

FIRST REGULAR SESSION

HOUSE BILL NO. 820

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE WASHINGTON.

1643H.021

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for certain property owners.

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
2 known as section 135.380, to read as follows:

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

2 **(1) "Blighted", the definition given to that term under section 99.020;**

3 **(2) "Eligible amount", for any taxpayer, the amount of such taxpayer's income tax**
4 **liability in a given tax year under chapter 143, excluding taxes withheld under sections**
5 **143.191 to 143.265, up to and including five thousand dollars;**

6 **(3) "Eligible taxpayer", a taxpayer who:**

7 **(a) Owns a residential building which is located in an area that is, or was within the**
8 **previous three calendar years, blighted;**

9 **(b) Has expended, over the previous three calendar years, an amount equal to at**
10 **least twenty percent of the most recently assessed value of the building on efforts to**
11 **rehabilitate or improve the building; and**

12 **(c) Rents or leases the building, or a number of units therein, to provide housing**
13 **to residential tenants and has rented or leased the building, or a number of units therein,**
14 **for a period of at least two consecutive years; provided that, at least fifty percent of the**
15 **residential tenants of the building qualify as persons of low income;**

16 **(4) "Persons of low income", the definition given to that term under section 99.020.**

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.

17 **2. For all tax years beginning on or after January 1, 2020, an eligible taxpayer shall**
18 **be allowed to claim a tax credit against such taxpayer's income tax liability under chapter**
19 **143, excluding withholding tax imposed by sections 143.191 to 143.265, in such taxpayer's**
20 **eligible amount.**

21 **3. The total amount of tax credits authorized under this section shall not exceed one**
22 **million dollars per fiscal year.**

23 **4. (1) The department of revenue shall publish guidance to assist taxpayers in**
24 **determining their eligibility for the tax credit authorized herein. Such guidance shall**
25 **include specifications for determining whether an area in which a building is located is or**
26 **has been blighted and specifications regarding which types of expenditures constitute**
27 **efforts to rehabilitate or improve a building.**

28 **(2) The department shall design and publish an application for taxpayers to apply**
29 **for the tax credit authorized in this section. The application shall require each applicant**
30 **to submit such proof as may be necessary to establish his or her status as an eligible**
31 **taxpayer, including proof of any claimed expenditures on building rehabilitation or**
32 **improvement. Applications shall be accepted and approved on a first-come, first-served**
33 **basis. The department of revenue shall issue certificates of eligibility to those taxpayers**
34 **who submit applications which have been approved.**

35 **5. The department of revenue may promulgate such rules or regulations as are**
36 **necessary to administer the provisions of this section. Any rule or portion of a rule, as that**
37 **term is defined in section 536.010, that is created under the authority delegated in this**
38 **section shall become effective only if it complies with and is subject to all of the provisions**
39 **of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are**
40 **nonseverable, and if any of the powers vested with the general assembly pursuant to**
41 **chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are**
42 **subsequently held unconstitutional, then the grant of rulemaking authority and any rule**
43 **proposed or adopted after August 28, 2019, shall be invalid and void.**

44 **6. Under section 23.253 of the Missouri Sunset Act:**

45 **(1) The program authorized under this section shall automatically sunset six years**
46 **after the effective date of this section, unless reauthorized by an act of the general**
47 **assembly;**

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

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