

FIRST REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 849

101ST GENERAL ASSEMBLY

1837H.02P

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 620, RSMo, by adding thereto two new sections relating to historic buildings.

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

Section A. Chapter 620, RSMo, is amended by adding thereto two new sections, to be known as sections 620.3200 and 620.3210, to read as follows:

620.3200. The department of economic development may, in addition to the fees provided under section 620.1900, charge a fee to the recipient of any tax credits issued by the department under the provisions of chapter 253 in an amount not to exceed one percent of the amount of tax credits issued. The fee shall be payable to the Missouri development finance board for the benefit of the capitol complex fund established pursuant to section 620.3210 and shall be paid by the recipient upon the issuance of the tax credits. The department of economic development shall issue invoices for fees payable under this section.

620.3210. 1. This section shall be known and may be cited as the "Capitol Complex Tax Credit Act".

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

- (1) "Board", the Missouri development finance board, a body corporate and politic created under sections 100.250 to 100.297 and sections 100.700 to 100.850;**
- (2) "Capitol complex", the following buildings located in Jefferson City, Missouri:**
 - (a) State capitol building, 201 West Capitol Avenue;**
 - (b) Supreme court building, 207 West High Street;**
 - (c) Old federal courthouse, 131 West High Street;**
 - (d) Maus House, 100 Jefferson Street;**

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.

- 11 (e) **Union Hotel, 101 Jefferson Street;**
12 (f) **Highway building, 105 Capitol Avenue; and**
13 (g) **Governor's mansion, 100 Madison Street;**
14 (3) **"Certificate", a tax credit certificate issued under this section;**
15 (4) **"Department", the department of economic development;**
16 (5) **"Eligible artifact", any item of personal property specifically for display in a**
17 **building in the capitol complex or former fixtures that were previously owned by the state**
18 **and used within the capitol complex but have been removed. The board of public buildings**
19 **shall, in their sole discretion, make all determinations as to which items are eligible**
20 **artifacts and may employ such experts as may be useful in making such a determination;**
21 (6) **"Eligible artifact donation", a donation of an eligible artifact to the board of**
22 **public buildings. The value of such donation shall be set by the board of public buildings,**
23 **who may employ such experts as may be useful in making such a determination. The**
24 **board of public buildings shall, in their sole discretion, determine if an artifact is to be**
25 **accepted;**
26 (7) **"Eligible monetary donation", donations received from a qualified donor to the**
27 **capitol complex fund created in this section, or to an organization exempt from taxation**
28 **under 501(c)(3) of the Internal Revenue Service Code of 1986, as amended, whose mission**
29 **and purpose is to restore, renovate, improve, and maintain one or more buildings in the**
30 **capitol complex, that are to be used solely for projects to restore, renovate, improve, and**
31 **maintain buildings and their furnishings in the capitol complex and the administration**
32 **thereof. Eligible monetary donations may include:**
33 (a) **Cash, including checks, money orders, credit card payments, or similar cash**
34 **equivalents valued at the face value of the currency. Currency of other nations shall be**
35 **valued based on the exchange rate on the date of the gift. The date of the donation shall**
36 **be the date that cash or check is received by the applicant or the date posted to the donor's**
37 **account in the case of credit or debit cards;**
38 (b) **Stocks from a publicly traded company; and**
39 (c) **Bonds that are publicly traded;**
40 (8) **"Eligible recipient", the capitol complex fund, created in this section, or an**
41 **organization exempt from taxation under 501(c)(3) of the Internal Revenue Service Code**
42 **of 1986, as amended, whose mission and purpose is to restore, renovate, improve, and**
43 **maintain one or more buildings in the capitol complex;**
44 (9) **"Qualified donor", any of the following individuals or entities who make an**
45 **eligible monetary donation or eligible artifact donation to the capitol complex fund or**
46 **another eligible recipient:**

47 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S
48 corporation doing business in the state of Missouri and subject to the state income tax
49 imposed in chapter 143;

50 (b) An insurance company paying an annual tax on its gross premium receipts in
51 this state;

52 (c) Any other financial institution paying taxes to the state of Missouri or any
53 political subdivision of this state under chapter 148;

54 (d) An individual subject to the state income tax imposed in chapter 143; or

55 (e) Any charitable organization, including any foundation or not-for-profit
56 corporation, that is exempt from federal income tax and whose Missouri unrelated business
57 taxable income, if any, would be subject to the state income tax imposed under chapter 143.

58 3. There is hereby created a fund to be known as the "Capitol Complex Fund",
59 separate and distinct from all other board funds, that is hereby authorized to receive any
60 eligible monetary donation as provided in this section and revenues derived from fees
61 imposed pursuant to section 620.3200. The capitol complex fund shall be segregated into
62 two accounts: a rehabilitation and renovation account and a maintenance account. Ninety
63 percent of the revenues received from eligible monetary donations pursuant to the
64 provisions of this section and fees collected pursuant to section 620.3000 shall be deposited
65 in the rehabilitation and renovation account and seven and one-half percent of such
66 revenues shall be deposited in the maintenance account. The assets of these accounts,
67 together with any interest that may accrue thereon, shall be used by the board solely for
68 the purposes of restoration and maintenance of the buildings of the capitol complex as
69 defined in this section, and for no other purpose. The remaining two and one-half percent
70 of the revenues deposited into the fund may be used for the purposes of soliciting donations
71 to the fund, advertising and promoting the fund, and administering the fund. Any
72 amounts not used for those purposes shall be deposited back into the rehabilitation and
73 renovation account and the maintenance account, divided in the manner set forth in this
74 section. The board may, as an administrative cost, use the funds to hire fundraising
75 professionals and such other experts or advisors as necessary to carry out the board's
76 duties under this section. The choice of projects for which the moneys are to be used, as
77 well as the determination of the methods of carrying out the project and the procurement
78 of goods and services thereon, shall be made by the commissioner of administration. No
79 moneys shall be released from the fund for any expense without the approval of the
80 commissioner of administration, who may delegate that authority as the commissioner
81 deems appropriate. All contracts for rehabilitation, renovation, or maintenance work shall
82 be the responsibility of the commissioner of administration. A memorandum of

83 understanding may be executed between the commissioner of administration and the board
84 determining the processes for obligation, reservation, and payment of eligible costs from
85 the fund. The commissioner of administration shall not obligate costs in excess of the fund
86 balance. The board shall not be responsible for any costs obligated in excess of available
87 funds and shall be held harmless in any contracts related to rehabilitation, renovation, and
88 maintenance of capitol complex buildings. No other board funds shall be used to pay
89 obligations made by the commissioner of administration related to activities under this
90 section.

91 4. For all tax years beginning on or after January 1, 2021, any qualified donor shall
92 be allowed a credit against the taxes otherwise due under chapters 143 and 148, except for
93 sections 143.191 to 143.265, in an amount of fifty percent of the eligible monetary donation.
94 The amount of the tax credit claimed may exceed the amount of the donor's state income
95 tax liability in the tax year for which the credit is claimed. Any amount of credit that
96 exceeds the qualified donor's state income tax liability may be refundable or may be
97 carried forward to any of the donor's four subsequent tax years.

98 5. For all tax years beginning on or after January 1, 2021, any qualified donor shall
99 be allowed a credit against the taxes otherwise due under chapters 143 and 148, except for
100 sections 143.191 to 143.265, in an amount of thirty percent of the eligible artifact donation.
101 The amount of the tax credit claimed shall not exceed the amount of the qualified donor's
102 state income tax liability in the tax year for which the credit is claimed. Any amount of
103 credit that exceeds the qualified donor's state income tax liability shall not be refundable
104 but may be carried forward to any of the donor's four subsequent tax years.

105 6. To claim a credit for an eligible monetary donation as set forth in subsection 4
106 of this section, a qualified donor shall make an eligible monetary donation to the board as
107 custodian of the capitol complex fund or other eligible recipient. Upon receipt of such
108 donation, the board or other eligible recipient shall issue to the qualified donor a statement
109 evidencing receipt of such donation, including the value of such donation, with a copy to
110 the department. Upon receipt of the statement from the board or eligible recipient, the
111 department shall issue to the qualified donor a tax credit certificate equal to fifty percent
112 of the amount of the donation, as indicated in the statement from the eligible recipient.

113 7. To claim a credit for an eligible artifact donation as set forth in subsection 5 of
114 this section, a qualified donor shall donate an eligible artifact to the board of public
115 buildings. If the board of public buildings determines that artifact is an eligible artifact
116 and determines to accept the artifact, it shall issue a statement of donation to the qualified
117 donor specifying the value placed on the artifact by the board of public buildings, with a
118 copy to the department. Upon receiving a statement from the board of public buildings,

119 the department shall issue to the qualified donor a tax credit certificate equal to thirty
120 percent of the amount of the donation, as indicated in the statement from the board of
121 public buildings.

122 8. The department shall not authorize more than ten million dollars in tax credits
123 provided under this section in any calendar year. Donations shall be processed for tax
124 credits on a first-come, first-served basis. Donations received in excess of the tax credit cap
125 shall be placed in line for tax credits issued the following year, or the qualified donor shall
126 be given the opportunity to complete their donation without the expectation of a tax credit
127 or shall request to have their donation returned.

128 9. Tax credits issued under the provisions of this section shall not be subject to the
129 payment of any fee required under the provisions of section 620.1900.

130 10. Tax credits issued under this section may be assigned, transferred, sold, or
131 otherwise conveyed, and the new owner of the tax credit shall have the same rights in the
132 credit as the taxpayer originally issued the credit. If a tax credit is assigned, transferred,
133 sold, or otherwise conveyed, a notarized endorsement shall be filed with the department
134 specifying the name and address of the new owner of the tax credit and the value of the tax
135 credit.

136 11. The department may promulgate rules to implement the provisions of this
137 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is
138 created under the authority delegated in this section shall become effective only if it
139 complies with and is subject to all of the provisions of chapter 536 and, if applicable,
140 section 536.028. This section and chapter 536 are nonseverable, and if any of the powers
141 vested with the general assembly pursuant to chapter 536 to review, to delay the effective
142 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
143 grant of rulemaking authority and any rule proposed or adopted after August 28, 2021,
144 shall be invalid and void.

145 12. Pursuant to section 23.253 of the Missouri sunset act:

146 (1) The provisions of the new program authorized under this section shall sunset
147 automatically six years after August 28, 2021, unless reauthorized by an act of the general
148 assembly;

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

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

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