

FIRST REGULAR SESSION

HOUSE BILL NO. 568

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE DUNN.

1535H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to tax credits for grocery stores.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be known as section 135.1620, to read as follows:

135.1620. 1. As used in this section, the following terms shall mean:

(1) "Eligible expenses", expenses incurred in the construction or development of real property for the purposes of establishing a full-service grocery store;

(2) "Food desert", a census tract that has a poverty rate of at least twenty percent or a median family income of less than eighty percent of the statewide average featuring at least five hundred people or thirty-three percent of the population located at least half a mile from a full-service grocery store in urban areas or ten miles in rural areas;

(3) "Full-service grocery store", a grocery store that provides a full complement of healthful fruits, vegetables, grains, meat, and dairy products along with household items. Fresh fruits and vegetables shall be available for sale in quantities which are substantially similar to industry standards for facilities of similar size;

(4) "New location", a full-service grocery store facility located on a tract of real property within a food desert acquired by or leased to a taxpayer on or after January 1, 2016. A location shall be deemed to have been acquired by or leased to a taxpayer on or after January 1, 2016, if the transfer of title to the taxpayer, the transfer of possession under a binding contract to transfer title to a taxpayer, or the commencement of the term of the lease to a taxpayer occurs on or after January 1, 2016, or if the commencement of

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

18 the construction or installation of the facility by or on behalf of a taxpayer occurs on or
19 after January 1, 2016;

20 (5) "Rural area", a town or community within the state which is not within a
21 standard metropolitan statistical area and has a population of six thousand or fewer
22 inhabitants as determined by the last preceding federal decennial census or any
23 unincorporated area not within a standard metropolitan statistical area;

24 (6) "Tax credit", a credit against the tax otherwise due under chapter 143,
25 excluding withholding tax imposed by sections 143.191 to 143.265;

26 (7) "Taxpayer", any individual, partnership, or corporation as described in section
27 143.441 or 143.471 that is subject to the tax imposed in chapter 143, excluding withholding
28 tax imposed by sections 143.191 to 143.265 or any charitable organization which is exempt
29 from federal income tax and whose Missouri unrelated business taxable income, if any,
30 would be subject to the state income tax imposed under chapter 143;

31 (8) "Urban area", an urban place as designated by the Bureau of the Census.

32 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
33 liability in an amount equal to fifty percent of the amount such taxpayer incurred in
34 eligible expenses after initial expenses of one million dollars.

35 3. The amount of the tax credit claimed shall not exceed the amount of the
36 taxpayer's state tax liability for the taxable year that the credit is claimed, and such
37 taxpayer shall not be allowed to claim a tax credit in excess of two million five hundred
38 thousand dollars per taxable year. However, any tax credit that cannot be claimed in the
39 taxable year the contribution was made may be carried over to the next three succeeding
40 taxable years until the full credit has been claimed.

41 4. The total amount of tax credits which may be authorized under this section in
42 any calendar year shall not exceed twenty-five million dollars.

43 5. Tax credits issued under the provisions of this section may be transferred, sold,
44 or assigned.

45 6. The issuance of tax credits authorized under this section shall cease and the
46 taxpayer shall immediately submit payment to the state general revenue fund in an amount
47 equal to all credits previously issued to the taxpayer, less any amounts previously repaid,
48 increased by an amount equal to a reasonable rate of return on the value of the credits
49 issued in the event that the taxpayer:

50 (1) Fails to complete construction on a full-service grocery store within five years
51 of the commencement of the project; or

52 (2) Fails to operate a full-service grocery store at the same new location for at least
53 ten consecutive years.

54 **7. The department of economic development may promulgate rules to implement**
55 **the provisions of this section. Any rule or portion of a rule, as that term is defined in**
56 **section 536.010, that is created under the authority delegated in this section shall become**
57 **effective only if it complies with and is subject to all of the provisions of chapter 536 and,**
58 **if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any**
59 **of the powers vested with the general assembly pursuant to chapter 536 to review, to delay**
60 **the effective date, or to disapprove and annul a rule are subsequently held**
61 **unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted**
62 **after August 28, 2015, shall be invalid and void.**

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

64 **(1) The program authorized under this section shall automatically sunset six years**
65 **after August 28, 2015, unless reauthorized by an act of the general assembly; and**

66 **(2) If such program is reauthorized, the program authorized under this section shall**
67 **automatically sunset twelve years after the effective date of the reauthorization of this**
68 **section; and**

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

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