-five percent of the investment in
38 the original facility prior to expansion or improvement; and

39 (b) The expansion or improvement otherwise constitutes a new business facility; and

40 (c) The number of new business facility employees engaged or maintained in
41 employment at the expanded or improved facility for the ~~[taxable]~~ **tax** year for which the credit
42 is claimed equals or exceeds two and the total number of employees at the facility after
43 expansion or improvement is at least two greater than the total number of employees before
44 expansion or improvement. The taxpayer's investment in the expansion or improvement and in
45 the original facility prior to expansion or improvement shall be determined in the manner
46 provided in subdivision (7) of section 135.100;

47 (8) For the purpose of sections 135.200 to 135.256, an office as defined in subdivision
48 (8) of section 135.100, when established, must create and maintain at least two new business
49 facility employees as defined in subdivision (5) of section 135.100;

50 (9) In the case where a person employed by the new business facility is a resident of the
51 enterprise zone for less than a twelve-month period, or in the case where a person employed as
52 a new business facility employee is a person who, at the time of such employment by the new
53 business facility, met the criteria as set forth in section 135.240, is employed for less than a
54 twelve-month period, the credits allowed by subdivisions (2) and (3) of this subsection shall be
55 determined by multiplying four hundred dollars by a fraction, the numerator of which is the
56 number of calendar days during the taxpayer's tax year for which such credits are claimed, in
57 which the person met the requirements prescribed in subdivision (2) or (3) of this subsection, and
58 the denominator of which is three hundred and sixty-five, except that such credit shall not exceed
59 four hundred dollars per employee in any one ~~taxable~~ tax year;

60 (10) The deferment of tax credit authorized in section 135.120 shall not be available to
61 taxpayers establishing a new business facility in an enterprise zone;

62 (11) The allowance for additional ten-year periods to certain new business facilities as
63 prescribed in subsection 1 of section 135.110 shall not be available to taxpayers expanding a new
64 business facility in an enterprise zone, except that any taxpayer who has been eligible to earn
65 enterprise zone tax benefits for ten tax periods, or until the expiration of the fifteen-year period
66 as prescribed in subsection 1 of section 135.230, or for the maximum period otherwise allowed
67 by law, may qualify for the tax credits allowed in section 135.110 if otherwise eligible, pursuant
68 to the same terms and conditions prescribed in sections 135.100 to 135.150;

69 (12) Taxpayers who establish a new business facility by operating a revenue-producing
70 enterprise as defined in paragraph (d) of subdivision (6) of section 135.200 shall not be required
71 to create and maintain new business facility employees.

72 2. The tax credits described in subdivisions (1), (2), (3) and (4) of subsection 1 of this
73 section, the training credit allowed in section 135.235, and the income exemption allowed in
74 section 135.220, shall be allowed to any taxpayer, under the same terms and conditions specified
75 in such sections, who establishes a new business facility in an enterprise zone designated
76 pursuant to subsection 5 of section 135.230, except that all such tax benefits shall be removed
77 not later than seven years after the enterprise zone is designated as such.

78 3. Notwithstanding any provision of law to the contrary, any taxpayer who establishes
79 a new business facility in an enterprise zone, may elect to forfeit the tax credits otherwise
80 allowed in section 135.235 and this section and the exemptions otherwise allowed in sections
81 135.215 and 135.220 and the refund otherwise allowed in section 135.245, and in lieu thereof,
82 claim the tax credits allowed in section 135.110, ~~pursuant to~~ **under** the same terms and
83 conditions prescribed in sections 135.100 to 135.150. To perfect the election, the taxpayer shall
84 attach written notification of such election to the taxpayer's initial application for claiming tax
85 credits. The election shall be irreversible once perfected.

86 4. The right to receive the income exemption described in section 135.220, the tax
87 credits described in subsection 1 of this section and the training credit allowed in section 135.235
88 shall vest in the taxpayer upon commencement of operations of the revenue-producing
89 enterprise, but such vested right shall be waived by the taxpayer for any given year in which the
90 terms and conditions of sections 135.100 to 135.268 are not met. Representations made by the
91 department and relied upon in good faith by the taxpayer shall be binding upon the state of
92 Missouri insofar as they are consistent with the provisions of this chapter. The provisions of this
93 subsection shall apply to all revenue-producing enterprises which are eligible for incentives
94 pursuant to this subsection and which commenced operation on or after January 1, 1996, to the
95 extent such incentives do not exceed the fifteen-year limitation ~~[pursuant to]~~ **under** subsection
96 1 of section 135.230 or the seven-year limitation pursuant to subsection 5 of section 135.230.
97 The provisions of this subsection shall apply to all revenue-producing enterprises which are
98 eligible for the incentives set forth in this subsection, and which began operation after January
99 1, 1996, to the extent such incentives do not exceed the fifteen-year limitation set forth in
100 subsection 1 of section 135.230, or the seven-year limit set forth in subsection 5 of section
101 135.230.

102 **5. Under section 23.253 of the Missouri sunset act:**

103 **(1) The provisions of the new program authorized under this section shall**
104 **automatically sunset on December thirty-first three years after the effective date of this**
105 **section unless reauthorized by an act of the general assembly;**

106 **(2) If such program is reauthorized, the program authorized under this section**
107 **shall automatically sunset on December thirty-first three years after the effective date of**
108 **the reauthorization of this section;**

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

112 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
113 **before this section is sunset.**

135.235. 1. To the extent that expenses incurred by a new business facility in an
2 enterprise zone for the training of persons employed in the operation of the new business facility
3 is not covered by an existing federal, state or local program, such new business facility shall be
4 eligible for a full tax credit equal to eighty percent of that portion of such training expenses
5 which are in excess of four hundred dollars for each trainee who is a resident of the enterprise
6 zone or who was at the time of such employment at the new business facility unemployable or
7 difficult to employ as defined in section 135.240, provided such credit shall not exceed four
8 hundred dollars for each employee trained. In the case of a small corporation described in

9 section 143.471 or a partnership, all credits allowed by this section shall be apportioned in
10 proportion to the share of ownership of the business to the following:

- 11 (1) The shareholders of the corporation described in section 143.471; or
12 (2) The partners in a partnership.

13 **2. Under section 23.253 of the Missouri sunset act:**

14 **(1) The provisions of the new program authorized under this section shall**
15 **automatically sunset on December thirty-first three years after the effective date of this**
16 **section unless reauthorized by an act of the general assembly;**

17 **(2) If such program is reauthorized, the program authorized under this section**
18 **shall automatically sunset on December thirty-first three years after the effective date of**
19 **the reauthorization of this section;**

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

23 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
24 **before this section is sunset.**

135.279. 1. Any taxpayer that operates an approved retained business facility in an
2 enterprise zone may be allowed a credit, each year for ten years, in an amount determined
3 ~~[pursuant to]~~ **under** subsection 2 or 3 of this section, whichever is applicable, against the tax
4 imposed ~~[by]~~ **under** chapter 143, excluding withholding tax imposed ~~[by]~~ **under** sections
5 143.191 to 143.265, as follows:

6 (1) The credit allowed for each retained business facility employee shall be four hundred
7 dollars, except that for each retained business facility employee that exceeds the level of
8 employment set forth in paragraph (b) of subdivision (7) of section 135.276, the credit shall be
9 five hundred dollars. Transfers from another facility operated by the taxpayer in the state will
10 not count as retained business facility employees;

11 (2) An additional credit of four hundred dollars shall be granted for each twelve-month
12 period that a retained business facility employee is a resident of an enterprise zone;

13 (3) An additional credit of four hundred dollars shall be granted for each twelve-month
14 period that the person employed as a retained business facility employee is a person who, at the
15 time of such employment by the new business facility, met the criteria as set forth in section
16 135.240;

17 (4) To the extent that expenses incurred by a retained business facility in an enterprise
18 zone for the training of persons employed in the operation of the retained business facility is not
19 covered by an existing federal, state, or local program, such retained business facility shall be
20 eligible for a full tax credit equal to eighty percent of that portion of such training expenses

21 which are in excess of four hundred dollars for each trainee who is a resident of an enterprise
22 zone or who was at the time of such employment at the retained business facility unemployable
23 or difficult to employ as defined in section 135.240, provided such credit shall not exceed four
24 hundred dollars for each employee trained;

25 (5) The credit allowed for retained business facility investment shall be equal to the sum
26 of ten percent of the first ten thousand dollars of such qualifying investment, plus five percent
27 of the next ninety thousand dollars of such qualifying investment, plus two percent of all
28 remaining qualifying investments within an enterprise zone. The taxpayer's retained business
29 facility investment shall be reduced by the amount of investment made by the taxpayer or related
30 taxpayer which was subsequently transferred to the retained business facility from another
31 Missouri facility and for which credits authorized in this section are not being earned.

32 2. The credits allowed by subsection 1 of this section shall offset the greater of:

33 (1) Some portion of the income tax otherwise imposed by chapter 143, excluding
34 withholding tax imposed by sections 143.191 to 143.265, with respect to such taxpayer's retained
35 business facility income for the ~~taxable~~ tax year for which such credit is allowed; or

36 (2) If the taxpayer operates no other facility in Missouri, the credits allowed in
37 subsection 1 of this section shall offset up to fifty percent or, in the case of an economic
38 development project located within a distressed community as defined in section 135.530,
39 seventy-five percent of the business income tax otherwise imposed by chapter 143, excluding
40 withholding tax imposed by sections 143.191 to 143.265, if the business operates no other
41 facilities in Missouri;

42 (3) If the taxpayer operates more than one facility in Missouri, the credits allowed in
43 subsection 1 of this section shall offset up to the greater of the portion prescribed in subdivision
44 (1) of this subsection or twenty-five percent or, in the case of an economic development project
45 located within a distressed community as defined in section 135.530, thirty-five percent of the
46 business' tax, except that no taxpayer operating more than one facility in Missouri shall be
47 allowed to offset more than twenty-five percent or, in the case of an economic development
48 project located within a distressed community as defined in section 135.530, thirty-five percent
49 of the taxpayer's business income tax in any tax period under the method prescribed in this
50 subdivision.

51 3. In the case where a person employed by the retained business facility is a resident of
52 the enterprise zone for less than a twelve-month period, or in the case where a person employed
53 as a retained business facility employee is a person who, at the time of such employment by the
54 retained business facility, met the criteria as set forth in section 135.240, is employed for less
55 than a twelve-month period, the credits allowed by subdivisions (2) and (3) of subsection 1 of
56 this section shall be determined by multiplying the dollar amount of the credit by a fraction, the

57 numerator of which is the number of calendar days during the taxpayer's tax year for which such
58 credits are claimed, in which the person met the requirements prescribed in subdivision (2) or
59 (3) of this subsection, and the denominator of which is three hundred sixty-five.

60 4. Notwithstanding any provision of law to the contrary, any taxpayer who claims the
61 exemption and credits allowed in sections 135.276 to 135.283 shall not be eligible to receive the
62 exemption allowed in section 135.220, the credits allowed in sections 135.225 and 135.235, and
63 the refund authorized by section 135.245 or the tax credits allowed in section 135.110. The
64 taxpayer must elect among the options. To perfect the election, the taxpayer shall attach written
65 notification of such election to the taxpayer's initial application for claiming tax credits. The
66 election shall be irreversible once perfected.

67 5. A taxpayer shall not receive the income exemption described in section 135.276 and
68 the tax credits described in subsection 1 of this section for any year in which the terms and
69 conditions of sections 135.276 to 135.283 are not met. Such incentives shall not exceed the
70 fifteen-year limitation ~~[pursuant to]~~ **under** subsection 1 of section 135.230 or the seven-year
71 limitation ~~[pursuant to]~~ **under** subsection 5 of section 135.230.

72 6. The initial application for claiming tax credits must be made in the taxpayer's tax
73 period immediately following the tax period in which commencement of commercial operations
74 began at the new business facility.

75 7. Credits may not be carried forward but shall be claimed for the ~~[taxable]~~ **tax** year
76 during which continuation of commercial operations occurs at such retained business facility,
77 and for each of the nine succeeding ~~[taxable]~~ **tax** years.

78 **8. Under section 23.253 of the Missouri sunset act:**

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

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

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

88 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
89 **before this section is sunset.**

135.327. 1. Any person residing in this state who legally adopts a special needs child
2 on or after January 1, 1988, and before January 1, 2000, shall be eligible to receive a tax credit
3 of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may

4 be applied to taxes due under chapter 143. Any business entity providing funds to an employee
5 to enable that employee to legally adopt a special needs child shall be eligible to receive a tax
6 credit of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted
7 that may be applied to taxes due under such business entity's state tax liability, except that only
8 one ten thousand dollar credit is available for each special needs child that is adopted.

9 2. Any person residing in this state who proceeds in good faith with the adoption of a
10 special needs child on or after January 1, 2000, shall be eligible to receive a tax credit of up to
11 ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to
12 taxes due under chapter 143; provided, however, that beginning on March 29, 2013, the tax
13 credits shall only be allocated for the adoption of special needs children who are residents or
14 wards of residents of this state at the time the adoption is initiated. Any business entity
15 providing funds to an employee to enable that employee to proceed in good faith with the
16 adoption of a special needs child shall be eligible to receive a tax credit of up to ten thousand
17 dollars for nonrecurring adoption expenses for each child that may be applied to taxes due under
18 such business entity's state tax liability, except that only one ten thousand dollar credit is
19 available for each special needs child that is adopted.

20 3. Individuals and business entities may claim a tax credit for their total nonrecurring
21 adoption expenses in each year that the expenses are incurred. A claim for fifty percent of the
22 credit shall be allowed when the child is placed in the home. A claim for the remaining fifty
23 percent shall be allowed when the adoption is final. The total of these tax credits shall not
24 exceed the maximum limit of ten thousand dollars per child. The cumulative amount of tax
25 credits which may be claimed by taxpayers claiming the credit for nonrecurring adoption
26 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million dollars. The
27 cumulative amount of tax credits that may be claimed by taxpayers claiming the credit for
28 nonrecurring adoption expenses shall not be more than two million dollars but may be increased
29 by appropriation in any fiscal year beginning on or after July 1, 2004. For all fiscal years
30 beginning on or after July 1, 2006, applications to claim the adoption tax credit for special needs
31 children who are residents or wards of residents of this state at the time the adoption is initiated
32 shall be filed between July first and April fifteenth of each fiscal year.

33 4. Notwithstanding any provision of law to the contrary, any individual or business entity
34 may assign, transfer or sell tax credits allowed in this section. Any sale of tax credits claimed
35 pursuant to this section shall be at a discount rate of seventy-five percent or greater of the amount
36 sold.

37 **5. Under section 23.253 of the Missouri sunset act:**

38 **(1) The provisions of the new program authorized under this section shall**
39 **automatically sunset on December thirty-first four years after the effective date of this**
40 **section unless reauthorized by an act of the general assembly;**

41 **(2) If such program is reauthorized, the program authorized under this section**
42 **shall automatically sunset on December thirty-first four years after the effective date of the**
43 **reauthorization of this section;**

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

47 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
48 **before this section is sunset.**

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

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

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

13 4. The Missouri low-income housing tax credit shall be taken against the taxes and in
14 the order specified ~~pursuant to~~ **under** section 32.115. The credit authorized by this section
15 shall not be refundable. Any amount of credit that exceeds the tax due for a taxpayer's ~~taxable~~
16 **tax** year may be carried back to any of the taxpayer's three prior ~~taxable~~ **tax** years or carried
17 forward to any of the taxpayer's five subsequent ~~taxable~~ **tax** years.

18 5. All or any portion of Missouri tax credits issued in accordance with the provisions of
19 sections 135.350 to 135.362 may be allocated to parties who are eligible pursuant to the
20 provisions of subsection 1 of this section. Beginning January 1, 1995, for qualified projects
21 which began on or after January 1, 1994, an owner of a qualified Missouri project shall certify
22 to the director the amount of credit allocated to each taxpayer. The owner of the project shall
23 provide to the director appropriate information so that the low-income housing tax credit can be
24 properly allocated.

25 6. In the event that recapture of Missouri low-income housing tax credits is required
26 ~~[pursuant to]~~ **under** subsection 2 of section 135.355, any statement submitted to the director as
27 provided in this section shall include the proportion of the state credit required to be recaptured,
28 the identity of each taxpayer subject to the recapture and the amount of credit previously
29 allocated to such taxpayer.

30 7. The director of the department may promulgate rules and regulations necessary to
31 administer the provisions of this section. No rule or portion of a rule promulgated ~~[pursuant to]~~
32 **under** the authority of this section shall become effective unless it has been promulgated
33 pursuant to the provisions of section 536.024.

34 **8. Under section 23.253 of the Missouri sunset act:**

35 **(1) The provisions of the new program authorized under this section shall**
36 **automatically sunset on December thirty-first three years after the effective date of this**
37 **section unless reauthorized by an act of the general assembly;**

38 **(2) If such program is reauthorized, the program authorized under this section**
39 **shall automatically sunset on December thirty-first three years after the effective date of**
40 **the reauthorization of this section;**

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

44 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
45 **before this section is sunset.**

135.403. 1. Any investor who makes a qualified investment in a Missouri small business
2 shall be entitled to receive a tax credit equal to forty percent of the amount of the investment or,
3 in the case of a qualified investment in a Missouri small business in a distressed community as
4 defined by section 135.530, a credit equal to sixty percent of the amount of the investment, and
5 any investor who makes a qualified investment in a community bank or a community
6 development corporation shall be entitled to receive a tax credit equal to fifty percent of the
7 amount of the investment if the investment is made in a community bank or community
8 development corporation for direct investment. The total amount of tax credits available for
9 qualified investments in Missouri small businesses shall not exceed thirteen million dollars and
10 at least four million dollars of the amount authorized by this section and certified by the
11 department of economic development shall be for investment in Missouri small businesses in
12 distressed communities. Authorization for all or any part of this four-million-dollar amount shall
13 in no way restrict the eligibility of Missouri small businesses in distressed communities, as
14 defined in section 135.530, for the remaining amounts authorized within this section. No more
15 than twenty percent of the tax credits available each year for investments in community banks

16 or community development corporations for direct investment shall be certified for any one
17 project, as defined in section 135.400. The tax credit shall be evidenced by a tax credit
18 certificate in accordance with the provisions of sections 135.400 to 135.430 and may be used to
19 satisfy the state tax liability of the owner of the certificate that becomes due in the tax year in
20 which the qualified investment is made, or in any of the ten tax years thereafter. When the
21 qualified small business is in a distressed community, as defined in section 135.530, the tax
22 credit may also be used to satisfy the state tax liability of the owner of the certificate that was due
23 during each of the previous three years in addition to the year in which the investment is made
24 and any of the ten years thereafter. No investor may receive a tax credit ~~[pursuant to]~~ **under**
25 sections 135.400 to 135.430 unless that person presents a tax credit certificate to the department
26 of revenue for payment of such state tax liability. The department of revenue shall grant tax
27 credits in the same order as established ~~[by]~~ **under** subsection 1 of section 32.115. Subject to
28 the provisions of sections 135.400 to 135.430, certificates of tax credit issued in accordance with
29 these sections may be transferred, sold or assigned by notarized endorsement thereof which
30 names the transferee.

31 2. Five hundred thousand dollars in tax credits shall be available annually from the total
32 amount of tax credits authorized ~~[by]~~ **under** section 32.110 and subdivision (4) of subsection 2
33 of section 32.115 as a result of investments in community banks or community development
34 corporations. Aggregate investments eligible for tax credits in any one Missouri small business
35 shall not be more than one million dollars. Aggregate investments eligible for tax credits in any
36 one Missouri small business shall not be less than five thousand dollars as of the date of issuance
37 of the first tax credit certificate for investment in that business.

38 3. This section and section 620.1039 shall become effective January 1, 2001.

39 **4. Under section 23.253 of the Missouri sunset act:**

40 **(1) The provisions of the new program authorized under this section shall**
41 **automatically sunset on December thirty-first three years after the effective date of this**
42 **section unless reauthorized by an act of the general assembly;**

43 **(2) If such program is reauthorized, the program authorized under this section**
44 **shall automatically sunset on December thirty-first three years after the effective date of**
45 **the reauthorization of this section;**

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

49 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
50 **before this section is sunset.**

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

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

8 3. A taxpayer shall be allowed a tax credit against the tax otherwise due ~~pursuant to~~
9 **under** chapter 143, excluding withholding tax imposed ~~by~~ **under** sections 143.191 to 143.265,
10 chapter 147, chapter 148, or chapter 153 in an amount equal to thirty percent for property
11 contributions and fifty percent for monetary contributions of the amount such taxpayer
12 contributed to the programs described in subsection 5 of this section, not to exceed two hundred
13 thousand dollars per ~~taxable~~ tax year, per taxpayer; except as otherwise provided in subdivision
14 (5) of subsection 5 of this section. The department of economic development shall prescribe the
15 method for claiming the tax credits allowed in this section. No rule or portion of a rule
16 promulgated under the authority of this section shall become effective unless it has been
17 promulgated ~~pursuant to~~ **under** the provisions of chapter 536. All rulemaking authority
18 delegated prior to June 27, 1997, is of no force and effect and repealed; however, nothing in this
19 section shall be interpreted to repeal or affect the validity of any rule filed or adopted prior to
20 June 27, 1997, if such rule complied with the provisions of chapter 536. The provisions of this
21 section and chapter 536 are nonseverable and if any of the powers vested with the general
22 assembly pursuant to chapter 536, including the ability to review, to delay the effective date, or
23 to disapprove and annul a rule or portion of a rule, are subsequently held unconstitutional, then
24 the purported grant of rulemaking authority and any rule so proposed and contained in the order
25 of rulemaking shall be invalid and void.

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

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

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

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

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

41 (4) New or existing youth clubs or associations;

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

46 (6) Mentor and role model programs;

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

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

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

53 (10) Nonviolent conflict resolution and mediation programs; **and**

54 (11) Youth outreach and counseling programs.

55 6. Any program authorized in subsection 5 of this section shall, at least annually, submit
56 a report to the department of economic development outlining the purpose and objectives of such
57 program, the number of youth served, the specific activities provided pursuant to such program,
58 the duration of such program and recorded youth attendance where applicable.

59 7. The department of economic development shall, at least annually submit a report to
60 the Missouri general assembly listing the organizations participating, services offered and the
61 number of youth served as the result of the implementation of this section.

62 8. The tax credit allowed by this section shall apply to all ~~taxable~~ tax years beginning
63 after December 31, 1995.

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

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

69 (2) The partners of the partnership;

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

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

72

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

75 **10. Under section 23.253 of the Missouri sunset act:**

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

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

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

85 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
86 **before this section is sunset.**

135.481. 1. (1) Any taxpayer who incurs eligible costs for a new residence located in
2 a distressed community or within a census block group as described in subdivision (10) of
3 section 135.478, or for a multiple unit condominium described in subdivision (2) of this
4 subsection, shall receive a tax credit equal to fifteen percent of such costs against his or her tax
5 liability. The tax credit shall not exceed forty thousand dollars per new residence in any ten-year
6 period.

7 (2) For the purposes of this section, a "multiple unit condominium" is one that is
8 intended to be owner occupied, which is constructed on property subject to an industrial
9 development contract as defined in section 100.310 and which lies within an area with a city
10 zoning classification of urban redevelopment district established after January 1, 2000, and
11 before December 31, 2001, and which is constructed in connection with the qualified
12 rehabilitation of a structure more than ninety years old eligible for the historic structures
13 rehabilitation tax credit described in sections 253.545 to 253.559, and is under way by January
14 1, 2000, and completed by January 1, 2002.

15 2. Any taxpayer who incurs eligible costs for a new residence located within a census
16 block as described in subdivision (6) of section 135.478 shall receive a tax credit equal to fifteen
17 percent of such costs against his or her tax liability. The tax credit shall not exceed twenty-five
18 thousand dollars per new residence in any ten-year period.

19 3. Any taxpayer who is not performing substantial rehabilitation and who incurs eligible
20 costs for rehabilitation of an eligible residence or a qualifying residence shall receive a tax credit
21 equal to twenty-five percent of such costs against his or her tax liability. The minimum eligible
22 costs for rehabilitation of an eligible residence shall be ten thousand dollars. The minimum

23 eligible costs for rehabilitation of a qualifying residence shall be five thousand dollars. The tax
24 credit shall not exceed twenty-five thousand dollars in any ten-year period.

25 4. Any taxpayer who incurs eligible costs for substantial rehabilitation of a qualifying
26 residence shall receive a tax credit equal to thirty-five percent of such costs against his or her tax
27 liability. The minimum eligible costs for substantial rehabilitation of a qualifying residence shall
28 be ten thousand dollars. The tax credit shall not exceed seventy thousand dollars in any ten-year
29 period.

30 5. A taxpayer shall be eligible to receive tax credits for new construction or rehabilitation
31 ~~[pursuant to]~~ **under** only one subsection of this section.

32 6. No tax credit shall be issued ~~[pursuant to]~~ **under** this section for any structure which
33 is in violation of any municipal or county property, maintenance or zoning code.

34 7. No tax credit shall be issued ~~[pursuant to]~~ **under** sections 135.475 to 135.487 for the
35 construction or rehabilitation of rental property.

36 **8. Under section 23.253 of the Missouri sunset act:**

37 **(1) The provisions of the new program authorized under this section shall**
38 **automatically sunset on December thirty-first three years after the effective date of this**
39 **section unless reauthorized by an act of the general assembly;**

40 **(2) If such program is reauthorized, the program authorized under this section**
41 **shall automatically sunset on December thirty-first three years after the effective date of**
42 **the reauthorization of this section;**

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

46 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
47 **before this section is sunset.**

135.490. 1. In order to encourage and foster community improvement, an eligible small
2 business, as defined in Section 44 of the Internal Revenue Code, shall be allowed a credit not to
3 exceed five thousand dollars against the tax otherwise due pursuant to chapter 143, not including
4 sections 143.191 to 143.265, in an amount equal to fifty percent of all eligible access
5 expenditures exceeding the monetary cap provided by Section 44 of the Internal Revenue Code.
6 For purposes of this section, "eligible access expenditures" means amounts paid or incurred by
7 the taxpayer in order to comply with applicable access requirements provided by the Americans
8 With Disabilities Act of 1990, as further defined in Section 44 of the Internal Revenue Code and
9 federal rulings interpreting Section 44 of the Internal Revenue Code.

10 2. The tax credit allowed by this section shall be claimed by the taxpayer at the time such
11 taxpayer files a return. Any amount of tax credit which exceeds the tax due shall be carried over
12 to any subsequent [taxable] tax year, but shall not be refunded and shall not be transferable.

13 3. The director of the department of economic development and the director of the
14 department of revenue shall jointly administer the tax credit authorized by this section. Both the
15 director of the department of economic development and the director of the department of
16 revenue are authorized to promulgate rules and regulations necessary to administer the provisions
17 of this section. No rule or portion of a rule promulgated pursuant to the authority of this section
18 shall become effective unless it has been promulgated pursuant to the provisions of chapter 536.

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

21 **5. Under section 23.253 of the Missouri sunset act:**

22 **(1) The provisions of the new program authorized under this section shall**
23 **automatically sunset on December thirty-first four years after the effective date of this**
24 **section unless reauthorized by an act of the general assembly;**

25 **(2) If such program is reauthorized, the program authorized under this section**
26 **shall automatically sunset on December thirty-first four years after the effective date of the**
27 **reauthorization of this section;**

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

31 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
32 **before this section is sunset.**

135.503. 1. Any investor that makes an investment of certified capital shall, in the year
2 of investment, earn a vested credit against state premium tax liability equal to the applicable
3 percentage of the investor's investment of certified capital. An investor shall be entitled to take
4 up to ten percent of the vested credit in any [taxable] tax year of the investor. Any time after
5 three years after August 28, 1996, the director, with the approval of the commissioner of
6 administration, may reduce the applicable percentage on a prospective basis. Any such reduction
7 in the applicable percentage by the director shall not have any effect on credits against state
8 premium tax liability which have been claimed or will be claimed by any investor with respect
9 to credits which have been earned and vested pursuant to an investment of certified capital prior
10 to the effective date of any such change.

11 2. An insurance company claiming a state premium tax credit earned through an
12 investment in a certified capital company shall not be required to pay any additional retaliatory
13 tax levied [pursuant to] **under** section 375.916 as a result of claiming such credit.

14 3. The credit against state premium tax liability which is described in subsection 1 of this
15 section may not exceed the state premium tax liability of the investor for any ~~[taxable]~~ tax year.
16 All such credits against state premium tax liability may be carried forward indefinitely until the
17 credits are utilized. The maximum amount of certified capital in one or more certified capital
18 companies for which earned and vested tax credits will be allowed in any year to any one
19 investor or its affiliates shall be limited to ten million dollars.

20 4. Except as provided in subsection 5 of this section, the aggregate amount of certified
21 capital for which earned and vested credits against state premium tax liability are allowed for all
22 persons ~~[pursuant to]~~ **under** sections 135.500 to 135.529 shall not exceed the following amounts:
23 for calendar year 1996, \$0.00; for calendar year 1997, an amount which would entitle all
24 Missouri certified capital company investors to take aggregate credits of five million dollars; and
25 for any year thereafter, an additional amount to be determined by the director but not to exceed
26 aggregate credits of ten million dollars for any year with the approval of the commissioner of
27 administration and reported to the general assembly as provided in subsection 2 of section
28 33.282, provided that the amount so determined shall not impair the ability of an investor with
29 earned and vested credits which have been allowed in previous years to take them, pursuant to
30 subsection 1 of this section. During any calendar year in which the limitation described in this
31 subsection will limit the amount of certified capital for which earned and vested credits against
32 state premium tax liability are allowed, certified capital for which credits are allowed will be
33 allocated in order of priority based upon the date of filing of information described in subdivision
34 (1) of subsection 5 of section 135.516. Certified capital limited in any calendar year by the
35 application of the provisions of this subsection shall be allowed and allocated in the immediately
36 succeeding calendar year in the order of priority set forth in this subsection. The department
37 shall make separate allocations of certified capital for which credits are allowed under the
38 limitations described in this subsection and under the limitations described in subsection 5 of this
39 section.

40 5. In addition to the maximum amount pursuant to subsection 4 of this section, the
41 aggregate amount of certified capital for which earned and vested credits against state premium
42 tax liability are allowed for persons ~~[pursuant to]~~ **under** sections 135.500 to 135.529 shall be the
43 following: for calendar year 1999 and for any year thereafter, an amount to be determined by the
44 director which would entitle all Missouri certified capital company investors to take aggregate
45 credits not to exceed four million dollars for any year with the approval of the commissioner of
46 administration and reported to the general assembly as provided in subsection 2 of section
47 33.282, provided that the amount so determined shall not impair the ability of an investor with
48 earned and vested credits which have been allowed in previous years or pursuant to the
49 provisions of subsection 4 of this section to take them, pursuant to subsection 1 of this section.

50 For purposes of any requirement regarding the schedule of qualified investments for certified
51 capital for which earned and vested credits against state premium tax liability are allowed
52 ~~[pursuant to]~~ **under** this subsection only, the definition of a "qualified Missouri business" as set
53 forth in subdivision (14) of subsection 2 of section 135.500 means a Missouri business that is
54 located in a distressed community as defined in section 135.530, and meets all of the
55 requirements of subdivision (14) of subsection 2 of section 135.500. During any calendar year
56 in which the limitation described in this subsection limits the amount of additional certified
57 capital for which earned and vested credits against state premium tax liability are allowed,
58 additional certified capital for which credits are allowed shall be allocated in order of priority
59 based upon the date of filing of information described in subdivision (1) of subsection 5 of
60 section 135.516 with respect to such additional certified capital. The department shall make
61 separate allocations of certified capital for which credits are allowed under the limitations
62 described in this subsection and under the limitations described in subsection 4 of this section.
63 No limitation applicable to any certified capital company with respect to certified capital for
64 which credits are allowed ~~[pursuant to]~~ **under** subsection 4 of this section shall limit the amount
65 of certified capital for which credits are allowed ~~[pursuant to]~~ **under** this subsection. No
66 limitation applicable to any certified capital company with respect to certified capital for which
67 credits are allowed ~~[pursuant to]~~ **under** this subsection shall limit the amount of certified capital
68 for which credits are allowed ~~[pursuant to]~~ **under** subsection 4 of this section.

69 6. The department shall advise any Missouri certified capital company, in writing, within
70 fifteen days after receiving the filing described in subdivision (1) of subsection 5 of section
71 135.516 whether the limitations of subsection 3 of this section then in effect will be applicable
72 with respect to the investments and credits described in such filing with the department.

73 **7. Under section 23.253 of the Missouri sunset act:**

74 **(1) The provisions of the new program authorized under this section shall**
75 **automatically sunset on December thirty-first three years after the effective date of this**
76 **section unless reauthorized by an act of the general assembly;**

77 **(2) If such program is reauthorized, the program authorized under this section**
78 **shall automatically sunset on December thirty-first three years after the effective date of**
79 **the reauthorization of this section;**

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

83 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
84 **before this section is sunset.**

135.535. 1. A corporation, limited liability corporation, partnership or sole proprietorship, which moves its operations from outside Missouri or outside a distressed community into a distressed community, or which commences operations in a distressed community on or after January 1, 1999, and in either case 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]~~ **under** chapter 143, 147 or 148, other than taxes withheld ~~[pursuant to]~~ **under** 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]~~ **under** 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]~~ **tax** 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 shall also be eligible to receive a tax credit against individual income tax, imposed ~~[pursuant to]~~ **under** chapter 143, equal to one and one-half percent of their gross salary paid at such facility earned for each of the three years that the facility receives the tax credit provided by this section, so long as they were qualified employees of such entity. The employer shall calculate the amount of such credit and shall report the amount to the employee and the department of revenue.

3. A tax credit against income taxes owed ~~[pursuant to]~~ **under** chapter 143, 147 or 148, other than the taxes withheld ~~[pursuant to]~~ **under** sections 143.191 to 143.265, in lieu of the credit against income taxes as provided in subsection 1 of this section, may be taken by such an

37 entity in a distressed community in an amount of forty percent of the amount of funds expended
38 for computer equipment and its maintenance, medical laboratories and equipment, research
39 laboratory equipment, manufacturing equipment, fiber optic equipment, high speed
40 telecommunications, wiring or software development expense up to a maximum of seventy-five
41 thousand dollars in tax credits for such equipment or expense per year per entity and for each of
42 three years after commencement in or moving operations into a distressed community.

43 4. A corporation, partnership or sole partnership, which has no more than one hundred
44 employees for whom payroll taxes are paid, which is already located in a distressed community
45 and which expends funds for such equipment ~~[pursuant to]~~ **under** subsection 3 of this section
46 in an amount exceeding its average of the prior two years for such equipment, shall be eligible
47 to receive a tax credit against income taxes owed ~~[pursuant to]~~ **under** chapters 143, 147 and 148
48 in an amount equal to the lesser of seventy-five thousand dollars or twenty-five percent of the
49 funds expended for such additional equipment per such entity. Tax credits allowed ~~[pursuant~~
50 ~~to]~~ **under** this subsection or subsection 1 of this section may be carried back to any of the three
51 prior tax years and carried forward to any of the next five tax years.

52 5. An existing corporation, partnership or sole proprietorship that is located within a
53 distressed community and that relocates employees from another facility outside of the distressed
54 community to its facility within the distressed community, and an existing business located
55 within a distressed community that hires new employees for that facility may both be eligible for
56 the tax credits allowed ~~[by]~~ **under** subsections 1 and 3 of this section. To be eligible for such
57 tax credits, such a business, during one of its tax years, shall employ within a distressed
58 community at least twice as many employees as were employed at the beginning of that tax year.
59 A business hiring employees shall have no more than one hundred employees before the addition
60 of the new employees. This subsection shall only apply to a business which is a manufacturing,
61 biomedical, medical devices, scientific research, animal research, computer software design or
62 development, computer programming or telecommunications business, or a professional firm.

63 6. Tax credits shall be approved for applicants meeting the requirements of this section
64 in the order that such applications are received. Certificates of tax credits issued in accordance
65 with this section may be transferred, sold or assigned by notarized endorsement which names the
66 transferee.

67 7. The tax credits allowed ~~[pursuant to]~~ **under** subsections 1, 2, 3, 4 and 5 of this section
68 shall be for an amount of no more than ten million dollars for each year beginning in 1999. The
69 total maximum credit for all entities already located in distressed communities and claiming
70 credits ~~[pursuant to]~~ **under** subsection 4 of this section shall be seven hundred and fifty thousand
71 dollars. The department of economic development in approving taxpayers for the credit as
72 provided for in subsection 6 of this section shall use information provided by the department of

73 revenue regarding taxes paid in the previous year, or projected taxes for those entities newly
74 established in the state, as the method of determining when this maximum will be reached and
75 shall maintain a record of the order of approval. Any tax credit not used in the period for which
76 the credit was approved may be carried over until the full credit has been allowed.

77 8. A Missouri employer relocating into a distressed community and having employees
78 covered by a collective bargaining agreement at the facility from which it is relocating shall not
79 be eligible for the credits in subsection 1, 3, 4 or 5 of this section, and its employees shall not be
80 eligible for the credit in subsection 2 of this section if the relocation violates or terminates a
81 collective bargaining agreement covering employees at the facility, unless the affected collective
82 bargaining unit concurs with the move.

83 9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax
84 credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the
85 tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and
86 135.245, respectively, for the same business for the same tax period.

87 **10. Under section 23.253 of the Missouri sunset act:**

88 **(1) The provisions of the new program authorized under this section shall**
89 **automatically sunset on December thirty-first three years after the effective date of this**
90 **section unless reauthorized by an act of the general assembly;**

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

97 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
98 **before this section is sunset.**

135.545. 1. A taxpayer shall be allowed a credit for taxes paid ~~pursuant to~~ **under**
2 chapter 143, 147 or 148 in an amount equal to fifty percent of a qualified investment in
3 transportation development for aviation, mass transportation, including parking facilities for
4 users of mass transportation, railroads, ports, including parking facilities and limited access roads
5 within ports, waterborne transportation, bicycle and pedestrian paths, or rolling stock located in
6 a distressed community as defined in section 135.530, and which are part of a development plan
7 approved by the appropriate local agency. If the department of economic development
8 determines the investment has been so approved, the department shall grant the tax credit in
9 order of date received.

10 **2.** A taxpayer may carry forward any unused tax credit for up to ten years and may carry
11 it back for the previous three years until such credit has been fully claimed.

12 **3.** Certificates of tax credit issued in accordance with this section may be transferred,
13 sold or assigned by notarized endorsement which names the transferee.

14 **4.** The tax credits allowed ~~[pursuant to]~~ **under** this section shall be for an amount of no
15 more than ten million dollars for each year. This credit shall apply to returns filed for all
16 ~~[taxable]~~ **tax** years beginning on or after January 1, 1999. Any unused portion of the tax credit
17 authorized ~~[pursuant to]~~ **under** this section shall be available for use in the future by those
18 entities until fully claimed.

19 **5.** For purposes of this section, a "taxpayer" shall include any charitable organization that
20 is exempt from federal income tax and whose Missouri unrelated business taxable income, if
21 any, would be subject to the state income tax imposed under chapter 143.

22 **6. Under section 23.253 of the Missouri sunset act:**

23 **(1) The provisions of the new program authorized under this section shall**
24 **automatically sunset on December thirty-first three years after the effective date of this**
25 **section unless reauthorized by an act of the general assembly;**

26 **(2) If such program is reauthorized, the program authorized under this section**
27 **shall automatically sunset on December thirty-first three years after the effective date of**
28 **the reauthorization of this section;**

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

32 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
33 **before this section is sunset.**

135.550. 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) "Shelter for victims of domestic violence", a facility located in this state which meets
5 the definition of a shelter for victims of domestic violence ~~[pursuant to]~~ **under** section 455.200
6 and which meets the requirements of section 455.220;

7 (3) "State tax liability", in the case of a business taxpayer, any liability incurred by such
8 taxpayer ~~[pursuant to the provisions of]~~ **under** chapter 143, chapter 147, chapter 148, and
9 chapter 153, exclusive of the provisions relating to the withholding of tax as provided for in
10 sections 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any
11 liability incurred by such taxpayer ~~[pursuant to the provisions of]~~ **under** chapter 143;

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

23 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
24 liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a shelter
25 for victims of domestic violence.

26 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
27 state tax liability for the ~~[taxable]~~ **tax** year that the credit is claimed, and such taxpayer shall not
28 be allowed to claim a tax credit in excess of fifty thousand dollars per ~~[taxable]~~ **tax** year.
29 However, any tax credit that cannot be claimed in the ~~[taxable]~~ **tax** year the contribution was
30 made may be carried over to the next four succeeding ~~[taxable]~~ **tax** years until the full credit has
31 been claimed.

32 4. Except for any excess credit which is carried over pursuant to subsection 3 of this
33 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such
34 taxpayer's contribution or contributions to a shelter or shelters for victims of domestic violence
35 in such taxpayer's ~~[taxable]~~ **tax** year has a value of at least one hundred dollars.

36 5. The director of the department of social services shall determine, at least annually,
37 which facilities in this state may be classified as shelters for victims of domestic violence. The
38 director of the department of social services may require of a facility seeking to be classified as
39 a shelter for victims of domestic violence whatever information is reasonably necessary to make
40 such a determination. The director of the department of social services shall classify a facility
41 as a shelter for victims of domestic violence if such facility meets the definition set forth in
42 subsection 1 of this section.

43 6. The director of the department of social services shall establish a procedure by which
44 a taxpayer can determine if a facility has been classified as a shelter for victims of domestic
45 violence, and by which such taxpayer can then contribute to such shelter for victims of domestic
46 violence and claim a tax credit. Shelters for victims of domestic violence shall be permitted to
47 decline a contribution from a taxpayer. The cumulative amount of tax credits which may be

48 claimed by all the taxpayers contributing to shelters for victims of domestic violence in any one
49 fiscal year shall not exceed two million dollars.

50 7. The director of the department of social services shall establish a procedure by which,
51 from the beginning of the fiscal year until some point in time later in the fiscal year to be
52 determined by the director of the department of social services, the cumulative amount of tax
53 credits are equally apportioned among all facilities classified as shelters for victims of domestic
54 violence. If a shelter for victims of domestic violence fails to use all, or some percentage to be
55 determined by the director of the department of social services, of its apportioned tax credits
56 during this predetermined period of time, the director of the department of social services may
57 reapportion these unused tax credits to those shelters for victims of domestic violence that have
58 used all, or some percentage to be determined by the director of the department of social
59 services, of their apportioned tax credits during this predetermined period of time. The director
60 of the department of social services may establish more than one period of time and reapportion
61 more than once during each fiscal year. To the maximum extent possible, the director of the
62 department of social services shall establish the procedure described in this subsection in such
63 a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative
64 amount of tax credits available for the fiscal year.

65 8. This section shall become effective January 1, 2000, and shall apply to all tax years
66 after December 31, 1999.

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

68 **(1) The provisions of the new program authorized under this section shall**
69 **automatically sunset on December thirty-first four years after the effective date of this**
70 **section unless reauthorized by an act of the general assembly;**

71 **(2) If such program is reauthorized, the program authorized under this section**
72 **shall automatically sunset on December thirty-first four years after the effective date of the**
73 **reauthorization of this section;**

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

77 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
78 **before this section is sunset.**

135.700. 1. For all tax years beginning on or after January 1, 1999, a grape grower or
2 wine producer shall be allowed a tax credit against the state tax liability incurred [~~pursuant to~~]
3 **under** chapter 143, exclusive of the provisions relating to the withholding of tax as provided in
4 sections 143.191 to 143.265, in an amount equal to twenty-five percent of the purchase price of
5 all new equipment and materials used directly in the growing of grapes or the production of wine

6 in the state. Each grower or producer shall apply to the department of economic development
7 and specify the total amount of such new equipment and materials purchased during the calendar
8 year. The department of economic development shall certify to the department of revenue the
9 amount of such tax credit to which a grape grower or wine producer is entitled [~~pursuant to~~]
10 **under** this section. The provisions of this section notwithstanding, a grower or producer may
11 only apply for and receive the credit authorized by this section for five tax periods.

12 **2. Under section 23.253 of the Missouri sunset act:**

13 **(1) The provisions of the new program authorized under this section shall**
14 **automatically sunset on December thirty-first three years after the effective date of this**
15 **section unless reauthorized by an act of the general assembly;**

16 **(2) If such program is reauthorized, the program authorized under this section**
17 **shall automatically sunset on December thirty-first three years after the effective date of**
18 **the reauthorization of this section;**

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

22 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
23 **before this section is sunset.**

135.766. 1. An eligible small business, as defined in Section 44 of the Internal Revenue
2 Code, shall be allowed a credit against the tax otherwise due [~~pursuant to~~] **under** chapter 143,
3 not including sections 143.191 to 143.265, in an amount equal to any amount paid by the eligible
4 small business to the United States Small Business Administration as a guaranty fee pursuant to
5 obtaining Small Business Administration guaranteed financing and to programs administered by
6 the United States Department of Agriculture for rural development or farm service agencies.

7 **2.** No tax credits provided under this section shall be authorized on or after the thirtieth
8 day following the effective date of this act. The provisions of this subsection shall not be
9 construed to limit or in any way impair the department's ability to issue tax credits authorized
10 prior to the thirtieth day following the effective date of this act, or a taxpayer's ability to redeem
11 such tax credits.

12 **3. Under section 23.253 of the Missouri sunset act:**

13 **(1) The provisions of the new program authorized under this section shall**
14 **automatically sunset on December thirty-first three years after the effective date of this**
15 **section unless reauthorized by an act of the general assembly;**

16 **(2) If such program is reauthorized, the program authorized under this section**
17 **shall automatically sunset on December thirty-first three years after the effective date of**
18 **the reauthorization of this section;**

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

22 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
23 **before this section is sunset.**

135.967. 1. A taxpayer who establishes a new business facility may, upon approval by
2 the department, be allowed a credit, each tax year for up to ten tax years, in an amount
3 determined as set forth in this section, against the tax imposed by chapter 143, excluding
4 withholding tax imposed ~~[by]~~ **under** sections 143.191 to 143.265. No taxpayer shall receive
5 multiple ten-year periods for subsequent expansions at the same facility.

6 2. Notwithstanding any provision of law to the contrary, any taxpayer who establishes
7 a new business facility in an enhanced enterprise zone and is awarded state tax credits under this
8 section may not also receive tax credits under sections 135.100 to 135.150, sections 135.200 to
9 135.286, or section 135.535, and may not simultaneously receive tax credits under sections
10 620.1875 to 620.1890 at the same facility.

11 3. No credit shall be issued ~~[pursuant to]~~ **under** this section unless:

12 (1) The number of new business facility employees engaged or maintained in
13 employment at the new business facility for the ~~[taxable]~~ **tax** year for which the credit is claimed
14 equals or exceeds two; and

15 (2) The new business facility investment for the ~~[taxable]~~ **tax** year for which the credit
16 is claimed equals or exceeds one hundred thousand dollars.

17 4. The annual amount of credits allowed for an approved enhanced business enterprise
18 shall be the lesser of:

19 (1) The annual amount authorized by the department for the enhanced business
20 enterprise, which shall be limited to the projected state economic benefit, as determined by the
21 department; or

22 (2) The sum calculated based upon the following:

23 (a) A credit of four hundred dollars for each new business facility employee employed
24 within an enhanced enterprise zone;

25 (b) An additional credit of four hundred dollars for each new business facility employee
26 who is a resident of an enhanced enterprise zone;

27 (c) An additional credit of four hundred dollars for each new business facility employee
28 who is paid by the enhanced business enterprise a wage that exceeds the average wage paid
29 within the county in which the facility is located, as determined by the department; and

30 (d) A credit equal to two percent of new business facility investment within an enhanced
31 enterprise zone.

32 5. Prior to January 1, 2007, in no event shall the department authorize more than four
33 million dollars annually to be issued for all enhanced business enterprises. After December 31,
34 2006, in no event shall the department authorize more than twenty-four million dollars annually
35 to be issued for all enhanced business enterprises.

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

38 (1) The taxpayer's new business facility investment in the expansion during the tax
39 period in which the credits allowed in this section are claimed exceeds one hundred thousand
40 dollars and if the number of new business facility employees engaged or maintained in
41 employment at the expansion facility for the ~~taxable~~ tax year for which credit is claimed equals
42 or exceeds two, and the total number of employees at the facility after the expansion is at least
43 two greater than the total number of employees before the expansion; and

44 (2) The taxpayer's investment in the expansion and in the original facility prior to
45 expansion shall be determined in the manner provided in subdivision (19) of section 135.950.

46 7. The number of new business facility employees during any ~~taxable~~ tax year shall be
47 determined by dividing by twelve the sum of the number of individuals employed on the last
48 business day of each month of such ~~taxable~~ tax year. If the new business facility is in operation
49 for less than the entire ~~taxable~~ tax year, the number of new business facility employees shall
50 be determined by dividing the sum of the number of individuals employed on the last business
51 day of each full calendar month during the portion of such ~~taxable~~ tax year during which the
52 new business facility was in operation by the number of full calendar months during such period.
53 For the purpose of computing the credit allowed by this section in the case of a facility which
54 qualifies as a new business facility under subsection 6 of this section, and in the case of a new
55 business facility which satisfies the requirements of paragraph (c) of subdivision (17) of section
56 135.950, or subdivision ~~[(25)]~~ (27) of section 135.950, the number of new business facility
57 employees at such facility shall be reduced by the average number of individuals employed,
58 computed as provided in this subsection, at the facility during the ~~taxable~~ tax year immediately
59 preceding the ~~taxable~~ tax year in which such expansion, acquisition, or replacement occurred
60 and shall further be reduced by the number of individuals employed by the taxpayer or related
61 taxpayer that was subsequently transferred to the new business facility from another Missouri
62 facility and for which credits authorized in this section are not being earned, whether such credits
63 are earned because of an expansion, acquisition, relocation, or the establishment of a new
64 facility.

65 8. In the case where a new business facility employee who is a resident of an enhanced
66 enterprise zone for less than a twelve-month period is employed for less than a twelve-month
67 period, the credits allowed by paragraph (b) of subdivision (2) of subsection 4 of this section

68 shall be determined by multiplying four hundred dollars by a fraction, the numerator of which
69 is the number of calendar days during the taxpayer's tax year for which such credits are claimed,
70 in which the employee was a resident of an enhanced enterprise zone, and the denominator of
71 which is three hundred sixty-five.

72 9. For the purpose of computing the credit allowed by this section in the case of a facility
73 which qualifies as a new business facility pursuant to subsection 6 of this section, and in the case
74 of a new business facility which satisfies the requirements of paragraph (c) of subdivision (17)
75 of section 135.950 or subdivision ~~[(25)]~~ (27) of section 135.950, the amount of the taxpayer's
76 new business facility investment in such facility shall be reduced by the average amount,
77 computed as provided in subdivision (19) of section 135.950 for new business facility
78 investment, of the investment of the taxpayer, or related taxpayer immediately preceding such
79 expansion or replacement or at the time of acquisition. Furthermore, the amount of the
80 taxpayer's new business facility investment shall also be reduced by the amount of investment
81 employed by the taxpayer or related taxpayer which was subsequently transferred to the new
82 business facility from another Missouri facility and for which credits authorized in this section
83 are not being earned, whether such credits are earned because of an expansion, acquisition,
84 relocation, or the establishment of a new facility.

85 10. For a taxpayer with flow-through tax treatment to its members, partners, or
86 shareholders, the credit shall be allowed to members, partners, or shareholders in proportion to
87 their share of ownership on the last day of the taxpayer's tax period.

88 11. Credits may not be carried forward but shall be claimed for the ~~[taxable]~~ tax year
89 during which commencement of commercial operations occurs at such new business facility, and
90 for each of the nine succeeding ~~[taxable]~~ tax years for which the credit is issued.

91 12. Certificates of tax credit authorized by this section may be transferred, sold, or
92 assigned by filing a notarized endorsement thereof with the department that names the transferee,
93 the amount of tax credit transferred, and the value received for the credit, as well as any other
94 information reasonably requested by the department. The sale price cannot be less than
95 seventy-five percent of the par value of such credits.

96 13. The director of revenue shall issue a refund to the taxpayer to the extent that the
97 amount of credits allowed in this section exceeds the amount of the taxpayer's income tax.

98 14. Prior to the issuance of tax credits, the department shall verify through the
99 department of revenue, or any other state department, that the tax credit applicant does not owe
100 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent
101 fees or assessments levied by any state department and through the department of insurance,
102 financial institutions and professional registration that the applicant does not owe any delinquent
103 insurance taxes. Such delinquency shall not affect the authorization of the application for such

104 tax credits, except that the amount of credits issued shall be reduced by the applicant's tax
105 delinquency. If the department of revenue or the department of insurance, financial institutions
106 and professional registration, or any other state department, concludes that a taxpayer is
107 delinquent after June fifteenth but before July first of any year and the application of tax credits
108 to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer
109 shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions
110 to tax shall be tolled. After applying all available credits toward a tax delinquency, the
111 administering agency shall notify the appropriate department, and that department shall update
112 the amount of outstanding delinquent tax owed by the applicant. If any credits remain after
113 satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be
114 issued to the applicant, subject to the restrictions of other provisions of law.

115 **15. Under section 23.253 of the Missouri sunset act:**

116 **(1) The provisions of the new program authorized under this section shall**
117 **automatically sunset on December thirty-first three years after the effective date of this**
118 **section unless reauthorized by an act of the general assembly;**

119 **(2) If such program is reauthorized, the program authorized under this section**
120 **shall automatically sunset on December thirty-first three years after the effective date of**
121 **the reauthorization of this section;**

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

125 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
126 **before this section is sunset.**

135.968. 1. A taxpayer who establishes a megaproject, approved by the department,
2 within an enhanced enterprise zone shall, in exchange for the consideration provided by new tax
3 revenues and other economic stimuli that will be generated from the new jobs created by the
4 megaproject, be allowed an income tax credit equal to the percentage of actual new annual
5 payroll of the taxpayer attributable to employees directly related to the manufacturing and
6 assembly process and administration, as provided under subsection 4 of this section. A taxpayer
7 seeking approval of a megaproject shall submit an application to the department. The
8 department shall not approve any megaproject after December 31, 2008. The department shall
9 not approve any credits for megaprojects to be issued prior to January 1, 2013, and in no event
10 shall the department authorize more than forty million dollars to be issued annually for all
11 megaprojects. The total amount of credits issued under this section shall not exceed two hundred
12 forty million dollars.

13 2. In considering applications for approval of megaprojects, the department may approve
14 an application if:

15 (1) The taxpayer's project is financially sound and the taxpayer has adequately
16 demonstrated an ability to successfully undertake and complete the megaproject. This
17 determination shall be supported by a professional third-party market feasibility analysis
18 conducted on behalf of the state by a firm with direct experience with the industry of the
19 proposed megaproject, and by a professional third-party financial analysis of the taxpayer's
20 ability to complete the project;

21 (2) The taxpayer's plan of repayment to the state of the amount of tax credits provided
22 is reasonable and sound;

23 (3) The taxpayer's megaproject will create new jobs that were not jobs previously
24 performed by employees of the taxpayer or a related taxpayer in Missouri;

25 (4) Local taxing entities are providing a significant level of incentives for the
26 megaproject relative to the projected new local tax revenues created by the megaproject;

27 (5) There is at least one other state or foreign country that the taxpayer verifies is being
28 considered for the project, and receiving megaproject tax credits is a major factor in the
29 taxpayer's decision to go forward with the project and not receiving the credit will result in the
30 taxpayer not creating new jobs in Missouri;

31 (6) The megaproject will be located in an enhanced enterprise zone which constitutes
32 an economic or social liability and a detriment to the public health, safety, morals, or welfare in
33 its present condition and use;

34 (7) The completion of the megaproject will serve an essential public municipal purpose
35 by creating a substantial number of new jobs for citizens, increasing their purchasing power,
36 improving their living conditions, and relieving the demand for unemployment and welfare
37 assistance thereby promoting the economic development of the enhanced enterprise zone, the
38 municipality, and the state; and

39 (8) The creation of new jobs will assist the state in providing the services needed to
40 protect the health, safety, and social and economic well-being of the citizens of the state.

41 3. Prior to final approval of an application, a binding contract shall be executed between
42 the taxpayer and the department of economic development which shall include, but not be
43 limited to:

44 (1) A repayment plan providing for cash payment to the state general revenue fund which
45 shall result in a positive internal rate of return to the state and fully comply with the provisions
46 of the World Trade Organization Agreement on Subsidies and Countervailing Measures. The
47 rate of return shall be commercially reasonable and, over the life of the project, exceed one
48 hundred and fifty percent of the state's borrowing costs based on the AAA-rated twenty-year

49 tax-exempt bond rate average over a twenty-year borrowing period. The rate shall be verified
50 by a professional third-party financial analysis;

51 (2) The taxpayer's obligation to construct a facility of at least one million square feet
52 within five years from the date of approval;

53 (3) A requirement that the issuance of tax credits authorized under this section shall
54 cease and the taxpayer shall immediately submit payment, to the state general revenue fund, in
55 an amount equal to all credits previously issued less any amounts previously repaid, increased
56 by an additional amount that shall provide the state a reasonable rate of return, in the event the
57 taxpayer:

58 (a) Fails to construct a facility of at least one million square feet within five years of the
59 date of approval;

60 (b) Fails to make a scheduled payment as required by the repayment plan; or

61 (c) Fails to compensate new jobs at rate equal to or in excess of the county average wage
62 or fails to offer health insurance to all such new jobs and pay at least eighty percent of such
63 premiums; and

64 (4) A requirement that the department shall suspend issuance of tax credits authorized
65 under this section if, at any point, the total amount of tax credits issued less the total amount of
66 repayments received equals one hundred and fifty-five million dollars.

67 4. Upon approval of an application by the department, tax credits shall be issued
68 annually for a period not to exceed eight years from the commencement of commercial
69 operations of the megaproject. The eight-year period for the issuance of megaproject tax credits
70 may extend beyond the expiration of the enhanced enterprise zone. The maximum percentage
71 of the annual payroll of the taxpayer for new jobs located at the megaproject which may be
72 approved or issued by the department for tax credits shall not exceed:

73 (1) Eighty percent for the first three years that tax credits will be issued for the
74 megaproject;

75 (2) Sixty percent for the next two subsequent years;

76 (3) Fifty percent for the next two subsequent years; and

77 (4) Thirty percent for the remaining year.

78

79 In no event shall the department issue more than forty million dollars annually in megaproject
80 tax credits to any taxpayer. In any given year, the amount of tax credits issued shall be the lesser
81 of forty million dollars, the applicable annual payroll percentage, or the amount of tax credits
82 remaining unissued under the two hundred forty million dollar limitation on megaproject tax
83 credit issuance provided under subsection 1 of this section.

84 5. Tax credits issued under this section may be claimed against the tax imposed by
85 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265. For taxpayers
86 with flow-through tax treatment of its members, partners, or shareholders, the credit shall be
87 allowed to members, partners, or shareholders in proportion to their share of ownership on the
88 last day of the taxpayer's tax period. The director of revenue shall issue a refund to a taxpayer
89 to the extent the amount of credits allowed in this section exceeds the amount of the taxpayer's
90 income tax liability in the year redemption is authorized. An owner of tax credits issued under
91 this section shall not be required to have any Missouri income tax liability in order to redeem
92 such tax credits and receive a refund. The director of revenue shall prepare a form to permit the
93 owner of such tax credits to obtain a refund.

94 6. Certificates of tax credits authorized under this section may be transferred, sold, or
95 assigned by filing a notarized endorsement thereof with the department that names the transferee,
96 the amount of tax credit transferred, and the value received for the credit, as well as any other
97 information reasonably requested by the department. Upon such transfer, sale, or assignment,
98 the transferee shall be the owner of such tax credits entitled to claim the tax credits or any
99 refunds with respect thereto issued to the taxpayer. Tax credits may not be carried forward past
100 the year of issuance. Tax credits authorized by this section may not be pledged or used to secure
101 any bonds or other indebtedness issued by the state or any political subdivision of the state.
102 Once such tax credits have been issued, nothing shall prohibit the owner of the tax credits from
103 pledging the tax credits to any lender or other third party.

104 7. Any taxpayer issued tax credits under this section shall provide an annual report to the
105 department and the house and senate appropriations committees of the number of new jobs
106 located at the megaproject, the new annual payroll of such new jobs, and such other information
107 as may be required by the department to document the basis for benefits under this section. The
108 department may withhold the approval of the annual issuance of any tax credits until it is
109 satisfied that proper documentation has been provided, and shall reduce the tax credits to reflect
110 any reduction in new payroll. If the department determines the average wage is below the county
111 average wage, or the taxpayer has not maintained employee health insurance as required, the
112 taxpayer shall not receive tax credits for that year.

113 8. Notwithstanding any provision of law to the contrary, any taxpayer who is awarded
114 tax credits under this section shall not also receive tax credits under sections 135.100 to 135.150,
115 sections 135.200 to 135.286, section 135.535, or sections 620.1875 to 620.1890.

116 9. Any action brought in any court contesting the approval of a megaproject and the
117 issuance of the tax credits, or any other action undertaken pursuant to this section related to such
118 megaproject, shall be filed within ninety days following approval of the megaproject by the
119 department.

120 10. Records and documents relating to a proposed megaproject shall be deemed closed
121 records until such time as the application has been approved. Provisions of this subsection to
122 the contrary notwithstanding, records containing business plan information which may endanger
123 the competitiveness of the business shall remain closed.

124 11. Notwithstanding any provision of this section to the contrary, no taxpayer who
125 receives megaproject tax credits authorized under this section or any related taxpayer shall
126 employ, prior to January 1, 2022, directly:

127 (1) Any elected public official of this state holding office as of January 1, 2008;

128 (2) Any director, deputy director, division director, or employee directly involved in
129 negotiations between the department of economic development and a taxpayer relative to the
130 megaproject who was employed as of January 1, 2008, by the department.

131 **12. Under section 23.253 of the Missouri sunset act:**

132 **(1) The provisions of the new program authorized under this section shall**
133 **automatically sunset on December thirty-first three years after the effective date of this**
134 **section unless reauthorized by an act of the general assembly;**

135 **(2) If such program is reauthorized, the program authorized under this section**
136 **shall automatically sunset on December thirty-first three years after the effective date of**
137 **the reauthorization of this section;**

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

141 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
142 **before this section is sunset.**

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

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

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

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

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

12 (4) "Qualified residential treatment agency" or "agency", a residential care facility that
13 is licensed under section 210.484, accredited by the Council on Accreditation (COA), the Joint

14 Commission on Accreditation of Healthcare Organizations (JCAHO), or the Commission on
15 Accreditation of Rehabilitation Facilities (CARF), and is under contract with the Missouri
16 department of social services to provide treatment services for children who are residents or
17 wards of residents of this state, and that receives eligible donations. Any agency that operates
18 more than one facility or at more than one location shall be eligible for the tax credit under this
19 section only for any eligible donation made to facilities or locations of the agency which are
20 licensed and accredited;

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

23 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation
24 doing business in the state of Missouri and subject to the state income tax imposed ~~[in]~~ **under**
25 chapter 143;

26 (b) A corporation subject to the annual corporation franchise tax imposed ~~[in]~~ **under**
27 chapter 147;

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

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

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

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

36 3. For all ~~[taxable]~~ **tax** years beginning on or after January 1, 2007, any taxpayer shall
37 be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148, excluding
38 withholding tax imposed ~~[by]~~ **under** sections 143.191 to 143.265, in an amount equal to fifty
39 percent of the amount of an eligible donation, subject to the restrictions in this section. The
40 amount of the tax credit claimed shall not exceed the amount of the taxpayer's state income tax
41 liability in the tax year for which the credit is claimed. Any amount of credit that the taxpayer
42 is prohibited by this section from claiming in a tax year shall not be refundable, but may be
43 carried forward to any of the taxpayer's four subsequent ~~[taxable]~~ **tax** years.

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

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

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

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

54

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

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

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

64 7. The department shall promulgate rules to implement the provisions of this section.
65 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
66 authority delegated in this section shall become effective only if it complies with and is subject
67 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
68 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
69 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
70 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
71 or adopted after August 28, 2006, shall be invalid and void.

72 **8. Under section 23.253 of the Missouri sunset act:**

73 **(1) The provisions of the new program authorized under this section shall**
74 **automatically sunset on December thirty-first four years after the effective date of this**
75 **section unless reauthorized by an act of the general assembly;**

76 **(2) If such program is reauthorized, the program authorized under this section**
77 **shall automatically sunset on December thirty-first four years after the effective date of the**
78 **reauthorization of this section;**

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

82 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
83 **before this section is sunset.**

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

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

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

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

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

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

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

24 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation
25 doing business in the state of Missouri and subject to the state income tax imposed ~~[in]~~ **under**
26 chapter 143;

27 (b) A corporation subject to the annual corporation franchise tax imposed ~~[in]~~ **under**
28 chapter 147;

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

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

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

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

37 3. For all ~~[taxable]~~ tax years beginning on or after January 1, 2012, any taxpayer shall
38 be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148 excluding
39 withholding tax imposed ~~[by]~~ under sections 143.191 to 143.265 in an amount equal to fifty
40 percent of the amount of an eligible donation, subject to the restrictions in this section. The
41 amount of the tax credit claimed shall not exceed the amount of the taxpayer's state income tax
42 liability in the tax year for which the credit is claimed. Any amount of credit that the taxpayer
43 is prohibited by this section from claiming in a tax year shall not be refundable, but may be
44 carried forward to any of the taxpayer's four subsequent ~~[taxable]~~ tax years.

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

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

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

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

55

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

58 5. Tax credits issued under this section may be assigned, transferred, sold, or otherwise
59 conveyed, and the new owner of the tax credit shall have the same rights in the credit as the
60 taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a
61 notarized endorsement shall be filed with the department specifying the name and address of the
62 new owner of the tax credit or the value of the credit.

63 6. The department shall promulgate rules to implement the provisions of this section.
64 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
65 authority delegated in this section shall become effective only if it complies with and is subject
66 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
67 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
68 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
69 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
70 or adopted after August 28, 2012, shall be invalid and void.

71 **7. Under section 23.253 of the Missouri sunset act:**

72 **(1) The provisions of the new program authorized under this section shall**
73 **automatically sunset on December thirty-first four years after the effective date of this**
74 **section unless reauthorized by an act of the general assembly;**

75 **(2) If such program is reauthorized, the program authorized under this section**
76 **shall automatically sunset on December thirty-first four years after the effective date of the**
77 **reauthorization of this section;**

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

81 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
82 **before this section is sunset.**

143.119. 1. A self-employed taxpayer, as such term is used in the federal internal
2 revenue code, who is otherwise ineligible for the federal income tax health insurance deduction
3 under Section 162 of the federal internal revenue code shall be entitled to a credit against the tax
4 otherwise due under this chapter, excluding withholding tax imposed [by] **under** sections
5 143.191 to 143.265, in an amount equal to the portion of such taxpayer's federal tax liability
6 incurred due to such taxpayer's inclusion of such payments in federal adjusted gross income. The
7 tax credits authorized under this section shall be nontransferable. To the extent tax credit issued
8 under this section exceeds a taxpayer's state income tax liability, such excess shall be considered
9 an overpayment of tax and shall be refunded to the taxpayer.

10 2. The director of the department of revenue shall promulgate rules and regulations to
11 administer the provisions of this section. Any rule or portion of a rule, as that term is defined
12 in section 536.010, that is created under the authority delegated in this section shall become
13 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if
14 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the
15 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective
16 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
17 rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid
18 and void.

19 **3. Under section 23.253 of the Missouri sunset act:**

20 **(1) The provisions of the new program authorized under this section shall**
21 **automatically sunset on December thirty-first two years after the effective date of this**
22 **section unless reauthorized by an act of the general assembly;**

23 **(2) If such program is reauthorized, the program authorized under this section**
24 **shall automatically sunset on December thirty-first two years after the effective date of the**
25 **reauthorization of this section;**

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

29 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
30 **before this section is sunset.**

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

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

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

13 (2) Each item of S corporation income, gain, loss, or deduction shall have the same
14 character for a shareholder ~~[pursuant to]~~ **under** sections 143.005 to 143.998 as it has for federal
15 income tax purposes. Where an item is not characterized for federal income tax purposes, it shall
16 have the same character for a shareholder as if realized directly from the source from which
17 realized by the S corporation or incurred in the same manner as incurred by the S corporation.

18 3. A nonresident shareholder of an S corporation shall determine such shareholder's
19 Missouri nonresident adjusted gross income and his or her nonresident shareholder modification
20 by applying the provisions of this subsection. Items shall be determined to be from sources
21 within this state pursuant to regulations of the director of revenue in a manner consistent with
22 the division of income provisions of section 143.451, section 143.461, or section 32.200
23 (Multistate Tax Compact). In determining the adjusted gross income of a nonresident
24 shareholder of any S corporation, there shall be included only that part derived from or connected
25 with sources in this state of the shareholder's pro rata share of items of S corporation income,
26 gain, loss or deduction entering into shareholder's federal adjusted gross income, as such part is
27 determined pursuant to regulations prescribed by the director of revenue in accordance with the
28 general rules in section 143.181. Any modification described in subsections 2 and 3 of section
29 143.121 and in section 143.141, which relates to an item of S corporation income, gain, loss, or
30 deduction shall be made in accordance with the shareholder's pro rata share, for federal income

31 tax purposes, of the item to which the modification relates, but limited to the portion of such item
32 derived from or connected with sources in this state.

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

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

42 6. If an S corporation pays or credits amounts to any of its nonresident individual
43 shareholders as dividends or as their share of the S corporation's undistributed taxable income
44 for the ~~[taxable]~~ tax year, the S corporation shall either timely file with the department of
45 revenue an agreement as provided in subsection 7 of this section or withhold Missouri income
46 tax as provided in subsection 8 of this section. An S corporation that timely files an agreement
47 as provided in subsection 7 of this section with respect to a nonresident shareholder for a
48 ~~[taxable]~~ tax year shall be considered to have timely filed such an agreement for each subsequent
49 ~~[taxable]~~ tax year. An S corporation that does not timely file such an agreement for a ~~[taxable]~~
50 tax year shall not be precluded from timely filing such an agreement for subsequent ~~[taxable]~~ tax
51 years. An S corporation is not required to deduct and withhold Missouri income tax for a
52 nonresident shareholder if

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

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

58 (3) The S corporation is liquidated or terminated;

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

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

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

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

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

69

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

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

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

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

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

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

99 (3) In the event such shareholder cannot use all or part of the tax credit in the taxable
100 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser

101 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri
102 taxable income.

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

106 (1) The credit allowed by this subsection shall be equal to the savings and loan
107 association tax calculated under chapter 148 based on the computations provided in section
108 148.630 on an association that makes an election under 26 U.S.C. Section 1362, and such credit
109 shall be allocated to the qualifying shareholder according to stock ownership, determined by
110 multiplying a fraction, where the numerator is the shareholder's stock, and the denominator is
111 the total stock issued by the association;

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

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

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

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

134 (2) The tax credit authorized in this subsection shall be permitted only to the
135 shareholders that qualify as S corporation shareholders, provided the stock at all times during the
136 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such

137 stock is held by the shareholder during the taxable period. The credit created by this section on
138 a yearly basis is available to each qualifying shareholder, including shareholders filing joint
139 returns. A credit institution holding company is not allowed this credit, except that, such credit
140 shall flow through to such credit institution holding company's qualified shareholders, and be
141 allocated to such shareholders under the same conditions; and

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

146 **13. Under section 23.253 of the Missouri sunset act:**

147 **(1) The provisions of the tax credit authorized under subsection 9 of this section**
148 **shall automatically sunset on December thirty-first two years after the effective date of this**
149 **section unless reauthorized by an act of the general assembly;**

150 **(2) If such credit is reauthorized, the credit authorized under this section shall**
151 **automatically sunset on December thirty-first two years after the effective date of the**
152 **reauthorization of this section;**

153 **(3) The provisions of the tax credit shall terminate on September first of the**
154 **calendar year immediately following the calendar year in which the credit authorized**
155 **under this section is sunset; and**

156 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
157 **before this section is sunset.**

148.064. 1. Notwithstanding any law to the contrary, this section shall determine the
2 ordering and limit reductions for certain taxes and tax credits which may be used as credits
3 against various taxes paid or payable by banking institutions. Except as adjusted in subsections
4 2, 3 and 6 of this section, such credits shall be applied in the following order until used against:

5 (1) The tax on banks determined under subdivision (2) of subsection 2 of section
6 148.030;

7 (2) The tax on banks determined under subdivision (1) of subsection 2 of section
8 148.030;

9 (3) The state income tax in section 143.071.

10 2. The tax credits permitted against taxes payable ~~pursuant to~~ **under** subdivision (2)
11 of subsection 2 of section 148.030 shall be utilized first and include taxes referenced in
12 subdivisions (2) and (3) of subsection 1 of this section, which shall be determined without
13 reduction for any tax credits identified in subsection 5 of this section which are used to reduce
14 such taxes. Where a banking institution subject to this section joins in the filing of a
15 consolidated state income tax return under chapter 143, the credit allowed under this section for

16 state income taxes payable under chapter 143 shall be determined based upon the consolidated
17 state income tax liability of the group and allocated to a banking institution, without reduction
18 for any tax credits identified in subsection 5 of this section which are used to reduce such
19 consolidated taxes as provided in chapter 143.

20 3. The taxes referenced in subdivisions (2) and (3) of subsection 1 of this section may
21 be reduced by the tax credits in subsection 5 of this section without regard to any adjustments
22 in subsection 2 of this section.

23 4. To the extent that certain tax credits which the taxpayer is entitled to claim are
24 transferable, such transferability may include transfers among such taxpayers who are members
25 of a single consolidated income tax return, and this subsection shall not impact other tax credit
26 transferability.

27 5. For the purpose of this section, the tax credits referred to in subsections 2 and 3 shall
28 include tax credits available for economic development, low-income housing and neighborhood
29 assistance which the taxpayer is entitled to claim for the year, including by way of example and
30 not of limitation, tax credits ~~[pursuant to]~~ **under** the following sections: section 32.115, section
31 100.286, and sections 135.110, 135.225, 135.352 and 135.403.

32 6. For tax returns filed on or after January 1, 2001, including returns based on income
33 in the year 2000, and after, a banking institution shall be entitled to an annual tax credit equal
34 to one-sixtieth of one percent of its outstanding shares and surplus employed in this state if the
35 outstanding shares and surplus exceed one million dollars, determined in the same manner as in
36 section 147.010. This tax credit shall be taken as a dollar-for-dollar credit against the bank tax
37 provided for in subdivision (2) of subsection 2 of section 148.030; if such bank tax was already
38 reduced to zero by other credits, then against the corporate income tax provided for in chapter
39 143.

40 7. In the event the corporation franchise tax in chapter 147 is repealed by the general
41 assembly, there shall also be a reduction in the taxation of banks as follows: in lieu of the loss
42 of the corporation franchise tax credit reduction in subdivision (1) of subsection 2 of section
43 148.030, the bank shall receive a tax credit equal to one and one-half percent of net income as
44 determined in this chapter. This subsection shall take effect at the same time the corporation
45 franchise tax in chapter 147 is repealed.

46 8. An S corporation bank or bank holding company that otherwise qualifies to distribute
47 tax credits to its shareholders shall pass through any tax credits referred to in subsection 5 of this
48 section to its shareholders as otherwise provided for in subsection 10 of section 143.471 with no
49 reductions or limitations resulting from the transfer through such S corporation, and on the same
50 terms originally made available to the original taxpayer, subject to any original dollar or

51 percentage limitations on such credits, and when such S corporation is the original taxpayer,
52 treating such S corporation as having not elected Subchapter S status.

53 9. Notwithstanding any law to the contrary, in the event the corporation franchise tax in
54 chapter 147 is repealed by the general assembly, after such repeal all Missouri taxes of any nature
55 and type imposed directly or used as a tax credit against the bank's taxes shall be passed through
56 to the S corporation bank or bank holding company shareholder in the form otherwise permitted
57 by law, except for the following:

58 (1) Credits for taxes on real estate and tangible personal property owned by the bank and
59 held for lease or rental to others;

60 (2) Contributions paid pursuant to the unemployment compensation tax law of Missouri;
61 or

62 (3) State and local sales and use taxes collected by the bank on its sales of tangible
63 personal property and the services enumerated in chapter 144.

64 **10. Under section 23.253 of the Missouri sunset act:**

65 **(1) The provisions of the new program authorized under this section shall**
66 **automatically sunset on December thirty-first two years after the effective date of this**
67 **section unless reauthorized by an act of the general assembly;**

68 **(2) If such program is reauthorized, the program authorized under this section**
69 **shall automatically sunset on December thirty-first two years after the effective date of the**
70 **reauthorization of this section;**

71 **(3) 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;**
73 **and**

74 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
75 **before this section is sunset.**

148.620. 1. Every taxpayer shall be subject to an annual tax for the privilege of
2 exercising its corporate franchises within the state according to and measured by its net income
3 for the preceding year.

4 2. The rate of tax for each ~~taxable~~ tax year shall be seven percent of such net income.

5 3. The tax imposed on the net income by this law shall be exclusive and in lieu of all
6 other state and local taxes against and upon credit unions and associations, their capital, or
7 income, except taxes on all property, contributions paid pursuant to the unemployment
8 compensation law of Missouri, Social Security taxes, sales and use taxes.

9 4. Each taxpayer shall be entitled to credits against the tax imposed by this law for all
10 taxes paid to the state of Missouri or any political subdivision thereof during the relevant income
11 period, except taxes on real estate and tangible personal property owned by the taxpayer and held

12 for lease or rental to others, contributions paid pursuant to the unemployment compensation law
13 of Missouri, Social Security taxes, sales and use taxes, and taxes imposed by this law.

14 **5. Under section 23.253 of the Missouri sunset act:**

15 **(1) The provisions of the tax credit authorized under subsection 4 of this section**
16 **shall automatically sunset on December thirty-first two years after the effective date of this**
17 **section unless reauthorized by an act of the general assembly;**

18 **(2) If such credit is reauthorized, the credit authorized under this section shall**
19 **automatically sunset on December thirty-first two years after the effective date of the**
20 **reauthorization of this section;**

21 **(3) The provisions of the tax credit shall terminate on September first of the**
22 **calendar year immediately following the calendar year in which the credit authorized**
23 **under this section is sunset; and**

24 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
25 **before this section is sunset.**

148.655. 1. Subchapter S corporation shareholders of an association required to pay
2 franchise taxes under section 148.620 may take a tax credit against such shareholder's state
3 income tax return, as provided in section 143.471. Such tax credit shall be the taxpayer's pro rata
4 share of the franchise tax paid by the association as provided in this chapter.

5 **2. Under section 23.253 of the Missouri sunset act:**

6 **(1) The provisions of the new program authorized under this section shall**
7 **automatically sunset on December thirty-first two years after the effective date of this**
8 **section unless reauthorized by an act of the general assembly;**

9 **(2) If such program is reauthorized, the program authorized under this section**
10 **shall automatically sunset on December thirty-first two years after the effective date of the**
11 **reauthorization of this section;**

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

15 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
16 **before this section is sunset.**

148.657. 1. Subchapter S corporation shareholders of a credit institution required to pay
2 franchise taxes under section 148.140 may take a tax credit against such shareholder's state
3 income tax return, as provided in section 143.471. Such tax credit shall be the taxpayer's pro rata
4 share of the franchise tax paid by the credit institution as provided in this chapter.

5 **2. Under section 23.253 of the Missouri sunset act:**

6 **(1) The provisions of the new program authorized under this section shall**
7 **automatically sunset on December thirty-first two years after the effective date of this**
8 **section unless reauthorized by an act of the general assembly;**

9 **(2) If such program is reauthorized, the program authorized under this section**
10 **shall automatically sunset on December thirty-first two years after the effective date of the**
11 **reauthorization of this section;**

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

15 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
16 **before this section is sunset.**

191.1056. 1. There is hereby created in the state treasury the "Missouri Health Care
2 Access Fund", which shall consist of gifts, grants, and devises deposited into the fund with
3 approval of the oversight committee created in section 208.955. The state treasurer shall be
4 custodian of the fund and may disburse moneys from the fund in accordance with sections
5 30.170 and 30.180. Disbursements from the fund shall be subject to appropriations and the
6 director shall approve disbursements from the fund consistent with such appropriations to any
7 eligible facility to attract and recruit health care professionals and other necessary personnel, to
8 purchase or rent facilities, to pay for facility expansion or renovation, to purchase office and
9 medical equipment, to pay personnel salaries, or to pay any other costs associated with providing
10 primary health care services to the population in the facility's area of defined need.

11 2. The state of Missouri shall provide matching moneys from the general revenue fund
12 equaling one-half of the amount deposited into the fund. The total annual amount available to
13 the fund from state sources under such a match program shall be five hundred thousand dollars
14 for fiscal year 2008, one million five hundred thousand dollars for fiscal year 2009, and one
15 million dollars annually thereafter.

16 3. The maximum annual donation that any one individual or corporation may make is
17 fifty thousand dollars. ~~[Any individual or corporation, excluding nonprofit corporations, that
18 make a contribution to the fund totaling one hundred dollars or more shall receive a tax credit
19 for one-half of all donations made annually under section 135.575. In addition, any office or
20 medical equipment donated to any eligible facility shall be an eligible donation for purposes of
21 receipt of a tax credit under section 135.575 but shall not be eligible for any matching funds
22 under subsection 2 of this section.]~~

23 4. If any clinic or facility has received money from the fund closes or significantly
24 decreases its operations, as determined by the department, within one year of receiving such

25 money, the amount of such money received and the amount of the match provided from the
26 general revenue fund shall be refunded to each appropriate source.

27 5. Notwithstanding the provisions of section 33.080 to the contrary, any moneys
28 remaining in the fund at the end of the biennium shall not revert to the credit of the general
29 revenue fund.

30 6. The state treasurer shall invest moneys in the fund in the same manner as other funds
31 are invested. Any interest and moneys earned on such investments shall be credited to the fund.

32 **7. Under section 23.253 of the Missouri sunset act:**

33 **(1) The provisions of the tax credit authorized under subsection 3 of this section**
34 **shall automatically sunset on December thirty-first four years after the effective date of this**
35 **section unless reauthorized by an act of the general assembly;**

36 **(2) If such credit is reauthorized, the credit authorized under this section shall**
37 **automatically sunset on December thirty-first four years after the effective date of the**
38 **reauthorization of this section;**

39 **(3) The provisions of the tax credit shall terminate on September first of the**
40 **calendar year immediately following the calendar year in which the credit authorized**
41 **under this section is sunset; and**

42 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
43 **before this section is sunset.**

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

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

6 (a) Is physically or mentally incapable of living alone, as determined and certified by his
7 or her physician licensed ~~[pursuant to]~~ **under** chapter 334, or by the department staff when an
8 assessment has been completed for the purpose of qualification for other services; and

9 (b) Requires assistance with activities of daily living to the extent that without care and
10 oversight at home would require placement in a facility licensed ~~[pursuant to]~~ **under** chapter
11 198; and

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

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

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

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

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

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

26 3. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
27 under the authority delegated in sections 192.2000 to 192.2020 shall become effective only if it
28 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section
29 536.028. All rulemaking authority delegated prior to August 28, 1999, is of no force and effect
30 and repealed. Nothing in this section shall be interpreted to repeal or affect the validity of any
31 rule filed or adopted prior to August 28, 1999, if it fully complied with all applicable provisions
32 of law. This section and chapter 536 are nonseverable and if any of the powers vested with the
33 general assembly pursuant to chapter 536 to review, to delay the effective date or to disapprove
34 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority
35 and any rule proposed or adopted after August 28, 1999, shall be invalid and void.

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

39 **5. Under section 23.253 of the Missouri sunset act:**

40 **(1) The provisions of the new program authorized under this section shall**
41 **automatically sunset on December thirty-first four years after the effective date of this**
42 **section unless reauthorized by an act of the general assembly;**

43 **(2) If such program is reauthorized, the program authorized under this section**
44 **shall automatically sunset on December thirty-first four years after the effective date of the**
45 **reauthorization of this section;**

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

49 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
50 **before this section is sunset.**

208.770. 1. Moneys deposited in or withdrawn ~~pursuant to~~ **under** subsection 1 of
2 section 208.760 from a family development account by an account holder are exempted from
3 taxation ~~pursuant to~~ **under [chapter] chapters 143, 147, 148, and 153**, excluding withholding

4 tax imposed ~~[by]~~ **under** sections 143.191 to 143.265, ~~[and chapter 147, 148 or 153]~~ provided,
5 however, that any money withdrawn for an unapproved use should be subject to tax as required
6 by law.

7 2. Interest earned by a family development account is exempted from taxation ~~[pursuant~~
8 ~~to]~~ **under** chapter 143.

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

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

17 5. The department of economic development shall verify all tax credit claims by
18 contributors. The administrator of the community-based organization, with the cooperation of
19 the participating financial institutions, shall submit the names of contributors and the total
20 amount each contributor contributes to a family development account reserve fund for the
21 calendar year. The director shall determine the date by which such information shall be
22 submitted to the department by the local administrator. The department shall submit verification
23 of qualified tax credits ~~[pursuant to]~~ **under** sections 208.750 to 208.775 to the department of
24 revenue.

25 6. For all fiscal years ending on or before June 30, 2010, the total tax credits authorized
26 ~~[pursuant to]~~ **under** sections 208.750 to 208.775 shall not exceed four million dollars in any
27 fiscal year. For all fiscal years beginning on or after July 1, 2010, the total tax credits authorized
28 under sections 208.750 to 208.775 shall not exceed three hundred thousand dollars in any fiscal
29 year.

30 **7. Under section 23.253 of the Missouri sunset act:**

31 **(1) The provisions of the tax credit authorized under subsection 4 of this section**
32 **shall automatically sunset on December thirty-first four years after the effective date of this**
33 **section unless reauthorized by an act of the general assembly;**

34 **(2) If such credit is reauthorized, the credit authorized under this section shall**
35 **automatically sunset on December thirty-first four years after the effective date of the**
36 **reauthorization of this section;**

37 **(3) The provisions of the tax credit shall terminate on September first of the**
38 **calendar year immediately following the calendar year in which the credit authorized**
39 **under this section is sunset; and**

40 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
41 **before this section is sunset.**

253.550. 1. Any taxpayer incurring costs and expenses for the rehabilitation of eligible
2 property, which is a certified historic structure or structure in a certified historic district, may,
3 subject to the provisions of this section and section 253.559, receive a credit against the taxes
4 imposed ~~pursuant to~~ **under** chapters 143 and 148, except for sections 143.191 to 143.265, on
5 such taxpayer in an amount equal to twenty-five percent of the total costs and expenses of
6 rehabilitation incurred after January 1, 1998, which shall include, but not be limited to, qualified
7 rehabilitation expenditures as defined under section 47(c)(2)(A) of the Internal Revenue Code
8 of 1986, as amended, and the related regulations thereunder, provided the rehabilitation costs
9 associated with rehabilitation and the expenses exceed fifty percent of the total basis in the
10 property and the rehabilitation meets standards consistent with the standards of the Secretary of
11 the United States Department of the Interior for rehabilitation as determined by the state historic
12 preservation officer of the Missouri department of natural resources.

13 2. (1) During the period beginning on January 1, 2010, but ending on or after June 30,
14 2010, the department of economic development shall not approve applications for tax credits
15 under the provisions of subsections 4 and 10 of section 253.559 which, in the aggregate, exceed
16 seventy million dollars, increased by any amount of tax credits for which approval shall be
17 rescinded under the provisions of section 253.559. For each fiscal year beginning on or after July
18 1, 2010, but ending before June 30, 2018, the department of economic development shall not
19 approve applications for tax credits under the provisions of subsections 4 and 10 of section
20 253.559 which, in the aggregate, exceed one hundred forty million dollars, increased by any
21 amount of tax credits for which approval shall be rescinded under the provisions of section
22 253.559. For each fiscal year beginning on or after July 1, 2018, the department of economic
23 development shall not approve applications for tax credits under the provisions of subsections
24 4 and 10 of section 253.559 which, in the aggregate, exceed ninety million dollars, increased by
25 any amount of tax credits for which approval shall be rescinded under the provisions of section
26 253.559. The limitations provided under this subsection shall not apply to applications approved
27 under the provisions of subsection 4 of section 253.559 for projects to receive less than two
28 hundred seventy-five thousand dollars in tax credits.

29 (2) For each fiscal year beginning on or after July 1, 2018, the department shall authorize
30 an amount up to, but not to exceed, an additional thirty million dollars in tax credits issued under
31 subsections 4 and 10 of section 253.559, provided that such tax credits are authorized solely for
32 projects located in a qualified census tract.

33 (3) For each fiscal year beginning on or after July 1, 2018, if the maximum amount of
34 tax credits allowed in any fiscal year as provided under subdivisions (1) and (2) of this

35 subsection is authorized, the maximum amount of tax credits allowed under subdivision (1) of
36 this subsection shall be adjusted by the percentage increase in the Consumer Price Index for All
37 Urban Consumers, or its successor index, as such index is defined and officially reported by the
38 United States Department of Labor, or its successor agency. Only one such adjustment shall be
39 made for each instance in which the provisions of this subdivision apply. The director of the
40 department of economic development shall publish such adjusted amount.

41 3. For all applications for tax credits approved on or after January 1, 2010, no more than
42 two hundred fifty thousand dollars in tax credits may be issued for eligible costs and expenses
43 incurred in the rehabilitation of an eligible property which is a nonincome producing
44 single-family, owner-occupied residential property and is either a certified historic structure or
45 a structure in a certified historic district.

46 4. The limitations on tax credit authorization provided under the provisions of subsection
47 2 of this section shall not apply to:

48 (1) Any application submitted by a taxpayer, which has received approval from the
49 department prior to October 1, 2018; or

50 (2) Any taxpayer applying for tax credits, provided under this section, which, on or
51 before October 1, 2018, has filed an application with the department evidencing that such
52 taxpayer:

53 (a) Has incurred costs and expenses for an eligible property which exceed the lesser of
54 five percent of the total project costs or one million dollars and received an approved Part I from
55 the Secretary of the United States Department of Interior; or

56 (b) Has received certification, by the state historic preservation officer, that the
57 rehabilitation plan meets the standards consistent with the standards of the Secretary of the
58 United States Department of the Interior, and the rehabilitation costs and expenses associated
59 with such rehabilitation shall exceed fifty percent of the total basis in the property.

60 **5. Under section 23.253 of the Missouri sunset act:**

61 **(1) The provisions of the new program authorized under this section shall**
62 **automatically sunset on December thirty-first three years after the effective date of this**
63 **section unless reauthorized by an act of the general assembly;**

64 **(2) If such program is reauthorized, the program authorized under this section**
65 **shall automatically sunset on December thirty-first three years after the effective date of**
66 **the reauthorization of this section;**

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

70 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
71 **before this section is sunset.**

348.302. 1. Any person who makes a qualified contribution to a qualified fund shall be
2 entitled to receive a tax credit equal to fifty percent of the amount of the qualified contribution.
3 The tax credit shall be evidenced by a tax credit certificate in accordance with the provisions of
4 sections 348.300 to 348.318 and may be used to satisfy the state tax liability of the owner of such
5 certificate that becomes due in the tax year in which the qualified contribution is made, or in any
6 of the ten tax years thereafter. No person may receive a tax credit ~~[pursuant to]~~ **under** sections
7 348.300 to 348.318 unless that person presents a tax credit certificate to the department of
8 revenue for payment of such state tax liability.

9 2. The amount of such qualified contributions which can be made is limited so that the
10 aggregate of all tax credits authorized under the provisions of sections 348.300 to 348.318 shall
11 not exceed nine million dollars. All tax credits authorized under the provisions of this section
12 may be transferred, sold, or assigned.

13 **3. Under section 23.253 of the Missouri sunset act:**

14 **(1) The provisions of the new program authorized under this section shall**
15 **automatically sunset on December thirty-first three years after the effective date of this**
16 **section unless reauthorized by an act of the general assembly;**

17 **(2) If such program is reauthorized, the program authorized under this section**
18 **shall automatically sunset on December thirty-first three years after the effective date of**
19 **the reauthorization of this section;**

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

23 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
24 **before this section is sunset.**

348.430. 1. The tax credit created in this section shall be known as the “Agricultural
2 Product Utilization Contributor Tax Credit”.

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

4 (1) “Authority”, the agriculture and small business development authority as provided
5 in this chapter;

6 (2) “Contributor”, an individual, partnership, corporation, trust, limited liability
7 company, entity or person that contributes cash funds to the authority;

8 (3) “Development facility”, a facility producing either a good derived from an
9 agricultural commodity or using a process to produce a good derived from an agricultural
10 product;

11 (4) “Eligible new generation cooperative”, a nonprofit cooperative association formed
12 ~~[pursuant to]~~ **under** chapter 274, or incorporated ~~[pursuant to]~~ **under** chapter 357, for the
13 purpose of operating within this state a development facility or a renewable fuel production
14 facility;

15 (5) “Eligible new generation processing entity”, a partnership, corporation, cooperative,
16 or limited liability company organized or incorporated pursuant to the laws of this state
17 consisting of not less than twelve members, approved by the authority, for the purpose of owning
18 or operating within this state a development facility or a renewable fuel production facility in
19 which producer members:

20 (a) Hold a majority of the governance or voting rights of the entity and any governing
21 committee;

22 (b) Control the hiring and firing of management; and

23 (c) Deliver agricultural commodities or products to the entity for processing, unless
24 processing is required by multiple entities;

25 (6) “Renewable fuel production facility”, a facility producing an energy source which
26 is derived from a renewable, domestically grown, organic compound capable of powering
27 machinery, including an engine or power plant, and any by-product derived from such energy
28 source.

29 3. For all tax years beginning on or after January 1, 1999, a contributor who contributes
30 funds to the authority may receive a credit against the tax or estimated quarterly tax otherwise
31 due ~~[pursuant to]~~ **under** ~~[chapter]~~ **chapters 143, 147, and 148**, other than taxes withheld
32 ~~[pursuant to]~~ **under** sections 143.191 to 143.265, ~~[chapter 148 chapter 147,]~~ in an amount of up
33 to one hundred percent of such contribution. Tax credits claimed in a ~~[taxable]~~ **tax** year may be
34 done so on a quarterly basis and applied to the estimated quarterly tax pursuant to this
35 subsection. If a quarterly tax credit claim or series of claims contributes to causing an
36 overpayment of taxes for a ~~[taxable]~~ **tax** year, such overpayment shall not be refunded but shall
37 be applied to the next ~~[taxable]~~ **tax** year. The awarding of such credit shall be at the approval
38 of the authority, based on the least amount of credits necessary to provide incentive for the
39 contributions. A contributor that receives tax credits for a contribution to the authority shall
40 receive no other consideration or compensation for such contribution, other than a federal tax
41 deduction, if applicable, and goodwill.

42 4. A contributor shall submit to the authority an application for the tax credit authorized
43 by this section on a form provided by the authority. If the contributor meets all criteria
44 prescribed by this section and the authority, the authority shall issue a tax credit certificate in the
45 appropriate amount. Tax credits issued pursuant to this section may be claimed in the ~~[taxable]~~
46 **tax** year in which the contributor contributes funds to the authority. For all fiscal years

47 beginning on or after July 1, 2004, tax credits allowed pursuant to this section may be carried
48 forward to any of the contributor's four subsequent [~~taxable~~] tax years. Tax credits issued
49 pursuant to this section may be assigned, transferred or sold and the new owner of the tax credit
50 shall have the same rights in the credit as the contributor. Whenever a certificate of tax credit
51 is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall be filed with
52 the authority specifying the name and address of the new owner of the tax credit or the value of
53 the credit.

54 5. The funds derived from contributions in this section shall be used for financial
55 assistance or technical assistance for the purposes provided in section 348.407 to rural
56 agricultural business concepts as approved by the authority. The authority may provide or
57 facilitate loans, equity investments, or guaranteed loans for rural agricultural business concepts,
58 but limited to two million dollars per project or the net state economic impact, whichever is less.
59 Loans, equity investments or guaranteed loans may only be provided to feasible projects, and for
60 an amount that is the least amount necessary to cause the project to occur, as determined by the
61 authority. The authority may structure the loans, equity investments or guaranteed loans in a way
62 that facilitates the project, but also provides for a compensatory return on investment or loan
63 payment to the authority, based on the risk of the project.

64 6. In any given year, at least ten percent of the funds granted to rural agricultural business
65 concepts shall be awarded to grant requests of twenty-five thousand dollars or less. No single
66 rural agricultural business concept shall receive more than two hundred thousand dollars in grant
67 awards from the authority. Agricultural businesses owned by minority members or women shall
68 be given consideration in the allocation of funds.

69 7. The authority shall, at least annually, submit a report to the Missouri general assembly
70 reviewing the costs and benefits of the program established under this section.

71 **8. Under section 23.253 of the Missouri sunset act:**

72 **(1) The provisions of the new program authorized under this section shall**
73 **automatically sunset on December thirty-first two years after the effective date of this**
74 **section unless reauthorized by an act of the general assembly;**

75 **(2) If such program is reauthorized, the program authorized under this section**
76 **shall automatically sunset on December thirty-first two years after the effective date of the**
77 **reauthorization of this section;**

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

81 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
82 **before this section is sunset.**

348.432. 1. The tax credit created in this section shall be known as the “New Generation
2 Cooperative Incentive Tax Credit”.

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

4 (1) “Authority”, the agriculture and small business development authority as provided
5 in this chapter;

6 (2) “Development facility”, a facility producing either a good derived from an
7 agricultural commodity or using a process to produce a good derived from an agricultural
8 product;

9 (3) “Eligible new generation cooperative”, a nonprofit cooperative association formed
10 ~~[pursuant to]~~ **under** chapter 274 or incorporated ~~[pursuant to]~~ **under** chapter 357 for the purpose
11 of operating within this state a development facility or a renewable fuel production facility and
12 approved by the authority;

13 (4) “Eligible new generation processing entity”, a partnership, corporation, cooperative,
14 or limited liability company organized or incorporated pursuant to the laws of this state
15 consisting of not less than twelve members, approved by the authority, for the purpose of owning
16 or operating within this state a development facility or a renewable fuel production facility in
17 which producer members:

18 (a) Hold a majority of the governance or voting rights of the entity and any governing
19 committee;

20 (b) Control the hiring and firing of management; and

21 (c) Deliver agricultural commodities or products to the entity for processing, unless
22 processing is required by multiple entities;

23 (5) “Employee-qualified capital project”, an eligible new generation cooperative with
24 capital costs greater than fifteen million dollars which will employ at least sixty employees;

25 (6) “Large capital project”, an eligible new generation cooperative with capital costs
26 greater than one million dollars;

27 (7) “Producer member”, a person, partnership, corporation, trust or limited liability
28 company whose main purpose is agricultural production that invests cash funds to an eligible
29 new generation cooperative or eligible new generation processing entity;

30 (8) “Renewable fuel production facility”, a facility producing an energy source which
31 is derived from a renewable, domestically grown, organic compound capable of powering
32 machinery, including an engine or power plant, and any by-product derived from such energy
33 source;

34 (9) “Small capital project”, an eligible new generation cooperative with capital costs of
35 no more than one million dollars.

36 3. Beginning tax year 1999, and ending December 31, 2002, any producer member who
37 invests cash funds in an eligible new generation cooperative or eligible new generation
38 processing entity may receive a credit against the tax or estimated quarterly tax otherwise due
39 ~~[pursuant to]~~ **under [chapter] chapters 143, 147, and 148**, other than taxes withheld ~~[pursuant~~
40 ~~to]~~ **under** sections 143.191 to 143.265 ~~[or chapter 148, chapter 147]~~, in an amount equal to the
41 lesser of fifty percent of such producer member's investment or fifteen thousand dollars.

42 4. For all tax years beginning on or after January 1, 2003, any producer member who
43 invests cash funds in an eligible new generation cooperative or eligible new generation
44 processing entity may receive a credit against the tax or estimated quarterly tax otherwise due
45 ~~[pursuant to]~~ **under [chapter] chapters 143, 147, and 148**, other than taxes withheld ~~[pursuant~~
46 ~~to]~~ **under** sections 143.191 to 143.265, ~~[chapter 147 or chapter 148]~~, in an amount equal to the
47 lesser of fifty percent of such producer member's investment or fifteen thousand dollars. Tax
48 credits claimed in a ~~[taxable]~~ **tax** year may be done so on a quarterly basis and applied to the
49 estimated quarterly tax ~~[pursuant to]~~ **under** subsection 3 of this section. If a quarterly tax credit
50 claim or series of claims contributes to causing an overpayment of taxes for a ~~[taxable]~~ **tax** year,
51 such overpayment shall not be refunded but shall be applied to the next ~~[taxable]~~ **tax** year.

52 5. A producer member shall submit to the authority an application for the tax credit
53 authorized by this section on a form provided by the authority. If the producer member meets
54 all criteria prescribed by this section and is approved by the authority, the authority shall issue
55 a tax credit certificate in the appropriate amount. Tax credits issued ~~[pursuant to]~~ **under** this
56 section may be carried forward to any of the producer member's four subsequent ~~[taxable]~~ **tax**
57 years regardless of the type of tax liability to which such credits are applied as authorized
58 ~~[pursuant to]~~ **under** subsection 3 of this section. Tax credits issued ~~[pursuant to]~~ **under** this
59 section may be assigned, transferred, sold or otherwise conveyed and the new owner of the tax
60 credit shall have the same rights in the credit as the producer member. Whenever a certificate
61 of tax credit is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall
62 be filed with the authority specifying the name and address of the new owner of the tax credit
63 or the value of the credit.

64 6. Ten percent of the tax credits authorized ~~[pursuant to]~~ **under** this section initially shall
65 be offered in any fiscal year to small capital projects. If any portion of the ten percent of tax
66 credits offered to small capital costs projects is unused in any calendar year, then the unused
67 portion of tax credits may be offered to employee-qualified capital projects and large capital
68 projects. If the authority receives more applications for tax credits for small capital projects than
69 tax credits are authorized therefor, then the authority, by rule, shall determine the method of
70 distribution of tax credits authorized for small capital projects.

71 7. Ninety percent of the tax credits authorized ~~[pursuant to]~~ **under** this section initially
72 shall be offered in any fiscal year to employee-qualified capital projects and large capital
73 projects. If any portion of the ninety percent of tax credits offered to employee-qualified capital
74 projects and large capital costs projects is unused in any fiscal year, then the unused portion of
75 tax credits may be offered to small capital projects. The maximum tax credit allowed per
76 employee-qualified capital project is three million dollars and the maximum tax credit allowed
77 per large capital project is one million five hundred thousand dollars. If the authority approves
78 the maximum tax credit allowed for any employee-qualified capital project or any large capital
79 project, then the authority, by rule, shall determine the method of distribution of such maximum
80 tax credit. In addition, if the authority receives more tax credit applications for
81 employee-qualified capital projects and large capital projects than the amount of tax credits
82 authorized therefor, then the authority, by rule, shall determine the method of distribution of tax
83 credits authorized for employee-qualified capital projects and large capital projects.

84 8. The authority shall, at least annually, submit a report to the Missouri general assembly
85 reviewing the costs and benefits of the program established under this section.

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

87 **(1) The provisions of the new program authorized under this section shall**
88 **automatically sunset on December thirty-first two years after the effective date of this**
89 **section unless reauthorized by an act of the general assembly;**

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

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

96 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
97 **before this section is sunset.**

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

5 2. Any eligible lender under the family farm livestock loan program under section
6 348.500 shall be entitled to receive a tax credit equal to one hundred percent of the amount of
7 interest waived by the lender under section 348.500 on a qualifying loan for the first year of the
8 loan only. The tax credit shall be evidenced by a tax credit certificate issued by the agricultural
9 and small business development authority and may be used to satisfy the state tax liability of the

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

16 3. The agricultural and small business development authority shall be responsible for the
17 administration and issuance of the certificate of tax credits authorized by this section. The
18 authority shall issue a certificate of tax credit at the request of any lender. Each request shall
19 include a true copy of the loan documents, the name of the lender who is to receive a certificate
20 of tax credit, the type of state tax liability against which the tax credit is to be used, and the
21 amount of the certificate of tax credit to be issued to the lender based on the interest waived by
22 the lender under section 348.500 on the loan for the first year.

23 4. The Missouri department of revenue shall accept a certificate of tax credit in lieu of
24 other payment in such amount as is equal to the lesser of the amount of the tax or the remaining
25 unused amount of the credit as indicated on the certificate of tax credit, and shall indicate on the
26 certificate of tax credit the amount of tax thereby paid and the date of such payment.

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

28 (1) Tax credits claimed in a ~~taxable~~ tax year may be claimed on a quarterly basis and
29 applied to the estimated quarterly tax of the lender;

30 (2) Any amount of tax credit which exceeds the tax due, including any estimated
31 quarterly taxes paid by the lender under subdivision (1) of this subsection which results in an
32 overpayment of taxes for a ~~taxable~~ tax year, shall not be refunded but may be carried over to
33 any subsequent ~~taxable~~ tax year, not to exceed a total of three years for which a tax credit may
34 be taken for a qualified family farm livestock loan;

35 (3) Notwithstanding any provision of law to the contrary, a lender may assign, transfer
36 or sell tax credits authorized under this section, with the new owner of the tax credit receiving
37 the same rights in the tax credit as the lender. For any tax credits assigned, transferred, sold, or
38 otherwise conveyed, a notarized endorsement shall be filed by the lender with the authority
39 specifying the name and address of the new owner of the tax credit and the value of such tax
40 credit; and

41 (4) Notwithstanding any other provision of this section to the contrary, any commercial
42 bank may use tax credits created under this section as provided in section 148.064 and receive
43 a net tax credit against taxes actually paid in the amount of the first year's interest on loans made
44 under this section. If such first year tax credits reduce taxes due as provided in section 148.064

45 to zero, the remaining tax credits may be carried over as otherwise provided in this section and
46 utilized as provided in section 148.064 in subsequent years.

47 **6. Under section 23.253 of the Missouri sunset act:**

48 **(1) The provisions of the new program authorized under this section shall**
49 **automatically sunset on December thirty-first two years after the effective date of this**
50 **section unless reauthorized by an act of the general assembly;**

51 **(2) If such program is reauthorized, the program authorized under this section**
52 **shall automatically sunset on December thirty-first two years after the effective date of the**
53 **reauthorization of this section;**

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

57 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
58 **before this section is sunset.**

375.774. 1. The association shall issue to each insurer paying an assessment under
2 sections 375.771 to 375.779 a certificate of contribution, in appropriate form and terms as
3 prescribed by the director, for the amount so paid. All outstanding certificates shall be of equal
4 dignity and priority without reference to amounts or dates of issue.

5 2. A certificate of contribution may be shown by the insurer in its financial statements
6 as an admitted asset for such amount and period of time, as follows:

7 (1) One hundred percent for the calendar year of issuance;

8 (2) Sixty-six and two-thirds percent for the first calendar year after the year of issuance;

9 (3) Thirty-three and one-third percent for the second year after the year of issuance which
10 shall be the last year each such certificate shall be carried as an asset.

11 3. The insurer shall be entitled to a credit against the premium tax liability under sections
12 148.310 to 148.461 for contributions paid to the association. This tax credit shall be taken over
13 a period of the three successive tax years beginning after the year of contribution at the rate of
14 thirty-three and one-third percent, per year, of the contribution paid to the association, and such
15 credit shall not be subject to subsection 1 of section 375.916.

16 4. Any sums recovered by the association representing sums which have theretofore been
17 written off by contributing insurers and offset against premium taxes as provided in subsection
18 3 of this section shall be paid by the association to the director of revenue who shall handle such
19 funds in the same manner as provided in section 148.380.

20 5. The association shall be exempt from payment of all fees and all capitation or poll and
21 excise taxes levied by this state or any of its political subdivisions and the real and personal
22 property of the association is hereby declared to be property actually and regularly used

23 exclusively for purposes purely charitable and not held for private or corporate profit within the
24 meaning of subdivision (5) of section 137.100, RSMo 1986.

25 **6. Under section 23.253 of the Missouri sunset act:**

26 **(1) The provisions of the tax credit authorized under subsection 3 of this section**
27 **shall automatically sunset on December thirty-first two years after the effective date of this**
28 **section unless reauthorized by an act of the general assembly;**

29 **(2) If such credit is reauthorized, the credit authorized under this section shall**
30 **automatically sunset on December thirty-first two years after the effective date of the**
31 **reauthorization of this section;**

32 **(3) The provisions of the tax credit shall terminate on September first of the**
33 **calendar year immediately following the calendar year in which the credit authorized**
34 **under this section is sunset; and**

35 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
36 **before this section is sunset.**

376.745. 1. A member insurer may offset against its premium tax liability to this state
2 an assessment described in section 376.738 to the extent of twenty percent of the amount of such
3 assessment for each of the five calendar years following the year in which such assessment was
4 paid. In the event a member insurer should cease doing business, all uncredited assessments may
5 be credited against its premium tax liability for the year it ceases doing business.

6 2. A member insurer exempt from chapter 148 may offset against its sales or use tax
7 liability to this state an assessment described in section 376.738 to the extent of twenty percent
8 of the amount of such assessment for each of the five calendar years following the year in which
9 such assessment was paid. In the event a member insurer should cease doing business, all
10 uncredited assessments may be credited against its sales or use tax liability for the year it ceases
11 doing business.

12 3. Any sums which are acquired by refund, ~~[pursuant to]~~ **under** the provisions of section
13 376.738, from the association by member insurers, and which have theretofore been offset
14 against premium taxes as provided in subsection 1 of this section or have theretofore been offset
15 against sales or use taxes as provided in subsection 2 of this section, shall be paid by such
16 insurers to this state in such manner as the tax authorities may require. The association shall
17 notify the director that such refunds have been made.

18 **4. Under section 23.253 of the Missouri sunset act:**

19 **(1) The provisions of the new program authorized under this section shall**
20 **automatically sunset on December thirty-first two years after the effective date of this**
21 **section unless reauthorized by an act of the general assembly;**

22 **(2) If such program is reauthorized, the program authorized under this section**
23 **shall automatically sunset on December thirty-first two years after the effective date of the**
24 **reauthorization of this section;**

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

28 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
29 **before this section is sunset.**

376.975. 1. Each member's proportion of participation in the pool shall be determined
2 annually by the board based on annual statements and other reports deemed necessary by the
3 board and filed by the member with it. Any deficit incurred by the pool shall be recouped by
4 assessments apportioned as provided in subsections 1, 2, and 3 of section 376.973 by the board
5 among members. The amount of assessments incurred by each member of the pool shall be
6 allowed as an offset against certain taxes, and shall be subject to certain limitations, as follows:
7 Each pool member subject to chapter 148 may deduct from premium taxes payable for any
8 calendar year to the state any and all assessments paid for the same year ~~[pursuant to]~~ **under**
9 sections 376.960 to 376.989.

10 **2.** All assessments, for a fiscal year, shall not exceed the net premium tax due and
11 payable by such member in the previous year. If the assessment exceeds any premium tax due
12 or payable in such year, the excess shall be a credit or offset carried forward against any premium
13 tax due or payable in succeeding years until the excess is exhausted.

14 **3. Under section 23.253 of the Missouri sunset act:**

15 **(1) The provisions of the new program authorized under this section shall**
16 **automatically sunset on December thirty-first two years after the effective date of this**
17 **section unless reauthorized by an act of the general assembly;**

18 **(2) If such program is reauthorized, the program authorized under this section**
19 **shall automatically sunset on December thirty-first two years after the effective date of the**
20 **reauthorization of this section;**

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

24 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
25 **before this section is sunset.**

447.708. 1. For eligible projects, the director of the department of economic
2 development, with notice to the directors of the departments of natural resources and revenue,
3 and subject to the other provisions of sections 447.700 to 447.718, may not create a new

4 enterprise zone but may decide that a prospective operator of a facility being remedied and
5 renovated ~~[pursuant to]~~ **under** sections 447.700 to 447.718 may receive the tax credits and
6 exemptions ~~[pursuant to]~~ **under** sections 135.100 to 135.150 and sections 135.200 to 135.257.
7 The tax credits allowed ~~[pursuant to]~~ **under** this subsection shall be used to offset the tax
8 imposed ~~[by]~~ **under** chapter 143, excluding withholding tax imposed ~~[by]~~ **under** sections
9 143.191 to 143.265, or the tax otherwise imposed ~~[by]~~ **under** chapter 147 ~~[,]~~ or ~~[the tax~~
10 ~~otherwise imposed by]~~ chapter 148. For purposes of this subsection:

11 (1) For receipt of the ad valorem tax abatement ~~[pursuant to]~~ **under** section 135.215, the
12 eligible project must create at least ten new jobs or retain businesses which supply at least
13 twenty-five existing jobs. The city, or county if the eligible project is not located in a city, must
14 provide ad valorem tax abatement of at least fifty percent for a period not less than ten years and
15 not more than twenty-five years;

16 (2) For receipt of the income tax exemption ~~[pursuant to]~~ **under** section 135.220 and tax
17 credit for new or expanded business facilities ~~[pursuant to]~~ **under** sections 135.100 to 135.150~~],~~
18 and 135.225, the eligible project must create at least ten new jobs or retain businesses which
19 supply at least twenty-five existing jobs, or combination thereof. For purposes of sections
20 447.700 to 447.718, the tax credits described in section 135.225 are modified as follows: the tax
21 credit shall be four hundred dollars per employee per year, an additional four hundred dollars per
22 year for each employee exceeding the minimum employment thresholds of ten and twenty-five
23 jobs for new and existing businesses, respectively, an additional four hundred dollars per year
24 for each person who is a person difficult to employ as defined by section 135.240, and
25 investment tax credits at the same amounts and levels as provided in subdivision (4) of
26 subsection 1 of section 135.225;

27 (3) For eligibility to receive the income tax refund ~~[pursuant to]~~ **under** section 135.245,
28 the eligible project must create at least ten new jobs or retain businesses which supply at least
29 twenty-five existing jobs, or combination thereof, and otherwise comply with the provisions of
30 section 135.245 for application and use of the refund and the eligibility requirements of this
31 section;

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

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

37 (6) The taxpayer may claim the state tax credits authorized by this subsection and the
38 state income exemption for a period not in excess of ten consecutive tax years. For the purpose
39 of this section, "taxpayer" means an individual proprietorship, partnership or corporation

40 described in section 143.441 or 143.471 who operates an eligible project. The director shall
41 determine the number of years the taxpayer may claim the state tax credits and the state income
42 exemption based on the projected net state economic benefits attributed to the eligible project;

43 (7) For the purpose of meeting the new job requirement prescribed in subdivisions (1),
44 (2) and (3) of this subsection, it shall be required that at least ten new jobs be created and
45 maintained during the taxpayer's tax period for which the credits are earned, in the case of an
46 eligible project that does not replace a similar facility in Missouri. "New job" means a person
47 who was not previously employed by the taxpayer or related taxpayer within the twelve-month
48 period immediately preceding the time the person was employed by that taxpayer to work at, or
49 in connection with, the eligible project on a full-time basis. "Full-time basis" means the
50 employee works an average of at least thirty-five hours per week during the taxpayer's tax period
51 for which the tax credits are earned. For the purposes of this section, "related taxpayer" has the
52 same meaning as defined in subdivision (10) of section 135.100;

53 (8) For the purpose of meeting the existing job retention requirement, if the eligible
54 project replaces a similar facility that closed elsewhere in Missouri prior to the end of the
55 taxpayer's tax period in which the tax credits are earned, it shall be required that at least
56 twenty-five existing jobs be retained at, and in connection with the eligible project, on a full-time
57 basis during the taxpayer's tax period for which the credits are earned. "Retained job" means a
58 person who was previously employed by the taxpayer or related taxpayer, at a facility similar to
59 the eligible project that closed elsewhere in Missouri prior to the end of the taxpayer's tax period
60 in which the tax credits are earned, within the tax period immediately preceding the time the
61 person was employed by the taxpayer to work at, or in connection with, the eligible project on
62 a full-time basis. "Full-time basis" means the employee works an average of at least thirty-five
63 hours per week during the taxpayer's tax period for which the tax credits are earned;

64 (9) In the case where an eligible project replaces a similar facility that closed elsewhere
65 in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, the
66 owner and operator of the eligible project shall provide the director with a written statement
67 explaining the reason for discontinuing operations at the closed facility. The statement shall
68 include a comparison of the activities performed at the closed facility prior to the date the facility
69 ceased operating, to the activities performed at the eligible project, and a detailed account
70 describing the need and rationale for relocating to the eligible project. If the director finds the
71 relocation to the eligible project significantly impaired the economic stability of the area in
72 which the closed facility was located, and that such move was detrimental to the overall
73 economic development efforts of the state, the director may deny the taxpayer's request to claim
74 tax benefits;

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

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

94 2. The determination of the director of economic development pursuant to subsection
95 1 of this section shall not affect requirements for the prospective purchaser to obtain the approval
96 of the granting of real property tax abatement by the municipal or county government where the
97 eligible project is located.

98 3. (1) The director of the department of economic development, with the approval of
99 the director of the department of natural resources, may, in addition to the tax credits allowed
100 ~~[in]~~ **under** subsection 1 of this section, grant a remediation tax credit to the applicant for up to
101 one hundred percent of the costs of materials, supplies, equipment, labor, professional
102 engineering, consulting and architectural fees, permitting fees and expenses, demolition, asbestos
103 abatement, and direct utility charges for performing the voluntary remediation activities for the
104 preexisting hazardous substance contamination and releases, including, but not limited to, the
105 costs of performing operation and maintenance of the remediation equipment at the property
106 beyond the year in which the systems and equipment are built and installed at the eligible project
107 and the costs of performing the voluntary remediation activities over a period not in excess of
108 four tax years following the taxpayer's tax year in which the system and equipment were first put
109 into use at the eligible project, provided the remediation activities are the subject of a plan
110 submitted to, and approved by, the director of natural resources ~~[pursuant to]~~ **under** sections

111 260.565 to 260.575. The tax credit may also include up to one hundred percent of the costs of
112 demolition that are not directly part of the remediation activities, provided that the demolition
113 is on the property where the voluntary remediation activities are occurring, the demolition is
114 necessary to accomplish the planned use of the facility where the remediation activities are
115 occurring, and the demolition is part of a redevelopment plan approved by the municipal or
116 county government and the department of economic development. The demolition may occur
117 on an adjacent property if the project is located in a municipality which has a population less
118 than twenty thousand and the above conditions are otherwise met. The adjacent property shall
119 independently qualify as abandoned or underutilized. The amount of the credit available for
120 demolition not associated with remediation cannot exceed the total amount of credits approved
121 for remediation including demolition required for remediation.

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

125 (3) The director may, with the approval of the director of natural resources, extend the
126 tax credits allowed for performing voluntary remediation maintenance activities, in increments
127 of three-year periods, not to exceed five consecutive three-year periods. The tax credits allowed
128 in this subsection shall be used to offset the tax imposed ~~[by]~~ **under** chapter 143, excluding
129 withholding tax imposed ~~[by]~~ **under** sections 143.191 to 143.265, or the tax otherwise imposed
130 ~~[by]~~ **under** chapter 147, or the tax otherwise imposed ~~[by]~~ **under** chapter 148. The remediation
131 tax credit may be taken in the same tax year in which the tax credits are received or may be taken
132 over a period not to exceed twenty years.

133 (4) The project facility shall be projected to create at least ten new jobs or at least
134 twenty-five retained jobs, or a combination thereof, as determined by the department of
135 economic development, to be eligible for tax credits ~~[pursuant to]~~ **under** this section.

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

146 4. In the exercise of the sound discretion of the director of the department of economic
147 development or the director's designee, the tax credits and exemptions described in this section
148 may be terminated, suspended or revoked if the eligible project fails to continue to meet the
149 conditions set forth in this section. In making such a determination, the director shall consider
150 the severity of the condition violation, actions taken to correct the violation, the frequency of any
151 condition violations and whether the actions exhibit a pattern of conduct by the eligible facility
152 owner and operator. The director shall also consider changes in general economic conditions and
153 the recommendation of the director of the department of natural resources, or his or her designee,
154 concerning the severity, scope, nature, frequency and extent of any violations of the
155 environmental compliance conditions. The taxpayer or person claiming the tax credits or
156 exemptions may appeal the decision regarding termination, suspension or revocation of any tax
157 credit or exemption in accordance with the procedures outlined in subsections 4 and 5 of section
158 135.250. The director of the department of economic development shall notify the directors of
159 the departments of natural resources and revenue of the termination, suspension or revocation
160 of any tax credits as determined in this section or ~~pursuant to~~ **under** the provisions of section
161 447.716.

162 5. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax
163 credits, exemptions or refund otherwise allowed in subdivisions (2), (3) and (4) of subsection
164 1 of this section and the tax credits otherwise allowed in section 135.110, or the tax credits,
165 exemptions and refund otherwise allowed in sections 135.215, 135.220, 135.225 and 135.245,
166 respectively, for the same facility for the same tax period.

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

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

170 (2) One hundred percent of the total business' income tax if the eligible facility does not
171 replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax
172 period in which the tax credits are earned, and further provided the taxpayer does not operate any
173 other facilities besides the eligible project in Missouri; fifty percent of the total business' income
174 tax if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the
175 end of the taxpayer's tax period in which the credits are earned, and further provided the taxpayer
176 does not operate any other facilities besides the eligible project in Missouri; or twenty-five
177 percent of the total business income if the taxpayer operates, in addition to the eligible facility,
178 any other facilities in Missouri. In no case shall a taxpayer operating more than one eligible
179 project in Missouri be allowed to offset more than twenty-five percent of the taxpayer's business
180 income in any tax period. That portion of the taxpayer's income attributed to the eligible project
181 as referenced in subdivision (1) of this subsection, for which the credits allowed in sections

182 135.110 and 135.225 and subsection 3 of this section may apply, shall be determined in the same
183 manner as prescribed in subdivision (5) of section 135.100. That portion of the taxpayer's
184 franchise tax attributed to the eligible project for which the remediation tax credit may offset,
185 shall be determined in the same manner as prescribed in paragraph (a) of subdivision (5) of
186 section 135.100.

187 7. Taxpayers claiming the state tax benefits allowed in subdivisions (2) and (3) of
188 subsection 1 of this section shall be required to file all applicable tax credit applications, forms
189 and schedules prescribed by the director during the taxpayer's tax period immediately after the
190 tax period in which the eligible project was first put into use. Otherwise, the taxpayer's right to
191 claim such state tax benefits shall be forfeited. Unused business facility and enterprise zone tax
192 credits shall not be carried forward but shall be initially claimed for the tax period during which
193 the eligible project was first capable of being used, and during any applicable subsequent tax
194 periods.

195 8. Taxpayers claiming the remediation tax credit allowed in subsection 3 of this section
196 shall be required to file all applicable tax credit applications, forms and schedules prescribed by
197 the director during the taxpayer's tax period immediately after the tax period in which the eligible
198 project was first put into use, or during the taxpayer's tax period immediately after the tax period
199 in which the voluntary remediation activities were performed.

200 9. The recipient of remediation tax credits, for the purpose of this subsection referred to
201 as assignor, may assign, sell or transfer, in whole or in part, the remediation tax credit allowed
202 in subsection 3 of this section to any other person, for the purpose of this subsection referred to
203 as assignee. To perfect the transfer, the assignor shall provide written notice to the director of
204 the assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective,
205 the assignee's name, address and the assignee's tax period and the amount of tax credits to be
206 transferred. The number of tax periods during which the assignee may subsequently claim the
207 tax credits shall not exceed twenty tax periods, less the number of tax periods the assignor
208 previously claimed the credits before the transfer occurred.

209 10. In the case where an operator and assignor of an eligible project has been certified
210 to claim state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section, and
211 sells or otherwise transfers title of the eligible project to another taxpayer or assignee who
212 continues the same or substantially similar operations at the eligible project, the director shall
213 allow the assignee to claim the credits for a period of time to be determined by the director;
214 except that, the total number of tax periods the tax credits may be earned by the assignor and the
215 assignee shall not exceed ten. To perfect the transfer, the assignor shall provide written notice
216 to the director of the assignor's intent to transfer the tax credits to the assignee, the date the

217 transfer is effective, the assignee's name, address, and the assignee's tax period, and the amount
218 of tax credits to be transferred.

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

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

223 (2) The partners of the partnership.

224

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

228 12. Notwithstanding any provision of law to the contrary, in any county [~~of the first~~
229 ~~classification~~] that has a charter form of government and that has a population of over nine
230 hundred thousand inhabitants, all demolition costs incurred during the redevelopment of any
231 former automobile manufacturing plant shall be allowable costs eligible for tax credits under
232 sections 447.700 to 447.718 so long as the redevelopment of such former automobile
233 manufacturing plant shall be projected to create at least two hundred fifty new jobs or at least
234 three hundred retained jobs, or a combination thereof, as determined by the department of
235 economic development. The amount of allowable costs eligible for tax credits shall be limited
236 to the least amount necessary to cause the project to occur, as determined by the director of the
237 department of economic development, provided that no tax credit shall be issued under this
238 subsection until July 1, 2017. For purposes of this subsection, "former automobile
239 manufacturing plant" means a redevelopment area that qualifies as an eligible project under
240 section 447.700, that consists of at least one hundred acres, and that was used primarily for the
241 manufacture of automobiles but, after 2007, ceased such manufacturing.

242 **13. Under section 23.253 of the Missouri sunset act:**

243 **(1) The provisions of the new program authorized under this section shall**
244 **automatically sunset on December thirty-first three years after the effective date of this**
245 **section unless reauthorized by an act of the general assembly;**

246 **(2) If such program is reauthorized, the program authorized under this section**
247 **shall automatically sunset on December thirty-first three years after the effective date of**
248 **the reauthorization of this section;**

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

252 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
253 **before this section is sunset.**

620.495. 1. This section shall be known as the "Small Business Incubators Act".

2 2. As used in this section, unless the context clearly indicates otherwise, the following
3 words and phrases shall mean:

4 (1) "Department", the department of economic development;

5 (2) "Incubator", a program in which small units of space may be leased by a tenant and
6 in which management maintains or provides access to business development services for use by
7 tenants or a program without infrastructure in which participants avail themselves of business
8 development services to assist in the growth of their start-up small businesses;

9 (3) "Local sponsor" or "sponsor", an organization which enters into a written agreement
10 with the department to establish, operate and administer a small business incubator program or
11 to provide funding to an organization which operates such a program;

12 (4) "Participant", a sole proprietorship, business partnership or corporation operating a
13 business for profit through which the owner avails himself or herself of business development
14 services in an incubator program;

15 (5) "Tenant", a sole proprietorship, business partnership or corporation operating a
16 business for profit and leasing or otherwise occupying space in an incubator.

17 3. There is hereby established under the direction of the department a loan, loan
18 guarantee and grant program for the establishment, operation and administration of small
19 business incubators, to be known as the "Small Business Incubator Program". A local sponsor
20 may submit an application to the department to obtain a loan, loan guarantee or grant to establish
21 an incubator. Each application shall:

22 (1) Demonstrate that a program exists that can be transformed into an incubator at a
23 specified cost;

24 (2) Demonstrate the ability to directly provide or arrange for the provision of business
25 development services for tenants and participants of the incubator. These services shall include,
26 but need not be limited to, financial consulting assistance, management and marketing assistance,
27 business education, and physical services;

28 (3) Demonstrate a potential for sustained use of the incubator program by eligible tenants
29 and participants, through a market study or other means;

30 (4) Demonstrate the ability to manage and operate the incubator program;

31 (5) Include such other information as the department may require through its guidelines.

32 4. The department shall review and accept applications based on the following criteria:

33 (1) Ability of the local sponsor to carry out the provisions of this section;

34 (2) Economic impact of the incubator on the community;

35 (3) Conformance with areawide and local economic development plans, if such exist;
36 (4) Location of the incubator, in order to encourage geographic distribution of incubators
37 across the state.

38 5. Loans, loan guarantees and grants shall be administered in the following manner:

39 (1) Loans awarded or guaranteed and grants awarded shall be used only for the
40 acquisition and leasing of land and existing buildings, the rehabilitation of buildings or other
41 facilities, construction of new facilities, the purchase of equipment and furnishings which are
42 necessary for the creation and operation of the incubator, and business development services
43 including, but not limited to, business management advising and business education;

44 (2) Loans, loan guarantees and grants may not exceed fifty percent of total eligible
45 project costs;

46 (3) Payment of interest and principal on loans may be deferred at the discretion of the
47 department.

48 6. A local sponsor, or the organization receiving assistance through the local sponsor,
49 shall have the following responsibilities and duties in establishing and operating an incubator
50 with assistance from the small business incubator program:

51 (1) Secure title on a facility for the program or a lease of a facility for the program;

52 (2) Manage the physical development of the incubator program, including the provision
53 of common conference or meeting space;

54 (3) Furnish and equip the program to provide business services to the tenants and
55 participants;

56 (4) Market the program and secure eligible tenants and participants;

57 (5) Provide financial consulting, marketing and management assistance services or
58 arrange for the provision of these services for tenants and participants of the incubator, including
59 assistance in accessing private financial markets;

60 (6) Set rental and service fees;

61 (7) Encourage the sharing of ideas between tenants and participants and otherwise aid
62 the tenants and participants in an innovative manner while they are within the incubator;

63 (8) Establish policies and criteria for the acceptance of tenants and participants into the
64 incubator and for the termination of occupancy of tenants so as to maximize the opportunity to
65 succeed for the greatest number of tenants, consistent with those specified in this section.

66 7. The department:

67 (1) May adopt such rules, statements of policy, procedures, forms and guidelines as may
68 be necessary for the implementation of this section;

69 (2) May make loans, loan guarantees and grants to local sponsors for incubators;

70 (3) Shall ensure that local sponsors receiving loans, loan guarantees or grants meet the
71 conditions of this section;

72 (4) Shall receive and evaluate annual reports from local sponsors. Such annual reports
73 shall include, but need not be limited to, a financial statement for the incubator, evidence that
74 all tenants and participants in the program are eligible under the terms of this section, and a list
75 of companies in the incubator.

76 8. The department of economic development is also hereby authorized to review any
77 previous loans made under this program and, where appropriate in the department's judgment,
78 convert such loans to grant status.

79 9. On or before January first of each year, the department shall provide a report to the
80 governor, the chief clerk of the house of representatives and the secretary of the senate which
81 shall include, but need not be limited to:

82 (1) The number of applications for incubators submitted to the department;

83 (2) The number of applications for incubators approved by the department;

84 (3) The number of incubators created through the small business incubator program;

85 (4) The number of tenants and participants engaged in each incubator;

86 (5) The number of jobs provided by each incubator and tenants and participant of each
87 incubator;

88 (6) The occupancy rate of each incubator;

89 (7) The number of firms still operating in the state after leaving incubators and the
90 number of jobs they have provided.

91 10. There is hereby established in the state treasury a special fund to be known as the
92 "Missouri Small Business Incubators Fund", which shall consist of all moneys which may be
93 appropriated to it by the general assembly, and also any gifts, contributions, grants or bequests
94 received from federal, private or other sources. Moneys for loans, loan guarantees and grants
95 under the small business incubator program may be obtained from appropriations made by the
96 general assembly from the Missouri small business incubators fund. Any moneys remaining in
97 the Missouri small business incubators fund at the end of any fiscal year shall not lapse to the
98 general revenue fund, as provided in section 33.080, but shall remain in the Missouri small
99 business incubators fund.

100 11. For any ~~taxable~~ tax year beginning after December 31, 1989, a taxpayer, including
101 any charitable organization which is exempt from federal income tax and whose Missouri
102 unrelated business taxable income, if any, would be subject to the state income tax imposed
103 under chapter 143, shall be entitled to a tax credit against any tax otherwise due under the
104 provisions of chapter 143, or chapter 147, or chapter 148, excluding withholding tax imposed
105 ~~by~~ under sections 143.191 to 143.265, in the amount of fifty percent of any amount contributed

106 by the taxpayer to the Missouri small business incubators fund during the taxpayer's tax year or
107 any contribution by the taxpayer to a local sponsor after the local sponsor's application has been
108 accepted and approved by the department. The tax credit allowed [by] **under** this subsection
109 shall be claimed by the taxpayer at the time he files his return and shall be applied against the
110 income tax liability imposed [by] **under** chapter 143, or chapter 147, or chapter 148, after all
111 other credits provided by law have been applied. That portion of earned tax credits which
112 exceeds the taxpayer's tax liability may be carried forward for up to five years. The aggregate
113 of all tax credits authorized under this section shall not exceed five hundred thousand dollars in
114 any [taxable] tax year.

115 12. Notwithstanding any provision of Missouri law to the contrary, any taxpayer may
116 sell, assign, exchange, convey or otherwise transfer tax credits allowed in subsection 11 of this
117 section under the terms and conditions prescribed in subdivisions (1) and (2) of this subsection.
118 Such taxpayer, hereinafter the assignor for the purpose of this subsection, may sell, assign,
119 exchange or otherwise transfer earned tax credits:

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

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

122

123 The taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection,
124 may use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise
125 imposed [by] **under** chapter 143, or chapter 147, or chapter 148 excluding withholding tax
126 imposed [by] **under** sections 143.191 to 143.265. Unused credits in the hands of the assignee
127 may be carried forward for up to five years. The assignor shall enter into a written agreement
128 with the assignee establishing the terms and conditions of the agreement and shall perfect such
129 transfer by notifying the department of economic development in writing within thirty calendar
130 days following the effective day of the transfer and shall provide any information as may be
131 required by the department of economic development to administer and carry out the provisions
132 of this section. The director of the department of economic development shall prescribe the
133 method for submitting applications for claiming the tax credit allowed under subsection 11 of
134 this section and shall, if the application is approved, certify to the director of revenue that the
135 taxpayer claiming the credit has satisfied all the requirements specified in this section and is
136 eligible to claim the credit.

137 **13. Under section 23.253 of the Missouri sunset act:**

138 **(1) The provisions of the tax credit authorized under subsection 11 of this section**
139 **shall automatically sunset on December thirty-first three years after the effective date of**
140 **this section unless reauthorized by an act of the general assembly;**

141 **(2) If such credit is reauthorized, the credit authorized under this section shall**
142 **automatically sunset on December thirty-first three years after the effective date of the**
143 **reauthorization of this section;**

144 **(3) The provisions of the tax credit shall terminate on September first of the**
145 **calendar year immediately following the calendar year in which the credit authorized**
146 **under this section is sunset; and**

147 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
148 **before this section is sunset.**

620.650. 1. The sole purpose of each qualified fund is to make investments. One
2 hundred percent of investments made from qualified contributions shall be qualified investments.

3 2. Any person who makes a qualified contribution to a qualified fund shall receive a tax
4 credit against the tax otherwise due ~~pursuant to~~ **under** chapter 143, chapter 147, or chapter 148,
5 other than taxes withheld ~~pursuant to~~ **under** sections 143.191 to 143.265, in an amount equal
6 to one hundred percent of such person's qualified contribution.

7 3. Such person shall submit to the department an application for the tax credit on a form
8 provided by the department. The department shall award tax credits in the order the applications
9 are received and based upon the strategy approved by the corporation. Tax credits issued
10 pursuant to this section may be claimed for the tax year in which the qualified contribution is
11 made or in any of the following ten years, and may be assigned, transferred or sold.

12 4. There is hereby imposed on each qualified fund a tax equal to fifteen percent of the
13 qualified fund's uninvested capital at the close of such qualified fund's tax year. For purposes
14 of tax computation, any distribution made by a qualified fund during a tax year is deemed made
15 at the end of such tax year. Each tax year, every qualified fund shall remit the tax imposed ~~by~~
16 **under** this section to the director of the department of revenue for deposit in the state treasury
17 to the credit of the general revenue fund.

18 **5. Under section 23.253 of the Missouri sunset act:**

19 **(1) The provisions of the tax credit authorized under subsection 2 of this section**
20 **shall automatically sunset on December thirty-first three years after the effective date of**
21 **this section unless reauthorized by an act of the general assembly;**

22 **(2) If such credit is reauthorized, the credit authorized under this section shall**
23 **automatically sunset on December thirty-first three years after the effective date of the**
24 **reauthorization of this section;**

25 **(3) The provisions of the tax credit shall terminate on September first of the**
26 **calendar year immediately following the calendar year in which the credit authorized**
27 **under this section is sunset; and**

28 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
29 **before this section is sunset.**

620.1881. 1. The department of economic development shall respond within thirty days
2 to a company who provides a notice of intent with either an approval or a rejection of the notice
3 of intent. The department shall give preference to qualified companies and projects targeted at
4 an area of the state which has recently been classified as a disaster area by the federal
5 government. Failure to respond on behalf of the department of economic development shall
6 result in the notice of intent being deemed an approval for the purposes of this section. A
7 qualified company who is provided an approval for a project shall be allowed a benefit as
8 provided in this program in the amount and duration provided in this section. A qualified
9 company may receive additional periods for subsequent new jobs at the same facility after the
10 full initial period if the minimum thresholds are met as set forth in sections 620.1875 to
11 620.1890. There is no limit on the number of periods a qualified company may participate in the
12 program, as long as the minimum thresholds are achieved and the qualified company provides
13 the department with the required reporting and is in proper compliance for this program or other
14 state programs. A qualified company may elect to file a notice of intent to start a new project
15 period concurrent with an existing project period if the minimum thresholds are achieved and
16 the qualified company provides the department with the required reporting and is in proper
17 compliance for this program and other state programs; however, the qualified company may not
18 receive any further benefit under the original approval for jobs created after the date of the new
19 notice of intent, and any jobs created before the new notice of intent may not be included as new
20 jobs for the purpose of benefit calculation in relation to the new approval. When a qualified
21 company has filed and received approval of a notice of intent and subsequently files another
22 notice of intent, the department shall apply the definition of project facility under subdivision
23 (19) of section 620.1878 to the new notice of intent as well as all previously approved notices
24 of intent and shall determine the application of the definitions of new job, new payroll, project
25 facility base employment, and project facility base payroll accordingly.

26 2. Notwithstanding any provision of law to the contrary, any qualified company that is
27 awarded benefits under this program may not simultaneously receive tax credits or exemptions
28 under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections
29 135.900 to 135.906 at the same project facility. The benefits available to the company under any
30 other state programs for which the company is eligible and which utilize withholding tax from
31 the new jobs of the company must first be credited to the other state program before the
32 withholding retention level applicable under the Missouri quality jobs act will begin to accrue.
33 These other state programs include, but are not limited to, the Missouri works jobs training
34 program under sections 620.800 to 620.809, the real property tax increment allocation

35 redevelopment act, sections 99.800 to 99.865, or the Missouri downtown and rural economic
36 stimulus act under sections 99.915 to 99.980. If any qualified company also participates in the
37 Missouri works jobs training program in sections 620.800 to 620.809, the company shall retain
38 no withholding tax, but the department shall issue a refundable tax credit for the full amount of
39 benefit allowed under this ~~subdivision~~ **subsection**. The calendar year annual maximum amount
40 of tax credits which may be issued to a qualifying company that also participates in the new job
41 training program shall be increased by an amount equivalent to the withholding tax retained by
42 that company under the new jobs training program. However, if the combined benefits of the
43 quality jobs program and the new jobs training program exceed the projected state benefit of the
44 project, as determined by the department of economic development through a cost-benefit
45 analysis, the increase in the maximum tax credits shall be limited to the amount that would not
46 cause the combined benefits to exceed the projected state benefit. Any taxpayer who is awarded
47 benefits under this program who knowingly hires individuals who are not allowed to work
48 legally in the United States shall immediately forfeit such benefits and shall repay the state an
49 amount equal to any state tax credits already redeemed and any withholding taxes already
50 retained.

51 3. The types of projects and the amount of benefits to be provided are:

52 (1) Small and expanding business projects: in exchange for the consideration provided
53 by the new tax revenues and other economic stimuli that will be generated by the new jobs
54 created by the program, a qualified company may retain an amount equal to the withholding tax
55 as calculated under subdivision (33) of section 620.1878 from the new jobs that would otherwise
56 be withheld and remitted by the qualified company under the provisions of sections 143.191 to
57 143.265 for a period of three years from the date the required number of new jobs were created
58 if the average wage of the new payroll equals or exceeds the county average wage or for a period
59 of five years from the date the required number of new jobs were created if the average wage of
60 the new payroll equals or exceeds one hundred twenty percent of the county average wage;

61 (2) Technology business projects: in exchange for the consideration provided by the new
62 tax revenues and other economic stimuli that will be generated by the new jobs created by the
63 program, a qualified company may retain an amount equal to a maximum of five percent of new
64 payroll for a period of five years from the date the required number of jobs were created from
65 the withholding tax of the new jobs that would otherwise be withheld and remitted by the
66 qualified company under the provisions of sections 143.191 to 143.265 if the average wage of
67 the new payroll equals or exceeds the county average wage. An additional one-half percent of
68 new payroll may be added to the five percent maximum if the average wage of the new payroll
69 in any year exceeds one hundred twenty percent of the county average wage in the county in
70 which the project facility is located, plus an additional one-half percent of new payroll may be

71 added if the average wage of the new payroll in any year exceeds one hundred forty percent of
72 the average wage in the county in which the project facility is located. The department shall
73 issue a refundable tax credit For any difference between the amount of benefit allowed under this
74 subdivision and the amount of withholding tax retained by the company, in the event the
75 withholding tax is not sufficient to provide the entire amount of benefit due to the qualified
76 company under this subdivision;

77 (3) High impact projects: in exchange for the consideration provided by the new tax
78 revenues and other economic stimuli that will be generated by the new jobs created by the
79 program, a qualified company may retain an amount from the withholding tax of the new jobs
80 that would otherwise be withheld and remitted by the qualified company under the provisions
81 of sections 143.191 to 143.265, equal to three percent of new payroll for a period of five years
82 from the date the required number of jobs were created if the average wage of the new payroll
83 equals or exceeds the county average wage of the county in which the project facility is located.
84 For high-impact projects in a facility located within two adjacent counties, the new payroll shall
85 equal or exceed the higher county average wage of the adjacent counties. The percentage of
86 payroll allowed under this subdivision shall be three and one-half percent of new payroll if the
87 average wage of the new payroll in any year exceeds one hundred twenty percent of the county
88 average wage in the county in which the project facility is located. The percentage of payroll
89 allowed under this subdivision shall be four percent of new payroll if the average wage of the
90 new payroll in any year exceeds one hundred forty percent of the county average wage in the
91 county in which the project facility is located. An additional one percent of new payroll may be
92 added to these percentages if local incentives equal between ten percent and twenty-four percent
93 of the new direct local revenue; an additional two percent of new payroll is added to these
94 percentages if the local incentives equal between twenty-five percent and forty-nine percent of
95 the new direct local revenue; or an additional three percent of payroll is added to these
96 percentages if the local incentives equal fifty percent or more of the new direct local revenue.
97 The department shall issue a refundable tax credit for any difference between the amount of
98 benefit allowed under this subdivision and the amount of withholding tax retained by the
99 company, in the event the withholding tax is not sufficient to provide the entire amount of benefit
100 due to the qualified company under this subdivision;

101 (4) Job retention projects: A qualified company may receive a tax credit for the retention
102 of jobs in this state, provided the qualified company and the project meets all of the following
103 conditions:

104 (a) For each of the twenty-four months preceding the year in which application for the
105 program is made the qualified company must have maintained at least one thousand full-time

106 employees at the employer's site in the state at which the jobs are based, and the average wage
107 of such employees must meet or exceed the county average wage;

108 (b) The qualified company retained at the project facility the level of full-time employees
109 that existed in the ~~taxable~~ tax year immediately preceding the year in which application for the
110 program is made;

111 (c) The qualified company is considered to have a significant statewide effect on the
112 economy, and has been determined to represent a substantial risk of relocation from the state by
113 the quality jobs advisory task force established in section 620.1887; provided, however, until
114 such time as the initial at-large members of the quality jobs advisory task force are appointed,
115 this determination shall be made by the director of the department of economic development;

116 (d) The qualified company in the project facility will cause to be invested a minimum
117 of seventy million dollars in new investment prior to the end of two years or will cause to be
118 invested a minimum of thirty million dollars in new investment prior to the end of two years and
119 maintain an annual payroll of at least seventy million dollars during each of the years for which
120 a credit is claimed; and

121 (e) The local taxing entities shall provide local incentives of at least fifty percent of the
122 new direct local revenues created by the project over a ten-year period.

123

124 The quality jobs advisory task force may recommend to the department of economic
125 development that appropriate penalties be applied to the company for violating the agreement.
126 The amount of the job retention credit granted may be equal to up to fifty percent of the amount
127 of withholding tax generated by the full-time jobs at the project facility for a period of five years.
128 The calendar year annual maximum amount of tax credit that may be issued to any qualified
129 company for a job retention project or combination of job retention projects shall be seven
130 hundred fifty thousand dollars per year, but the maximum amount may be increased up to one
131 million dollars if such action is proposed by the department and approved by the quality jobs
132 advisory task force established in section 620.1887; provided, however, until such time as the
133 initial at-large members of the quality jobs advisory task force are appointed, this determination
134 shall be made by the director of the department of economic development. In considering such
135 a request, the task force shall rely on economic modeling and other information supplied by the
136 department when requesting the increased limit on behalf of the job retention project. In no
137 event shall the total amount of all tax credits issued for the entire job retention program under
138 this subdivision exceed three million dollars annually. Notwithstanding the above, no tax credits
139 shall be issued for job retention projects approved by the department after August 30, 2013;

140 (5) Small business job retention and flood survivor relief: a qualified company may
141 receive a tax credit under sections 620.1875 to 620.1890 for the retention of jobs and flood
142 survivor relief in this state for each job retained over a three-year period, provided that:

143 (a) The qualified company did not receive any state or federal benefits, incentives, or tax
144 relief or abatement in locating its facility in a flood plain;

145 (b) The qualified company and related companies have fewer than one hundred
146 employees at the time application for the program is made;

147 (c) The average wage of the qualified company's and related companies' employees must
148 meet or exceed the county average wage;

149 (d) All of the qualified company's and related companies' facilities are located in this
150 state;

151 (e) The facilities at the primary business site in this state have been directly damaged by
152 floodwater rising above the level of a five hundred year flood at least two years, but fewer than
153 eight years, prior to the time application is made;

154 (f) The qualified company made significant efforts to protect the facilities prior to any
155 impending danger from rising floodwaters;

156 (g) For each year it receives tax credits under sections 620.1875 to 620.1890, the
157 qualified company and related companies retained, at the company's facilities in this state, at
158 least the level of full-time, year-round employees that existed in the ~~taxable~~ tax year
159 immediately preceding the year in which application for the program is made; and

160 (h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company
161 cumulatively invests at least two million dollars in capital improvements in facilities and
162 equipment located at such facilities that are not located within a five hundred year flood plain
163 as designated by the Federal Emergency Management Agency, and amended from time to time.
164 The amount of the small business job retention and flood survivor relief credit granted may be
165 equal to up to one hundred percent of the amount of withholding tax generated by the full-time
166 jobs at the project facility for a period of three years. The calendar year annual maximum
167 amount of tax credit that may be issued to any qualified company for a small business job
168 retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the
169 maximum amount may be increased up to five hundred thousand dollars if such action is
170 proposed by the department and approved by the quality jobs advisory task force established in
171 section 620.1887. In considering such a request, the task force shall rely on economic modeling
172 and other information supplied by the department when requesting an increase in the limit on
173 behalf of the small business job retention and flood survivor relief project. In no event shall the
174 total amount of all tax credits issued for the entire small business job retention and flood survivor
175 relief program under this subdivision exceed five hundred thousand dollars annually.

176 Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued
177 for small business job retention and flood survivor relief projects approved by the department
178 after August 30, 2010.

179 4. The qualified company shall provide an annual report of the number of jobs and such
180 other information as may be required by the department to document the basis for the benefits
181 of this program. The department may withhold the approval of any benefits until it is satisfied
182 that proper documentation has been provided, and shall reduce the benefits to reflect any
183 reduction in full-time employees or new payroll. Upon approval by the department, the qualified
184 company may begin the retention of the withholding taxes when it reaches the minimum number
185 of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be
186 issued upon satisfaction by the department that the qualified company has exceeded the county
187 average wage and the minimum number of new jobs. In such annual report, if the average wage
188 is below the county average wage, the qualified company has not maintained the employee
189 insurance as required, or if the number of new jobs is below the minimum, the qualified
190 company shall not receive tax credits or retain the withholding tax for the balance of the benefit
191 period. In the case of a qualified company that initially filed a notice of intent and received an
192 approval from the department for high-impact benefits and the minimum number of new jobs
193 in an annual report is below the minimum for high-impact projects, the company shall not
194 receive tax credits for the balance of the benefit period but may continue to retain the
195 withholding taxes if it otherwise meets the requirements of a small and expanding business under
196 this program.

197 5. The maximum calendar year annual tax credits issued for the entire program shall not
198 exceed eighty million dollars. Notwithstanding any provision of law to the contrary, the
199 maximum annual tax credits authorized under section 135.535 are hereby reduced from ten
200 million dollars to eight million dollars, with the balance of two million dollars transferred to this
201 program. There shall be no limit on the amount of withholding taxes that may be retained by
202 approved companies under this program.

203 6. The department shall allocate the annual tax credits based on the date of the approval,
204 reserving such tax credits based on the department's best estimate of new jobs and new payroll
205 of the project, and the other factors in the determination of benefits of this program. However,
206 the annual issuance of tax credits is subject to the annual verification of the actual new payroll.
207 The allocation of tax credits for the period assigned to a project shall expire if, within two years
208 from the date of commencement of operations, or approval if applicable, the minimum
209 thresholds have not been achieved. The qualified company may retain authorized amounts from
210 the withholding tax under this section once the minimum new jobs thresholds are met for the
211 duration of the project period. No benefits shall be provided under this program until the

212 qualified company meets the minimum new jobs thresholds. In the event the qualified company
213 does not meet the minimum new job threshold, the qualified company may submit a new notice
214 of intent or the department may provide a new approval for a new project of the qualified
215 company at the project facility or other facilities.

216 7. For a qualified company with flow-through tax treatment to its members, partners, or
217 shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion
218 to their share of ownership on the last day of the qualified company's tax period.

219 8. Tax credits may be claimed against taxes otherwise imposed ~~[by]~~ **under** chapters 143
220 and 148, and may not be carried forward but shall be claimed within one year of the close of the
221 ~~[taxable]~~ **tax** year for which they were issued, except as provided under subdivision (4) of
222 subsection 3 of this section.

223 9. Tax credits authorized by this section may be transferred, sold, or assigned by filing
224 a notarized endorsement thereof with the department that names the transferee, the amount of
225 tax credit transferred, and the value received for the credit, as well as any other information
226 reasonably requested by the department.

227 10. Prior to the issuance of tax credits, the department shall verify through the
228 department of revenue, or any other state department, that the tax credit applicant does not owe
229 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent
230 fees or assessments levied by any state department and through the department of insurance,
231 financial institutions and professional registration that the applicant does not owe any delinquent
232 insurance taxes. Such delinquency shall not affect the authorization of the application for such
233 tax credits, except that at issuance credits shall be first applied to the delinquency and any
234 amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue
235 or the department of insurance, financial institutions and professional registration, or any other
236 state department, concludes that a taxpayer is delinquent after June fifteenth but before July first
237 of any year and the application of tax credits to such delinquency causes a tax deficiency on
238 behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the
239 deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all
240 available credits toward a tax delinquency, the administering agency shall notify the appropriate
241 department and that department shall update the amount of outstanding delinquent tax owed by
242 the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax
243 delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions
244 of other provisions of law.

245 11. Except as provided under subdivision (4) of subsection 3 of this section, The director
246 of revenue shall issue a refund to the qualified company to the extent that the amount of credits
247 allowed in this section exceeds the amount of the qualified company's income tax.

248 12. An employee of a qualified company will receive full credit for the amount of tax
249 withheld as provided in section 143.211.

250 13. If any provision of sections 620.1875 to 620.1890 or application thereof to any
251 person or circumstance is held invalid, the invalidity shall not affect other provisions or
252 application of these sections which can be given effect without the invalid provisions or
253 application, and to this end, the provisions of sections 620.1875 to 620.1890 are hereby declared
254 severable.

255 **14. Under section 23.253 of the Missouri sunset act:**

256 **(1) The provisions of the tax credits authorized under this section shall**
257 **automatically sunset on December thirty-first three years after the effective date of this**
258 **section unless reauthorized by an act of the general assembly;**

259 **(2) If such credit is reauthorized, the program authorized under this section shall**
260 **automatically sunset on December thirty-first three years after the effective date of the**
261 **reauthorization of this section;**

262 **(3) The provisions of the tax credit shall terminate on September first of the**
263 **calendar year immediately following the calendar year in which the credit authorized**
264 **under this section is sunset; and**

265 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**
266 **before this section is sunset.**

✓