

FIRST EXTRAORDINARY SESSION OF THE
SECOND REGULAR SESSION

HOUSE BILL NO. 57

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE WASHINGTON.

5878H.01I

DANA RADEMAN MILLER, Chief Clerk

AN ACT

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

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 135.1610, to read as follows:

135.1610. 1. As used in this section, the following terms mean:

(1) "Eligible expenses", expenses incurred in the construction or development of establishing or improving an urban farm in an urban area;

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

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

(4) "Urban area", an urbanized area as defined by the United States Census Bureau;

(5) "Urban farm", an agricultural plot or facility in an urban area that produces agricultural products solely for distribution to the public by sale or donation. "Urban

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.

15 farm" shall include community-run gardens. "Urban farm" shall not include personal
16 farms or residential lots for personal use.

17 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
18 liability in an amount equal to fifty percent of the taxpayer's eligible expenses for
19 establishing or improving an urban farm.

20 3. The amount of the tax credit claimed shall not exceed the amount of the
21 taxpayer's state tax liability in the tax year for which the credit is claimed, and the
22 taxpayer shall not be allowed to claim a tax credit under this section in excess of five
23 thousand dollars for each urban farm. However, any tax credit that cannot be claimed in
24 the tax year the eligible expenses were incurred may be carried over to the next three
25 succeeding tax years until the full credit is claimed.

26 4. The total amount of tax credits that may be authorized under this section shall
27 not exceed one hundred thousand dollars in any calendar year.

28 5. Tax credits issued under the provisions of this section shall not be transferred,
29 sold, or assigned.

30 6. The Missouri agriculture and small business development authority may
31 promulgate rules to implement the provisions of this section. Any rule or portion of a rule,
32 as that term is defined in section 536.010, that is created under the authority delegated in
33 this section shall become effective only if it complies with and is subject to all of the
34 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536
35 are nonseverable, and if any of the powers vested with the general assembly pursuant to
36 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
37 subsequently held unconstitutional, then the grant of rulemaking authority and any rule
38 proposed or adopted after the effective date of this section shall be invalid and void.

39 7. Under section 23.253 of the Missouri sunset act:

40 (1) The program authorized under this section shall automatically sunset on
41 December thirty-first six years after the effective date of this section unless reauthorized
42 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 twelve 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 prevent a taxpayer from claiming a tax credit
50 properly issued before the program was sunset in a tax year after the program is sunset.