

FIRST REGULAR SESSION

# HOUSE BILL NO. 982

## 99TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE BRATTIN.

1726H.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal sections 32.115, 67.3000, 67.3005, 99.1205, 100.286, 100.297, 100.850, 135.110, 135.305, 135.309, 135.313, 135.327, 135.341, 135.352, 135.363, 135.403, 135.484, 135.535, 135.545, 135.679, 135.686, 135.700, 135.750, 135.766, 135.825, 135.967, 135.968, 135.1150, 135.1180, 253.550, 253.557, 348.302, 348.306, 348.430, 348.432, 348.505, 447.708, 620.495, 620.650, 620.1039, 620.1881, and 620.2020, RSMo, and to enact in lieu thereof forty-two new sections relating to tax credits.

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

Section A. Sections 32.115, 67.3000, 67.3005, 99.1205, 100.286, 100.297, 100.850, 2 135.110, 135.305, 135.309 135.313, 135.327, 135.341, 135.352, 135.363, 135.403, 135.484, 3 135.535, 135.545, 135.679, 135.686, 135.700, 135.750, 135.766, 135.825, 135.967, 135.968, 4 135.1150, 135.1180, 253.550, 253.557, 348.302, 348.306, 348.430, 348.432, 348.505, 447.708, 5 620.495, 620.650, 620.1039, 620.1881, and 620.2020, RSMo, are repealed and forty-two new 6 sections enacted in lieu thereof, to be known as sections 32.115, 67.3000, 67.3005, 99.1205, 7 100.286, 100.297, 100.850, 135.110, 135.305, 135.309 135.313, 135.327, 135.341, 135.352, 8 135.363, 135.403, 135.484, 135.535, 135.545, 135.679, 135.686, 135.700, 135.750, 135.766, 9 135.825, 135.967, 135.968, 135.1150, 135.1180, 253.550, 253.557, 348.302, 348.306, 348.430, 10 348.432, 348.505, 447.708, 620.495, 620.650, 620.1039, 620.1881, and 620.2020, to read as 11 follows:

32.115. 1. The department of revenue shall grant a tax credit, to be applied in the 2 following order until used, against:

3 (1) The annual tax on gross premium receipts of insurance companies in chapter 148;

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.

- 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 year by the business firm or, in the case of a financial institution,  
14 where applicable, during the relevant income period in programs approved pursuant to section  
15 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 Such community may also be in an unincorporated area in such county as provided in  
31 subdivision (1), (2), or (3) of this subsection. Except in no case shall the total economic benefit  
32 of the combined federal and state tax savings to the taxpayer exceed the amount contributed by  
33 the taxpayer during the tax year;
- 34          (4) Such tax credit allocation, equal to seventy percent of the total amount contributed,  
35 shall not exceed four million dollars in fiscal year 1999 and six million dollars in fiscal year 2000  
36 and any subsequent fiscal year. When the maximum dollar limit on the seventy percent tax credit  
37 allocation is committed, the tax credit allocation for such programs shall then be equal to fifty  
38 percent credit of the total amount contributed. Regulations establishing special program  
39 priorities are to be promulgated during the first month of each fiscal year and at such times

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

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

59 3. For proposals approved pursuant to section 32.111:

60 (1) The amount of the tax credit shall not exceed fifty-five percent of the total amount  
61 invested in affordable housing assistance activities or market rate housing in distressed  
62 communities as defined in section 135.530 by a business firm. Whenever such investment is  
63 made in the form of an equity investment or a loan, as opposed to a donation alone, tax credits  
64 may be claimed only where the loan or equity investment is accompanied by a donation which  
65 is eligible for federal income tax charitable deduction, and where the total value of the tax credits  
66 herein plus the value of the federal income tax charitable deduction is less than or equal to the  
67 value of the donation. Any tax credit not used in the period for which the credit was approved  
68 may be carried over the next ten succeeding calendar or fiscal years until the full credit has been  
69 allowed. If the affordable housing units or market rate housing units in distressed communities  
70 for which a tax is claimed are within a larger structure, parts of which are not the subject of a tax  
71 credit claim, then expenditures applicable to the entire structure shall be reduced on a prorated  
72 basis in proportion to the ratio of the number of square feet devoted to the affordable housing  
73 units or market rate housing units in distressed communities, for purposes of determining the  
74 amount of the tax credit. The total amount of tax credit granted for programs approved pursuant  
75 to section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed two million dollars,

76 to be increased by no more than two million dollars each succeeding fiscal year, until the total  
77 tax credits that may be approved reaches ten million dollars in any fiscal year. **For all fiscal**  
78 **years beginning on or after July 1, 2018, the total amount of tax credits redeemed for**  
79 **programs approved under section 32.111 shall not exceed seven million dollars in any fiscal**  
80 **year;**

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

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

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

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

112 The total amount of tax credit granted for programs approved pursuant to section 32.112 shall  
113 not exceed one million dollars for each fiscal year.

114 5. The total amount of tax credits used for market rate housing in distressed communities  
115 pursuant to sections 32.100 to 32.125 shall not exceed thirty percent of the total amount of all  
116 tax credits authorized pursuant to sections 32.111 and 32.112.

117 **6. No tax credit authorized pursuant to sections 32.100 to 32.125 shall be**  
118 **transferred, sold, or assigned.**

67.3000. 1. As used in this section and section 67.3005, the following words shall mean:

2 (1) "Active member", an organization located in the state of Missouri which solicits and  
3 services sports events, sports organizations, and other types of sports-related activities in that  
4 community;

5 (2) "Applicant" or "applicants", one or more certified sponsors, endorsing counties,  
6 endorsing municipalities, or a local organizing committee, acting individually or collectively;

7 (3) "Certified sponsor" or "certified sponsors", a nonprofit organization which is an  
8 active member of the National Association of Sports Commissions;

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

10 (5) "Director", the director of revenue;

11 (6) "Eligible costs" shall include:

12 (a) Costs necessary for conducting the sporting event;

13 (b) Costs relating to the preparations necessary for the conduct of the sporting event; and

14 (c) An applicant's pledged obligations to the site selection organization as evidenced by  
15 the support contract for the sporting event.

16

17 "Eligible costs" shall not include any cost associated with the rehabilitation or construction of  
18 any facilities used to host the sporting event or direct payments to a for-profit site selection  
19 organization, but may include costs associated with the retrofitting of a facility necessary to  
20 accommodate the sporting event;

21 (7) "Eligible donation", donations received, by a certified sponsor or local organizing  
22 committee, from a taxpayer that may include cash, publicly traded stocks and bonds, and real  
23 estate that will be valued and documented according to rules promulgated by the department.  
24 Such donations shall be used solely to provide funding to attract sporting events to this state;

25 (8) "Endorsing municipality" or "endorsing municipalities", any city, town, incorporated  
26 village, or county that contains a site selected by a site selection organization for one or more  
27 sporting events;

28 (9) "Joinder agreement", an agreement entered into by one or more applicants, acting  
29 individually or collectively, and a site selection organization setting out representations and

30 assurances by each applicant in connection with the selection of a site in this state for the  
31 location of a sporting event;

32 (10) "Joinder undertaking", an agreement entered into by one or more applicants, acting  
33 individually or collectively, and a site selection organization that each applicant will execute a  
34 joinder agreement in the event that the site selection organization selects a site in this state for  
35 a sporting event;

36 (11) "Local organizing committee", a nonprofit corporation or its successor in interest  
37 that:

38 (a) Has been authorized by one or more certified sponsors, endorsing municipalities, or  
39 endorsing counties, acting individually or collectively, to pursue an application and bid on its or  
40 the applicant's behalf to a site selection organization for selection as the host of one or more  
41 sporting events; or

42 (b) With the authorization of one or more certified sponsors, endorsing municipalities,  
43 or endorsing counties, acting individually or collectively, executes an agreement with a site  
44 selection organization regarding a bid to host one or more sporting events;

45 (12) "Site selection organization", the National Collegiate Athletic Association (NCAA);  
46 an NCAA member conference, university, or institution; the National Association of  
47 Intercollegiate Athletics (NAIA); the United States Olympic Committee (USOC); a national  
48 governing body (NGB) or international federation of a sport recognized by the USOC; the United  
49 States Golf Association (USGA); the United States Tennis Association (USTA); the Amateur  
50 Softball Association of America (ASA); other major regional, national, and international sports  
51 associations, and amateur organizations that promote, organize, or administer sporting games  
52 or competitions; or other major regional, national, and international organizations that promote  
53 or organize sporting events;

54 (13) "Sporting event" or "sporting events", an amateur or Olympic sporting event that  
55 is competitively bid or is awarded by a site selection organization;

56 (14) "Support contract" or "support contracts", an event award notification, joinder  
57 undertaking, joinder agreement, or contract executed by an applicant and a site selection  
58 organization;

59 (15) "Tax credit" or "tax credits", a credit or credits issued by the department against the  
60 tax otherwise due under chapter 143 or 148, excluding withholding tax imposed under sections  
61 143.191 to 143.265;

62 (16) "Taxpayer", any of the following individuals or entities who make an eligible  
63 donation:

64 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation  
65 doing business in the state of Missouri and subject to the state income tax imposed under chapter  
66 143;

67 (b) A corporation subject to the annual corporation franchise tax imposed under chapter  
68 147;

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

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

73 (e) An individual subject to the state income tax imposed under chapter 143;

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

77 2. An applicant may submit a copy of a support contract for a sporting event to the  
78 department. Within sixty days of receipt of the sporting event support contract, the department  
79 may review the applicant's support contract and certify such support contract if it complies with  
80 the requirements of this section. Upon certification of the support contract by the department,  
81 the applicant may be authorized to receive the tax credit under subsection 4 of this section.

82 3. No more than thirty days following the conclusion of the sporting event, the applicant  
83 shall submit eligible costs and documentation of the costs evidenced by receipts, paid invoices,  
84 or other documentation in a manner prescribed by the department.

85 4. No later than seven days following the conclusion of the sporting event, the  
86 department, in consultation with the director, may determine the total number of tickets sold at  
87 face value for such event. No later than sixty days following the receipt of eligible costs and  
88 documentation of such costs from the applicant as required in subsection 3 of this section, the  
89 department may issue a refundable tax credit to the applicant for the lesser of one hundred  
90 percent of eligible costs incurred by the applicant or an amount equal to five dollars for every  
91 admission ticket sold to such event. Tax credits authorized by this section may be claimed  
92 against taxes imposed by chapters 143 and 148 and shall be claimed within one year of the close  
93 of the taxable year for which the credits were issued. Tax credits authorized by this section  
94 ~~[may] shall not~~ be transferred, sold, or assigned ~~[by filing a notarized endorsement thereof with~~  
95 ~~the department that names the transferee, the amount of tax credit transferred, and the value~~  
96 ~~received for the credit, as well as any other information reasonably requested by the department].~~

97 5. In no event shall the amount of tax credits issued by the department under subsection  
98 4 of this section exceed three million dollars in any fiscal year.

99           6. An applicant shall provide any information necessary as determined by the department  
100 for the department and the director to fulfill the duties required by this section. At any time upon  
101 the request of the state of Missouri, a certified sponsor shall subject itself to an audit conducted  
102 by the state.

103           7. This section shall not be construed as creating or requiring a state guarantee of  
104 obligations imposed on an endorsing municipality under a support contract or any other  
105 agreement relating to hosting one or more sporting events in this state.

106           8. The department shall only certify an applicant's support contract for a sporting event  
107 in which the site selection organization has yet to select a location for the sporting event as of  
108 December 1, 2012. No support contract shall be certified unless the site selection organization  
109 has chosen to use a location in this state from competitive bids, at least one of which was a bid  
110 for a location outside of this state. Support contracts shall not be certified by the department  
111 after August 28, 2019, provided that the support contracts may be certified on or prior to August  
112 28, 2019, for sporting events that will be held after such date.

113           9. The department may promulgate rules as necessary to implement the provisions of this  
114 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created  
115 under the authority delegated in this section shall become effective only if it complies with and  
116 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section  
117 and chapter 536 are nonseverable and if any of the powers vested with the general assembly  
118 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule  
119 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule  
120 proposed or adopted after August 28, 2013, shall be invalid and void.

67.3005. 1. For all taxable years beginning on or after January 1, 2013, any taxpayer  
2 shall be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148,  
3 excluding withholding tax imposed by sections 143.191 to 143.265, in an amount equal to fifty  
4 percent of the amount of an eligible donation, subject to the restrictions in this section. The  
5 amount of the tax credit claimed shall not exceed the amount of the taxpayer's state income tax  
6 liability in the tax year for which the credit is claimed. Any amount of credit that the taxpayer  
7 is prohibited by this section from claiming in a tax year shall not be refundable, but may be  
8 carried forward to any of the taxpayer's two subsequent taxable years.

9           2. To claim the credit authorized in this section, a certified sponsor or local organizing  
10 committee shall submit to the department an application for the tax credit authorized by this  
11 section on behalf of taxpayers. The department shall verify that the applicant has submitted the  
12 following items accurately and completely:

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



14 (2) A statement attesting to the eligible donation received, which shall include the name  
15 and taxpayer identification number of the individual making the eligible donation, the amount  
16 of the eligible donation, and the date the eligible donation was received; and

17 (3) Payment from the certified sponsor or local organizing committee equal to the value  
18 of the tax credit for which application is made.

19

20 If the certified sponsor or local organizing committee applying for the tax credit meets all criteria  
21 required by this subsection, the department shall issue a certificate in the appropriate amount.

22 3. Tax credits issued under this section ~~[may]~~ **shall not** be assigned, transferred, sold,  
23 or otherwise conveyed~~], and the new owner of the tax credit shall have the same rights in the~~  
24 ~~credit as the taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise~~  
25 ~~conveyed, a notarized endorsement shall be filed with the department specifying the name and~~  
26 ~~address of the new owner of the tax credit or the value of the credit].~~ In no event shall the  
27 amount of tax credits issued by the department under this section exceed ten million dollars in  
28 any fiscal year.

29 4. The department shall promulgate rules to implement the provisions of this section.  
30 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
31 authority delegated in this section shall become effective only if it complies with and is subject  
32 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
33 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
34 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
35 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
36 or adopted after August 28, 2013, shall be invalid and void.

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

38 (1) The provisions of the new program authorized under section 67.3000 and under this  
39 section shall automatically sunset six years after August 28, 2013, unless reauthorized by an act  
40 of the general assembly; and

41 (2) If such program is reauthorized, the program authorized under section 67.3000 and  
42 under this section shall automatically sunset twelve years after the effective date of the  
43 reauthorization of these sections; and

44 (3) Section 67.3000 and this section shall terminate on September first of the calendar  
45 year immediately following the calendar year in which the program authorized under these  
46 sections 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.]~~ **No tax credit**  
110 **authorized under this section shall be transferred, sold, or assigned.** Tax credits granted to

111 a partnership, a limited liability company taxed as a partnership, or multiple owners of property  
112 shall be passed through to the partners, members, or owners respectively pro rata or pursuant to  
113 an executed agreement among the partners, members, or owners documenting an alternate  
114 distribution method.

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

121 ~~———6.]~~ To claim tax credits authorized under this section, an applicant shall submit to the  
122 department an application for a certificate. An applicant shall identify the boundaries of the  
123 eligible project area in the application. The department shall verify that the applicant has  
124 submitted a valid application in the form and format required by the department. The department  
125 shall verify that the municipal authority held the requisite hearings and gave the requisite notices  
126 for such hearings in accordance with the applicable economic incentive act, and municipal  
127 ordinances. On an annual basis, an applicant may file for the tax credit for the acquisition costs,  
128 and for the tax credit for the interest costs, subject to the limitations of this section. If an  
129 applicant applying for the tax credit meets the criteria required under this section, the department  
130 shall issue a certificate in the appropriate amount. If an applicant receives a tax credit for  
131 maintenance costs as a part of the applicant's acquisition costs, the department shall post on its  
132 internet website the amount and type of maintenance costs and a description of the  
133 redevelopment project for which the applicant received a tax credit within thirty days after the  
134 department issues the certificate to the applicant.

135 ~~[7-]~~ **6.** The total aggregate amount of tax credits authorized under this section shall not  
136 exceed ninety-five million dollars. At no time shall the annual amount of the tax credits issued  
137 under this section exceed twenty million dollars. If the tax credits that are to be issued under this  
138 section exceed, in any year, the twenty million dollar limitation, the department shall either:

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

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

145

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

150 ~~[8-]~~ 7. Upon issuance of any tax credits pursuant to this section, the department shall  
151 report to the municipal authority the applicant's name and address, the parcel numbers of the  
152 eligible parcels for which the tax credits were issued, the itemized acquisition costs and interest  
153 costs for which tax credits were issued, and the total value of the tax credits issued. The  
154 municipal authority and the state shall not consider the amount of the tax credits as an applicant's  
155 cost, but shall include the tax credits in any sources and uses and cost benefit analysis reviewed  
156 or created for the purpose of awarding other economic incentives. The amount of the tax credits  
157 shall not be considered an applicant's cost in the evaluation of the amount of any award of any  
158 other economic incentives, but shall be considered in measuring the reasonableness of the rate  
159 of return to the applicant with respect to such award of other economic incentives. The  
160 municipal authority shall provide the report to any relevant commission, board, or entity  
161 responsible for the evaluation and recommendation or approval of other economic incentives to  
162 assist in the redevelopment of the eligible project area. Tax credits authorized under this section  
163 shall constitute redevelopment tax credits, as such term is defined under section 135.800, and  
164 shall be subject to all provisions applicable to redevelopment tax credits provided under sections  
165 135.800 to 135.830.

166 ~~[9-]~~ 8. The department may promulgate rules to implement the provisions of this section.  
167 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
168 authority delegated in this section shall become effective only if it complies with and is subject  
169 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
170 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
171 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
172 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
173 or adopted after August 28, 2007, shall be invalid and void.

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]~~ **redeemed** in any calendar year beginning after January 1, 1994, shall not be  
46 the greater of ten million dollars or five percent of the average growth in general revenue receipts  
47 in the 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 ~~The taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection,  
66 may use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise  
67 imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261,  
68 chapter 147, or chapter 148. Unused credits in the hands of the assignee may be carried forward  
69 for up to five years, provided all such credits shall be claimed within ten years following the tax  
70 years in which the contribution was made. The assignor shall enter into a written agreement with  
71 the assignee establishing the terms and conditions of the agreement and shall perfect such  
72 transfer by notifying the board in writing within thirty calendar days following the effective day  
73 of the transfer and shall provide any information as may be required by the board to administer  
74 and carry out the provisions of this section. Notwithstanding any other provision of law to the  
75 contrary, the amount received by the assignor of such tax credit shall be taxable as income of the  
76 assignor, and the excess of the par value of such credit over the amount paid by the assignee for  
77 such credit shall be taxable as income of the assignee.] **No tax credit authorized under  
78 subsection 6 of this section shall be transferred, sold, or assigned.**~~



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]~~ **shall** be  
81 ~~[authorized or approved]~~ **redeemed** annually. The limitation on tax credit authorization and  
82 approval provided under this subsection may be exceeded only upon mutual agreement,  
83 evidenced by a signed and properly notarized letter, by the commissioner of the office of  
84 administration, the director of the department of economic development, and the director of the  
85 department of revenue that such action is essential to ensure retention or attraction of investment  
86 in Missouri provided, however, that in no case shall more than ~~[twenty-five]~~ **twenty** million  
87 dollars in tax credits be ~~[authorized or approved]~~ **redeemed** during such year. Taxpayers shall  
88 file, with the board, an application for tax credits authorized under this section on a form  
89 provided by the board. The provisions of this subsection shall not be construed to limit or in any  
90 way impair the ability of the board to authorize tax credits for issuance for projects authorized  
91 or approved, by a vote of the board, on or before the thirtieth day following the effective date of  
92 this act, or a taxpayer's ability to redeem such tax credits.

          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 the provisions of sections  
3 100.250 to 100.297, for infrastructure facilities as defined in subdivision (9) of section 100.255,  
4 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 the provisions of chapter 143, excluding withholding tax imposed by  
13 sections 143.191 to 143.261, chapter 147, or chapter 148, in the amount of one hundred percent  
14 of the unpaid principal of and unpaid interest on such bonds or notes held by such owner in the  
15 taxable year of such owner following the calendar year of the default of the loan by the borrower  
16 with respect to the project. The occurrence of a default shall be governed by documents  
17 authorizing the issuance of the bonds. The tax credit allowed pursuant to this section shall be  
18 available to the original owners of the bonds or notes or any subsequent owner or owners thereof.  
19 Once an owner is entitled to a claim, ~~[any]~~ **no** such tax credits shall be transferable ~~[as provided~~  
20 ~~in subsection 7 of section 100.286]~~. Notwithstanding any provision of Missouri law to the  
21 contrary, any portion of the tax credit to which any owner of a revenue bond or note is entitled  
22 pursuant to this section which exceeds the total income tax liability of such owner of a revenue

23 bond or note shall be carried forward and allowed as a credit against any future taxes imposed  
24 on such owner within the next ten years pursuant to the provisions of chapter 143, excluding  
25 withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter 148. The  
26 eligibility of the owner of any revenue bond or note issued pursuant to the provisions of sections  
27 100.250 to 100.297 for the tax credit provided by this section shall be expressly stated on the  
28 face of each such bond or note. The tax credit allowed pursuant to this section shall also be  
29 available to any financial institution or guarantor which executes any credit facility as security  
30 for bonds issued pursuant to this section to the same extent as if such financial institution or  
31 guarantor was an owner of the bonds or notes, provided however, in such case the tax credits  
32 provided by this section shall be available immediately following any default of the loan by the  
33 borrower with respect to the project. In addition to reimbursing the financial institution or  
34 guarantor for claims relating to unpaid principal and interest, such claim may include payment  
35 of any unpaid fees imposed by such financial institution or guarantor for use of the credit facility.

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

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. **The tax credit shall not be transferred, sold, or assigned.**

17 5. In no event shall the aggregate amount of tax credits ~~authorized~~ redeemed by  
18 subsection 4 of this section exceed twenty-five million dollars annually. Of such amount, nine  
19 hundred fifty thousand dollars shall be reserved for an approved project for a world headquarters  
20 of a business whose primary function is tax return preparation that is located in any home rule

21 city with more than four hundred thousand inhabitants and located in more than one county,  
22 which amount reserved shall end in the year of the final maturity of the certificates issued for  
23 such approved project. **For all tax years beginning on or after January 1, 2018, no new tax**  
24 **credits shall be authorized under subsection 4 of this section. The provisions of this**  
25 **subsection shall not be construed to limit or impair the ability of any administering agency**  
26 **to issue tax credits for any project that received authorization under sections 100.700 to**  
27 **100.850 prior to January 1, 2018, or the ability of any taxpayer to redeem any such tax**  
28 **credits issued prior to that date.**

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

135.110. 1. Any taxpayer who shall establish a new business facility shall be allowed  
2 a credit, each year for ten years, in an amount determined pursuant to subsection 2 or 3 of this  
3 section, whichever is applicable, against the tax imposed by chapter 143, excluding withholding  
4 tax imposed by sections 143.191 to 143.265, or an insurance company which shall establish a  
5 new business facility by satisfying the requirements in subdivision (7) of section 135.100 shall  
6 be allowed a credit against the tax otherwise imposed by chapter 148, and in the case of an  
7 insurance company exempt from the thirty percent employee requirement of section 135.230,  
8 against any obligation imposed pursuant to section 375.916, except that no taxpayer shall be  
9 entitled to multiple ten-year periods for subsequent expansions at the same facility, except as  
10 otherwise provided in this section. For the purpose of this section, the term "facility" shall mean,  
11 and be limited to, the facility or facilities which are located on the same site in which the new  
12 business facility is located, and in which the business conducted at such facility or facilities is  
13 directly related to the business conducted at the new business facility. Notwithstanding the  
14 provisions of this subsection, a taxpayer may be entitled to an additional ten-year period if a new  
15 business facility is expanded in the eighth, ninth, or tenth year of the current ten-year period or  
16 in subsequent years following the expiration of the ten-year period, if the number of new  
17 business facility employees attributed to such expansion is at least twenty-five and the amount  
18 of new business facility investment attributed to such expansion is at least one million dollars.  
19 Credits may not be carried forward but shall be claimed for the taxable year during which  
20 commencement of commercial operations occurs at such new business facility, and for each of  
21 the nine succeeding taxable years. A letter of intent, as provided for in section 135.258, must  
22 be filed with the department of economic development no later than fifteen days prior to the  
23 commencement of commercial operations at the new business facility. The initial application  
24 for claiming tax credits must be made in the taxpayer's tax period immediately following the tax  
25 period in which commencement of commercial operations began at the new business facility.

26 This provision shall have effect on all initial applications filed on or after August 28, 1992. No  
27 credit shall be allowed pursuant to this section unless the number of new business facility  
28 employees engaged or maintained in employment at the new business facility for the taxable year  
29 for which the credit is claimed equals or exceeds two; except that the number of new business  
30 facility employees engaged or maintained in employment by a revenue-producing enterprise  
31 other than a revenue-producing enterprise defined in paragraphs (a) to (g) and (i) to (l) of  
32 subdivision (11) of section 135.100 which establishes an office as defined in subdivision (8) of  
33 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 chapter 143, excluding  
38 withholding tax imposed by sections 143.191 to 143.265, or in the case of an insurance company,  
39 the tax on the direct premiums, as defined in chapter 148, and in the case of an insurance  
40 company exempt from the thirty percent employee requirement of section 135.230, against any  
41 obligation imposed pursuant to section 375.916 with respect to such taxpayer's new business  
42 facility income for the taxable year for which such credit is allowed; or

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

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

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

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

87 (2) Up to one hundred percent of the business income tax otherwise imposed by chapter  
88 143, excluding withholding tax imposed by sections 143.191 to 143.265, or in the case of an  
89 insurance company, the tax on the direct premiums, as defined in chapter 148, and in the case  
90 of an insurance company exempt from the thirty percent employee requirement of section  
91 135.230, against any obligation imposed pursuant to section 375.916 if the business has no other  
92 facilities operating in Missouri. In the case of a taxpayer not operating an existing business and  
93 operating more than one facility in Missouri, the credit allowed by subsection 1 of this section  
94 shall offset up to the greater of the portion prescribed in subdivision (1) of this subsection or  
95 twenty-five percent or, in the case of an economic development project located within a  
96 distressed community as defined in section 135.530, thirty-five percent of the business' tax,  
97 except that no taxpayer operating more than one facility in Missouri shall be allowed to offset

98 more than twenty-five percent or, in the case of an economic development project located within  
99 a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's  
100 business income tax in any tax period under the method prescribed in this subdivision. Such  
101 credit shall be an amount equal to the sum of seventy-five dollars or, in the case of an economic  
102 development project located within a distressed community as defined in section 135.530, one  
103 hundred twenty-five dollars for each new business facility employee plus seventy-five dollars  
104 or, in the case of an economic development project located within a distressed community as  
105 defined in section 135.530, one hundred twenty-five dollars for each one hundred thousand  
106 dollars, or major fraction thereof (which shall be deemed to be fifty-one percent or more) in new  
107 business facility investment.

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

127 5. For the purpose of computing the credit allowed by this section in the case of a facility  
128 which qualifies as a new business facility because it qualifies as a separate facility pursuant to  
129 subsection 6 of this section, and, in the case of a new business facility which satisfies the  
130 requirements of paragraph (c) of subdivision (4) of section 135.100 or subdivision (10) of section  
131 135.100, the amount of the taxpayer's new business facility investment in such facility shall be  
132 reduced by the average amount, computed as provided in subdivision (7) of section 135.100 for  
133 new business facility investment, of the investment of the taxpayer, or related taxpayer

134 immediately preceding such expansion or replacement or at the time of acquisition.  
135 Furthermore, the amount of the taxpayer's new business facility investment shall also be reduced  
136 by the amount of investment employed by the taxpayer or related taxpayer which was  
137 subsequently transferred to the new business facility from another Missouri facility and for which  
138 credits authorized in this section are not being earned, whether such credits are earned because  
139 of an expansion, acquisition, relocation, or the establishment of a new facility.

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

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

159         (2) The expansion otherwise constitutes a new business facility. The taxpayer's  
160 investment in the expansion and in the original facility prior to expansion shall be determined  
161 in the manner provided in subdivision (7) of section 135.100.

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

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

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

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

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

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

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

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

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

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

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

194           (2) "Headquarters" means:

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

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

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

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



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

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

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

219 14. ~~[Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,  
220 exchange, convey or otherwise transfer tax credits allowed in subsection 9 of this section under  
221 the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer,  
222 referred to as the assignor for the purpose of this subsection, may sell, assign, exchange or  
223 otherwise transfer earned tax credits:~~

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

225 ~~—— (2) In an amount not to exceed one hundred percent of such earned credits. The taxpayer  
226 acquiring the earned credits referred to as the assignee for the purpose of this subsection may use  
227 the acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed  
228 by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261, or chapter  
229 148, or in the case of an insurance company exempt from the thirty percent employee  
230 requirement of section 135.230, against any obligation imposed pursuant to section 375.916.  
231 Unused credits in the hands of the assignee may be carried forward for up to five tax periods,  
232 provided all such credits shall be claimed within ten tax periods following the tax period in  
233 which commencement of commercial operations occurred at the new business facility. The  
234 assignor shall enter into a written agreement with the assignee establishing the terms and  
235 conditions of the agreement and shall perfect such transfer by notifying the director in writing  
236 within thirty calendar days following the effective date of the transfer and shall provide any  
237 information as may be required by the director to administer and carry out the provisions of this~~

238 subsection. Notwithstanding any other provision of law to the contrary, the amount received by  
239 the assignor of such tax credit shall be taxable as income of the assignor, and the difference  
240 between the amount paid by the assignee and the par value of the credits shall be taxable as  
241 income of the assignee.] **No tax credits allowed under subsection 9 of this section shall be**  
242 **transferred, sold, or assigned.**

135.305. A Missouri wood energy producer shall be eligible for a tax credit on taxes  
2 otherwise due under chapter 143, except sections 143.191 to 143.261, as a production incentive  
3 to produce processed wood products in a qualified wood-producing facility using Missouri forest  
4 product residue. The tax credit to the wood energy producer shall be five dollars per ton of  
5 processed material. The credit may be claimed for a period of five years and is to be a tax credit  
6 against the tax otherwise due. No new tax credits, provided for under sections 135.300 to  
7 135.311, shall be authorized after ~~[June 30, 2020]~~ **December 31, 2017**. In no event shall the  
8 aggregate amount of all tax credits allowed under sections 135.300 to 135.311 exceed six million  
9 dollars in any given fiscal year. There shall be no tax credits authorized under sections 135.300  
10 to 135.311 unless an appropriation is made for such tax credits.

135.309. ~~[The wood energy producer may elect to assign to a third party the approved~~  
2 ~~tax credit. Certification of assignment and other appropriate forms must be filed with the~~  
3 ~~Missouri department of revenue.]~~ **No tax credits authorized under sections 135.300 to 135.311**  
4 **shall be transferred, sold, or assigned.**

135.313. 1. Any person, firm or corporation who engages in the business of producing  
2 charcoal or charcoal products in the state of Missouri shall be eligible for a tax credit on income  
3 taxes otherwise due pursuant to chapter 143, except sections 143.191 to 143.261, as an incentive  
4 to implement safe and efficient environmental controls. The tax credit shall be equal to fifty  
5 percent of the purchase price of the best available control technology equipment connected with  
6 the production of charcoal in the state of Missouri or, if the taxpayer manufactures such  
7 equipment, fifty percent of the manufacturing cost of the equipment, to and including the year  
8 the equipment is put into service. The credit may be claimed for a period of eight years  
9 beginning with the 1998 calendar year and is to be a tax credit against the tax otherwise due.

10 2. Any amount of credit which exceeds the tax due shall not be refunded but may be  
11 carried over to any subsequent taxable year, not to exceed seven years.

12 3. The charcoal producer may elect to assign to a third party the approved tax credit.  
13 Certification of assignment and other appropriate forms must be filed with the Missouri  
14 department of revenue and the department of economic development.

15 4. When applying for a tax credit, the charcoal producer specified in subsection 1 of this  
16 section shall make application for the credit to the division of environmental quality of the  
17 department of natural resources. The application shall identify the specific best available control

18 technology equipment and the purchase price, or manufacturing cost of such equipment. The  
19 director of the department of natural resources is authorized to require permits to construct prior  
20 to the installation of best available control technology equipment and other information which  
21 he or she deems appropriate.

22         5. The director of the department of natural resources in conjunction with the department  
23 of economic development shall certify to the department of revenue that the best available  
24 control technology equipment meets the requirements to obtain a tax credit as specified in this  
25 section.

26         **6. No tax credits shall be issued under this section after December 31, 2017.**

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~~ **no** individual or business  
34 entity may assign, transfer, or sell tax credits allowed in this section. ~~[Any sale of tax credits~~  
35 ~~claimed pursuant to this section shall be at a discount rate of seventy-five percent or greater of~~  
36 ~~the amount sold.]~~

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

2 (1) "CASA", an entity which receives funding from the court-appointed special advocate  
3 fund established under section 476.777, including an association based in this state, affiliated  
4 with a national association, organized to provide support to entities receiving funding from the  
5 court-appointed special advocate fund;

6 (2) "Child advocacy centers", the regional child assessment centers listed in subsection  
7 2 of section 210.001;

8 (3) "Contribution", the amount of donation to a qualified agency;

9 (4) "Crisis care center", entities contracted with this state which provide temporary care  
10 for children whose age ranges from birth through seventeen years of age whose parents or  
11 guardian are experiencing an unexpected and unstable or serious condition that requires  
12 immediate action resulting in short-term care, usually three to five continuous, uninterrupted  
13 days, for children who may be at risk for child abuse, neglect, or in an emergency situation;

14 (5) "Department", the department of revenue;

15 (6) "Director", the director of the department of revenue;

16 (7) "Qualified agency", CASA, child advocacy centers, or a crisis care center;

17 (8) "Tax liability", the tax due under chapter 143 other than taxes withheld under  
18 sections 143.191 to 143.265.

19 2. For all tax years beginning on or after January 1, 2013, a tax credit may be claimed  
20 in an amount equal to up to fifty percent of a verified contribution to a qualified agency and shall  
21 be named the "Champion for Children Tax Credit", **which is hereby created**. The minimum  
22 amount of any tax credit issued shall not be less than fifty dollars and shall be applied to taxes  
23 due under chapter 143, excluding sections 143.191 to 143.265. A contribution verification shall  
24 be issued to the taxpayer by the agency receiving the contribution. Such contribution verification  
25 shall include the taxpayer's name, Social Security number, amount of tax credit, amount of  
26 contribution, the name and address of the agency receiving the credit, and the date the

27 contribution was made. The tax credit provided under this subsection shall be initially filed for  
28 the year in which the verified contribution is made.

29         3. The cumulative amount of the tax credits redeemed shall not exceed one million  
30 dollars in any tax year. The amount available shall be equally divided among the three qualified  
31 agencies: CASA, child advocacy centers, or crisis care centers, to be used towards tax credits  
32 issued. In the event tax credits claimed under one agency do not total the allocated amount for  
33 that agency, the unused portion for that agency will be made available to the remaining agencies  
34 equally. In the event the total amount of tax credits claimed for any one agency exceeds the  
35 amount available for that agency, the amount redeemed shall and will be apportioned equally to  
36 all eligible taxpayers claiming the credit under that agency.

37         4. Prior to December thirty-first of each year, each qualified agency shall apply to the  
38 department of social services in order to verify their qualified agency status. Upon a  
39 determination that the agency is eligible to be a qualified agency, the department of social  
40 services shall provide a letter of eligibility to such agency. No later than February first of each  
41 year, the department of social services shall provide a list of qualified agencies to the department  
42 of revenue. All tax credit applications to claim the champion for children tax credit shall be filed  
43 between July first and April fifteenth of each fiscal year. A taxpayer shall apply for the  
44 champion for children tax credit by attaching a copy of the contribution verification provided by  
45 a qualified agency to such taxpayer's income tax return.

46         5. Any amount of tax credit which exceeds the tax due or which is applied for and  
47 otherwise eligible for issuance but not issued shall not be refunded but may be carried over to  
48 any subsequent taxable year, not to exceed a total of five years.

49         6. Tax credits ~~may~~ **authorized under this section shall not** be assigned, transferred,  
50 or sold.

51         7. (1) In the event a credit denial, due to lack of available funds, causes a balance-due  
52 notice to be generated by the department of revenue, or any other redeeming agency, the taxpayer  
53 will not be held liable for any penalty or interest, provided the balance is paid, or approved  
54 payment arrangements have been made, within sixty days from the notice of denial.

55         (2) In the event the balance is not paid within sixty days from the notice of denial, the  
56 remaining balance shall be due and payable under the provisions of chapter 143.

57         8. The department may promulgate such rules or regulations as are necessary to  
58 administer the provisions of this section. Any rule or portion of a rule, as that term is defined  
59 in section 536.010, that is created under the authority delegated in this section shall become  
60 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if  
61 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the  
62 powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective

63 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
64 rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid  
65 and void.

66 9. Pursuant to section 23.253, of the Missouri sunset act:

67 (1) The program authorized under this section shall be reauthorized as of March 29,  
68 2013, and shall expire on December 31, 2019, unless reauthorized by the general assembly; and

69 (2) 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; and

71 (3) The provisions of this subsection shall not be construed to limit or in any way impair  
72 the department's ability to redeem tax credits authorized on or before the date the program  
73 authorized under this section expires or a taxpayer's ability to redeem such credits.

74 10. Beginning on March 29, 2013, any verified contribution to a qualified agency made  
75 on or after January 1, 2013, shall be eligible for tax credits as provided by this section.

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. **(1) For tax years ending on or before December 31, 2017, no more than six million**  
12 **dollars in tax credits shall be authorized each fiscal year for projects financed through tax-exempt**  
13 **bond issuance; and**

14 **(2) For tax years beginning on or after January 1, 2018, no more than fifty million**  
15 **dollars in tax credits shall be authorized each fiscal year for projects financed through**  
16 **tax-exempt bond issuance.**

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

22 5. All or any portion of Missouri tax credits issued in accordance with the provisions of  
23 sections 135.350 to 135.362 may be allocated to parties who are eligible pursuant to the

24 provisions of subsection 1 of this section. Beginning January 1, 1995, for qualified projects  
25 which began on or after January 1, 1994, an owner of a qualified Missouri project shall certify  
26 to the director the amount of credit allocated to each taxpayer. The owner of the project shall  
27 provide to the director appropriate information so that the low-income housing tax credit can be  
28 properly allocated.

29 6. In the event that recapture of Missouri low-income housing tax credits is required  
30 pursuant to subsection 2 of section 135.355, any statement submitted to the director as provided  
31 in this section shall include the proportion of the state credit required to be recaptured, the  
32 identity of each taxpayer subject to the recapture and the amount of credit previously allocated  
33 to such taxpayer.

34 7. **(1) For the fiscal year beginning on or after July 1, 2017, but ending on or before**  
35 **June 30, 2018, no tax credits shall be redeemed under the provisions of sections 135.350 to**  
36 **135.363, which, in the aggregate, exceed one hundred sixty million dollars, increased by**  
37 **any amount of tax credits that are recaptured under the provisions of section 135.355.**

38 **(2) For the fiscal year beginning on or after July 1, 2018, but ending on or before**  
39 **June 30, 2019, no tax credits shall be redeemed under the provisions of sections 135.350 to**  
40 **135.363, which, in the aggregate, exceed one hundred forty million dollars, increased by**  
41 **any amount of tax credits that are recaptured under the provisions of section 135.355.**

42 **(3) For the fiscal year beginning on or after July 1, 2019, but ending on or before**  
43 **June 30, 2020, no tax credits shall be redeemed under the provisions of sections 135.350 to**  
44 **135.363, which, in the aggregate, exceed one hundred twenty million dollars, increased by**  
45 **any amount of tax credits that are recaptured under the provisions of section 135.355.**

46 **(4) For each fiscal year beginning on or after July 1, 2020, no tax credits shall be**  
47 **redeemed under the provisions of sections 135.350 to 135.363, which, in the aggregate,**  
48 **exceed ninety million dollars, increased by any amount of tax credits that are recaptured**  
49 **under the provisions of section 135.355.**

50 **8. No tax credits authorized under this section shall be transferred, sold, or**  
51 **assigned.**

52 9. The director of the department may promulgate rules and regulations necessary to  
53 administer the provisions of this section. No rule or portion of a rule promulgated pursuant to  
54 the authority of this section shall become effective unless it has been promulgated pursuant to  
55 the provisions of section 536.024.

135.363. 1. ~~[All or any portion of]~~ Tax credits issued in accordance with the provisions  
2 of sections 135.350 to 135.363 ~~[may]~~ **shall not** be transferred, sold, or assigned ~~[to parties who~~  
3 ~~are eligible under the provisions of subsection 1 of section 135.352].~~

4           2. ~~[Beginning January 1, 1995, for qualified projects which began on or after January 1,~~  
5 ~~1994, an owner or transferee desiring to make a transfer, sale or assignment as described in~~  
6 ~~subsection 1 of this section shall submit to the director of the department of revenue a statement~~  
7 ~~which describes the amount of credit for which such transfer, sale or assignment of credit is~~  
8 ~~eligible. The owner shall provide to the director of revenue appropriate information so that the~~  
9 ~~low-income housing tax credit can be properly allocated.~~

10 ~~———3. In the event that recapture of Missouri low-income housing tax credits is required~~  
11 ~~pursuant to subsection 2 of section 135.355, any statement submitted to the director of the~~  
12 ~~department of revenue as provided in this section shall include the proportion of the state credit~~  
13 ~~required to be recaptured, the identity of each transferee subject to recapture and the amount of~~  
14 ~~credit previously transferred to such transferee.~~

15 ~~———4.] The director of the department of revenue may prescribe rules and regulations~~  
16 ~~necessary for the administration of the provisions of this section.~~

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 sections  
25 135.400 to 135.430 unless that person presents a tax credit certificate to the department of  
26 revenue for payment of such state tax liability. The department of revenue shall grant tax credits  
27 in the same order as established by subsection 1 of section 32.115. ~~[Subject to the provisions~~  
28 ~~of sections 135.400 to 135.430, certificates of]~~ **No tax credit issued in accordance with [these]**  
29 **sections [may] 135.400 to 135.430 shall be transferred, sold, or assigned [by notarized**  
30 **endorsement thereof which 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 section 32.110 and subdivision (4) of subsection 2 of section  
33 32.115 as a result of investments in community banks or community development corporations.  
34 Aggregate investments eligible for tax credits in any one Missouri small business shall not be  
35 more than one million dollars. Aggregate investments eligible for tax credits in any one  
36 Missouri small business shall not be less than five thousand dollars as of the date of issuance of  
37 the first tax credit certificate for investment in that business.

38 3. **For all fiscal years beginning on or after July 1, 2018, no tax credits shall be**  
39 **authorized as a result of investments in community banks or community development**  
40 **corporations.**

41 4. This section and section 620.1039 shall become effective January 1, 2001.

135.484. 1. Beginning January 1, 2000, **and ending December 31, 2017**, tax credits  
2 shall be allowed pursuant to section 135.481 in an amount not to exceed sixteen million dollars  
3 per year. Of this total amount of tax credits in any given year, eight million dollars shall be set  
4 aside for projects in areas described in subdivision (6) of section 135.478 and eight million  
5 dollars for projects in areas described in subdivision (10) of section 135.478. The maximum tax  
6 credit for a project consisting of multiple-unit qualifying residences in a distressed community  
7 shall not exceed three million dollars. **Beginning January 1, 2018, the aggregate amount of**  
8 **tax credits redeemed under section 135.481 shall not exceed one million dollars per**  
9 **calendar year. Of this total amount of tax credits in any given year, five hundred thousand**  
10 **dollars shall be set aside for projects in areas described in subdivision (6) of section 135.478**  
11 **and five hundred thousand dollars for projects in areas described in subdivision (10) of**  
12 **section 135.478.**

13 2. Any amount of credit which exceeds the tax liability of a taxpayer for the tax year in  
14 which the credit is first claimed may be carried back to any of the taxpayer's three prior tax years  
15 and carried forward to any of the taxpayer's five subsequent tax years. A certificate of tax credit  
16 issued to a taxpayer by the department ~~[may]~~ **shall not** be assigned, transferred, sold, or  
17 otherwise conveyed. ~~[Whenever a certificate of tax credit is assigned, transferred, sold or~~

18 ~~otherwise conveyed, a notarized endorsement shall be filed with the department specifying the~~  
19 ~~name and address of the new owner of the tax credit and the value of the credit.]~~

20         3. The tax credits allowed pursuant to sections 135.475 to 135.487 may not be claimed  
21 in addition to any other state tax credits, with the exception of the historic structures  
22 rehabilitation tax credit authorized pursuant to sections 253.545 to 253.559, which insofar as  
23 sections 135.475 to 135.487 are concerned may be claimed only in conjunction with the tax  
24 credit allowed pursuant to subsection 4 of section 135.481. In order for a taxpayer eligible for  
25 the historic structures rehabilitation tax credit to claim the tax credit allowed pursuant to  
26 subsection 4 of section 135.481, the taxpayer must comply with the requirements of sections  
27 253.545 to 253.559, and in such cases, the amount of the tax credit pursuant to subsection 4 of  
28 section 135.481 shall be limited to the lesser of twenty percent of the taxpayer's eligible costs or  
29 forty thousand dollars.

135.535. 1. A corporation, limited liability corporation, partnership or sole  
2 proprietorship, which moves its operations from outside Missouri or outside a distressed  
3 community into a distressed community, or which commences operations in a distressed  
4 community on or after January 1, 1999, and in either case has more than seventy-five percent of  
5 its employees at the facility in the distressed community, and which has fewer than one hundred  
6 employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical  
7 devices, scientific research, animal research, computer software design or development,  
8 computer programming, including internet, web hosting, and other information technology,  
9 wireless or wired or other telecommunications or a professional firm shall receive a forty percent  
10 credit against income taxes owed pursuant to chapter 143, 147, or 148, other than taxes withheld  
11 pursuant to sections 143.191 to 143.265, for each of the three years after such move, if approved  
12 by the department of economic development, which shall issue a certificate of eligibility if the  
13 department determines that the taxpayer is eligible for such credit. The maximum amount of  
14 credits per taxpayer set forth in this subsection shall not exceed one hundred twenty-five  
15 thousand dollars for each of the three years for which the credit is claimed. The department of  
16 economic development, by means of rule or regulation promulgated pursuant to the provisions  
17 of chapter 536, shall assign appropriate North American Industry Classification System numbers  
18 to the companies which are eligible for the tax credits provided for in this section. Such  
19 three-year credits shall be awarded only one time to any company which moves its operations  
20 from outside of Missouri or outside of a distressed community into a distressed community or  
21 to a company which commences operations within a distressed community. A taxpayer shall file  
22 an application for certification of the tax credits for the first year in which credits are claimed and  
23 for each of the two succeeding taxable years for which credits are claimed.

24           2. Employees of such facilities physically working and earning wages for that work  
25 within a distressed community whose employers have been approved for tax credits pursuant to  
26 subsection 1 of this section by the department of economic development for whom payroll taxes  
27 are paid shall also be eligible to receive a tax credit against individual income tax, imposed  
28 pursuant to chapter 143, equal to one and one-half percent of their gross salary paid at such  
29 facility earned for each of the three years that the facility receives the tax credit provided by this  
30 section, so long as they were qualified employees of such entity. The employer shall calculate  
31 the amount of such credit and shall report the amount to the employee and the department of  
32 revenue.

33           3. A tax credit against income taxes owed pursuant to chapter 143, 147, or 148, other  
34 than the taxes withheld pursuant to sections 143.191 to 143.265, in lieu of the credit against  
35 income taxes as provided in subsection 1 of this section, may be taken by such an entity in a  
36 distressed community in an amount of forty percent of the amount of funds expended for  
37 computer equipment and its maintenance, medical laboratories and equipment, research  
38 laboratory equipment, manufacturing equipment, fiber optic equipment, high speed  
39 telecommunications, wiring, or software development expense up to a maximum of seventy-five  
40 thousand dollars in tax credits for such equipment or expense per year per entity and for each of  
41 three years after commencement in or moving operations into a distressed community.

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

51           5. An existing corporation, partnership, or sole proprietorship that is located within a  
52 distressed community and that relocates employees from another facility outside of the distressed  
53 community to its facility within the distressed community, and an existing business located  
54 within a distressed community that hires new employees for that facility may both be eligible for  
55 the tax credits allowed by subsections 1 and 3 of this section. To be eligible for such tax credits,  
56 such a business, during one of its tax years, shall employ within a distressed community at least  
57 twice as many employees as were employed at the beginning of that tax year. A business hiring  
58 employees shall have no more than one hundred employees before the addition of the new  
59 employees. This subsection shall only apply to a business which is a manufacturing, biomedical,

60 medical devices, scientific research, animal research, computer software design or development,  
61 computer programming or telecommunications business, or a professional firm.

62 6. Tax credits shall be approved for applicants meeting the requirements of this section  
63 in the order that such applications are received. Certificates of tax credits issued in accordance  
64 with this section ~~[may]~~ **shall not** be transferred, sold, or assigned ~~[by notarized endorsement~~  
65 ~~which names the transferee]~~.

66 7. The tax credits allowed pursuant to subsections 1, 2, 3, 4, and 5 of this section shall  
67 be for an amount of no more than ten million dollars for each year beginning in 1999. The total  
68 maximum credit for all entities already located in distressed communities and claiming credits  
69 pursuant to subsection 4 of this section shall be seven hundred and fifty thousand dollars. The  
70 department of economic development in approving taxpayers for the credit as provided for in  
71 subsection 6 of this section shall use information provided by the department of revenue  
72 regarding taxes paid in the previous year, or projected taxes for those entities newly established  
73 in the state, as the method of determining when this maximum will be reached and shall maintain  
74 a record of the order of approval. Any tax credit not used in the period for which the credit was  
75 approved may be carried over until the full credit has been allowed.

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

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

135.545. A taxpayer shall be allowed a credit for taxes paid pursuant to chapter 143, 147  
2 or 148 in an amount equal to fifty percent of a qualified investment in transportation  
3 development for aviation, mass transportation, including parking facilities for users of mass  
4 transportation, railroads, ports, including parking facilities and limited access roads within ports,  
5 waterborne transportation, bicycle and pedestrian paths, or rolling stock located in a distressed  
6 community as defined in section 135.530, and which are part of a development plan approved  
7 by the appropriate local agency. If the department of economic development determines the  
8 investment has been so approved, the department shall grant the tax credit in order of date  
9 received. A taxpayer may carry forward any unused tax credit for up to ten years and may carry  
10 it back for the previous three years until such credit has been fully claimed. Certificates of tax

11 credit issued in accordance with this section ~~[may]~~ **shall not** be transferred, sold, or assigned ~~[by~~  
12 ~~notarized endorsement which names the transferee]~~. The tax credits allowed pursuant to this  
13 section shall be for an amount of no more than ten million dollars for each year. This credit shall  
14 apply to returns filed for all taxable years beginning on or after January 1, 1999. Any unused  
15 portion of the tax credit authorized pursuant to this section shall be available for use in the future  
16 by those entities until fully claimed. For purposes of this section, a "taxpayer" shall include any  
17 charitable organization that is exempt from federal income tax and whose Missouri unrelated  
18 business taxable income, if any, would be subject to the state income tax imposed under chapter  
19 143.

135.679. 1. This section shall be known and may be cited as the "Qualified Beef Tax  
2 Credit Act".

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

4 (1) "Agricultural property", any real and personal property, including but not limited to  
5 buildings, structures, improvements, equipment, and livestock, that is used in or is to be used in  
6 this state by residents of this state for:

7 (a) The operation of a farm or ranch; and

8 (b) Grazing, feeding, or the care of livestock;

9 (2) "Authority", the agricultural and small business development authority established  
10 in chapter 348;

11 (3) "Backgrounded", any additional weight at the time of the first qualifying sale, before  
12 being finished, above the established baseline weight;

13 (4) "Baseline weight", the average weight in the immediate past two years of all beef  
14 animals sold that are thirty months of age or younger, categorized by sex. Baseline weight for  
15 qualified beef animals that are physically out-of-state but whose ownership is retained by a  
16 resident of this state shall be established by the average transfer weight in the immediate past two  
17 years of all beef animals that are thirty months of age or younger and that are transferred  
18 out-of-state but whose ownership is retained by a resident of this state, categorized by sex. The  
19 established baseline weight shall be effective for a period of three years. If the taxpayer is a  
20 qualifying beef animal producer with fewer than two years of production, the baseline weight  
21 shall be established by the available average weight in the immediate past year of all beef  
22 animals sold that are thirty months of age or younger, categorized by sex. If the qualifying beef  
23 animal producer has no previous production, the baseline weight shall be established by the  
24 authority;

25 (5) "Finished", the period from backgrounded to harvest;

26 (6) "Qualifying beef animal", any beef animal that is certified by the authority, that was  
27 born in this state after August 28, 2008, that was raised and backgrounded or finished in this

28 state by the taxpayer, excluding any beef animal more than thirty months of age as verified by  
29 certified written birth records;

30 (7) "Qualifying sale", the first time a qualifying beef animal is sold in this state after the  
31 qualifying beef animal is backgrounded, and a subsequent sale if the weight of the qualifying  
32 beef animal at the time of the subsequent sale is greater than the weight of the qualifying beef  
33 animal at the time of the first qualifying sale of such beef animal;

34 (8) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding  
35 withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 147;

36 (9) "Taxpayer", any individual or entity who:

37 (a) Is subject to the tax imposed in chapter 143, excluding withholding tax imposed by  
38 sections 143.191 to 143.265, or the tax imposed in chapter 147;

39 (b) In the case of an individual, is a resident of this state as verified by a 911 address or  
40 in the absence of a 911 system, a physical address; and

41 (c) Owns or rents agricultural property and principal place of business is located in this  
42 state.

43 3. (1) For all tax years beginning on or after January 1, 2009, but ending on or before  
44 December 31, 2021, a taxpayer shall be allowed a tax credit for the first qualifying sale and for  
45 a subsequent qualifying sale of all qualifying beef animals.

46 (2) The tax credit amount for the first qualifying sale shall be ten cents per pound for  
47 qualifying sale weights under six hundred pounds and twenty-five cents per pound for qualifying  
48 sale weights of six hundred pounds or greater, shall be based on the backgrounded weight of all  
49 qualifying beef animals at the time of the first qualifying sale, and shall be calculated as follows:

50 (a) If the qualifying sale weight is under six hundred pounds, the qualifying sale weight  
51 minus the baseline weight multiplied by ten cents, as long as the qualifying sale weight is equal  
52 to or greater than one hundred pounds above the baseline weight; or

53 (b) If the qualifying sale weight is six hundred pounds or greater, the qualifying sale  
54 weight minus the baseline weight multiplied by twenty-five cents, as long as the qualifying sale  
55 weight is equal to or greater than one hundred pounds above the baseline weight.

56 (3) The tax credit amount for each subsequent qualifying sale shall be ten cents per  
57 pound for qualifying sale weights under six hundred pounds and twenty-five cents per pound for  
58 qualifying sale weights of six hundred pounds or greater, shall be based on the backgrounded  
59 weight of all qualifying beef animals at the time of the subsequent qualifying sale, and shall be  
60 calculated as follows:

61 (a) If the qualifying sale weight is under six hundred pounds, the qualifying sale weight  
62 minus the baseline weight multiplied by ten cents, as long as the qualifying sale weight is equal  
63 to or greater than one hundred pounds above the baseline weight; or

64 (b) If the qualifying sale weight is six hundred pounds or greater, the qualifying sale  
65 weight minus the baseline weight multiplied by twenty-five cents, as long as the qualifying sale  
66 weight is equal to or greater than one hundred pounds above the baseline weight.

67

68 The authority may waive no more than twenty-five percent of the one-hundred-pound weight  
69 gain requirement, but any such waiver shall be based on a disaster declaration issued by the U.S.  
70 Department of Agriculture.

71 4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's  
72 state tax liability for the tax year for which the credit is claimed. No tax credit claimed under this  
73 section shall be refundable. The tax credit shall be claimed in the tax year in which the  
74 qualifying sale of the qualifying beef occurred, but any amount of credit that the taxpayer is  
75 prohibited by this section from claiming in a tax year may be carried forward to any of the  
76 taxpayer's four subsequent tax years. The total amount of tax credits that any taxpayer may claim  
77 shall not exceed fifteen thousand dollars per year. No taxpayer shall be allowed to claim tax  
78 credits under this section for more than three years. The amount of tax credits that may be issued  
79 to all eligible applicants claiming tax credits authorized in this section and section 135.686 in  
80 a calendar year shall not exceed two million dollars. Tax credits shall be issued on an  
81 as-received application basis until the calendar year limit is reached. Any credits not issued in  
82 any calendar year shall expire and shall not be issued in any subsequent years.

83 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the  
84 authority an application for the tax credit on a form provided by the authority and any application  
85 fee imposed by the authority. The application shall be filed with the authority at the end of each  
86 calendar year in which a qualified sale was made and for which a tax credit is claimed under this  
87 section. The application shall include any certified documentation and information required by  
88 the authority. All required information obtained by the authority shall be confidential and not  
89 disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer and  
90 the qualified sale meet all criteria required by this section and approval is granted by the  
91 authority, the authority shall issue a tax credit certificate in the appropriate amount. Tax credit  
92 certificates issued under this section ~~[may]~~ **shall not** be assigned, transferred, sold, or otherwise  
93 conveyed ~~]; and the new owner of the tax credit certificate shall have the same rights in the tax~~  
94 ~~credit as the original taxpayer. Whenever a tax credit certificate is assigned, transferred, sold or~~  
95 ~~otherwise conveyed, a notarized endorsement shall be filed with the authority specifying the~~  
96 ~~name and address of the new owner of the tax credit certificate or the value of the tax credit].~~

97 6. Any information provided under this section shall be confidential information, to be  
98 shared with no one except state and federal animal health officials, except as provided in  
99 subsection 5 of this section.

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

102           8. The authority may promulgate rules to implement the provisions of this section. Any  
103 rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
104 authority delegated in this section shall become effective only if it complies with and is subject  
105 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
106 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
107 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
108 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
109 or adopted after August 28, 2007, shall be invalid and void.

110           9. This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298.  
135.686. 1. This section shall be known and may be cited as the "Meat Processing  
2 Facility Investment Tax Credit Act".

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

4           (1) "Authority", the agricultural and small business development authority established  
5 in chapter 348;

6           (2) "Meat processing facility", any commercial plant, as defined under section 265.300,  
7 at which livestock are slaughtered or at which meat or meat products are processed for sale  
8 commercially and for human consumption;

9           (3) "Meat processing modernization or expansion", constructing, improving, or acquiring  
10 buildings or facilities, or acquiring equipment for meat processing including the following, if  
11 used exclusively for meat processing and if acquired and placed in service in this state during  
12 tax years beginning on or after January 1, 2017, but ending on or before December 31, 2021:

13           (a) Building construction including livestock handling, product intake, storage, and  
14 warehouse facilities;

15           (b) Building additions;

16           (c) Upgrades to utilities including water, electric, heat, refrigeration, freezing, and waste  
17 facilities;

18           (d) Livestock intake and storage equipment;

19           (e) Processing and manufacturing equipment including cutting equipment, mixers,  
20 grinders, sausage stuffers, meat smokers, curing equipment, cooking equipment, pipes, motors,  
21 pumps, and valves;

22           (f) Packaging and handling equipment including sealing, bagging, boxing, labeling,  
23 conveying, and product movement equipment;

24           (g) Warehouse equipment including storage and curing racks;



25 (h) Waste treatment and waste management equipment including tanks, blowers,  
26 separators, dryers, digesters, and equipment that uses waste to produce energy, fuel, or industrial  
27 products;

28 (i) Computer software and hardware used for managing the claimant's meat processing  
29 operation including software and hardware related to logistics, inventory management,  
30 production plant controls, and temperature monitoring controls; and

31 (j) Construction or expansion of retail facilities or the purchase or upgrade of retail  
32 equipment for the commercial sale of meat products if the retail facility is located at the same  
33 location as the meat processing facility;

34 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding  
35 withholding tax imposed under sections 143.191 to 143.265, or otherwise due under chapter 147;

36 (5) "Taxpayer", any individual or entity who:

37 (a) Is subject to the tax imposed under chapter 143, excluding withholding tax imposed  
38 under sections 143.191 to 143.265, or the tax imposed under chapter 147;

39 (b) In the case of an individual, is a resident of this state as verified by a 911 address or,  
40 in the absence of a 911 system, a physical address; and

41 (c) Owns a meat processing facility located in this state;

42 (6) "Used exclusively", used to the exclusion of all other uses except for use not  
43 exceeding five percent of total use.

44 3. For all tax years beginning on or after January 1, 2017, but ending on or before  
45 December 31, 2021, a taxpayer shall be allowed a tax credit for meat processing modernization  
46 or expansion related to the taxpayer's meat processing facility. The tax credit amount shall be  
47 equal to twenty-five percent of the amount the taxpayer paid in the tax year for meat processing  
48 modernization or expansion.

49 4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's  
50 state tax liability for the tax year for which the credit is claimed. No tax credit claimed under this  
51 section shall be refundable. The tax credit shall be claimed in the tax year in which the meat  
52 processing modernization or expansion expenses were paid, but any amount of credit that the  
53 taxpayer is prohibited by this section from claiming in a tax year may be carried forward to any  
54 of the taxpayer's four subsequent tax years. The total amount of tax credits that any taxpayer may  
55 claim shall not exceed seventy-five thousand dollars per year. If two or more persons own and  
56 operate the meat processing facility, each person may claim a credit under this section in  
57 proportion to his or her ownership interest; except that, the aggregate amount of the credits  
58 claimed by all persons who own and operate the meat processing facility shall not exceed  
59 seventy-five thousand dollars per year. The amount of tax credits authorized in this section and  
60 section 135.679 in a calendar year shall not exceed two million dollars. Tax credits shall be

61 issued on an as-received application basis until the calendar year limit is reached. Any credits  
62 not issued in any calendar year shall expire and shall not be issued in any subsequent year.

63 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the  
64 authority an application for the tax credit on a form provided by the authority and any application  
65 fee imposed by the authority. The application shall be filed with the authority at the end of each  
66 calendar year in which a meat processing modernization or expansion project was completed and  
67 for which a tax credit is claimed under this section. The application shall include any certified  
68 documentation, proof of meat processing modernization or expansion, and any other information  
69 required by the authority. All required information obtained by the authority shall be  
70 confidential and not disclosed except by court order, subpoena, or as otherwise provided by law.  
71 If the taxpayer and the meat processing modernization or expansion meet all criteria required by  
72 this section and approval is granted by the authority, the authority shall issue a tax credit  
73 certificate in the appropriate amount. Tax credit certificates issued under this section ~~[may]~~ **shall**  
74 **not** be assigned, transferred, sold, or otherwise conveyed ~~[-and the new owner of the tax credit~~  
75 ~~certificate shall have the same rights in the tax credit as the original taxpayer. If a tax credit~~  
76 ~~certificate is assigned, transferred, sold, or otherwise conveyed, a notarized endorsement shall~~  
77 ~~be filed with the authority specifying the name and address of the new owner of the tax credit~~  
78 ~~certificate and the value of the tax credit].~~

79 6. Any information provided under this section shall be confidential information, to be  
80 shared with no one except state and federal animal health officials, except as provided in  
81 subsection 5 of this section.

82 7. The authority shall promulgate rules establishing a process for verifying that a  
83 facility's modernization or expansion for which tax credits were allowed under this section has  
84 in fact expanded the facility's production within three years of the issuance of the tax credit and  
85 if not, the authority shall promulgate through rulemaking a process by which the taxpayer shall  
86 repay the authority an amount equal to that of the tax credit allowed.

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

89 9. The authority may promulgate rules to implement the provisions of this section. Any  
90 rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
91 authority delegated in this section shall become effective only if it complies with and is subject  
92 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
93 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
94 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
95 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
96 or adopted after August 28, 2016, shall be invalid and void.

97           10. This section shall not be subject to the Missouri sunset act, sections 23.250 to  
98 23.298.

          135.700. For all tax years beginning on or after January 1, 1999, **and ending on or**  
2 **before December 31, 2017**, a grape grower or wine producer shall be allowed a tax credit  
3 against the state tax liability incurred pursuant to chapter 143, exclusive of the provisions relating  
4 to the withholding of tax as provided in sections 143.191 to 143.265, in an amount equal to  
5 twenty-five percent of the purchase price of all new equipment and materials used directly in the  
6 growing of grapes or the production of wine in the state. Each grower or producer shall apply  
7 to the department of economic development and specify the total amount of such new equipment  
8 and materials purchased during the calendar year. The department of economic development  
9 shall certify to the department of revenue the amount of such tax credit to which a grape grower  
10 or wine producer is entitled pursuant to this section. The provisions of this section  
11 notwithstanding, a grower or producer may only apply for and receive the credit authorized by  
12 this section for five tax periods.

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

- 2           (1) "Highly compensated individual", any individual who receives compensation in  
3 excess of one million dollars in connection with a single qualified film production project;  
4           (2) "Qualified film production project", any film, video, commercial, or television  
5 production, as approved by the department of economic development and the office of the  
6 Missouri film commission, that is under thirty minutes in length with an expected in-state  
7 expenditure budget in excess of fifty thousand dollars, or that is over thirty minutes in length  
8 with an expected in-state expenditure budget in excess of one hundred thousand dollars.  
9 Regardless of the production costs, "qualified film production project" shall not include any:  
10           (a) News or current events programming;  
11           (b) Talk show;  
12           (c) Production produced primarily for industrial, corporate, or institutional purposes, and  
13 for internal use;  
14           (d) Sports event or sports program;  
15           (e) Gala presentation or awards show;  
16           (f) Infomercial or any production that directly solicits funds;  
17           (g) Political ad;  
18           (h) Production that is considered obscene, as defined in section 573.010;  
19           (3) "Qualifying expenses", the sum of the total amount spent in this state for the  
20 following by a production company in connection with a qualified film production project:  
21           (a) Goods and services leased or purchased by the production company. For goods with  
22 a purchase price of twenty-five thousand dollars or more, the amount included in qualifying

23 expenses shall be the purchase price less the fair market value of the goods at the time the  
24 production is completed;

25 (b) Compensation and wages paid by the production company on which the production  
26 company remitted withholding payments to the department of revenue under chapter 143. For  
27 purposes of this section, compensation and wages shall not include any amounts paid to a highly  
28 compensated individual;

29 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding  
30 withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 148;

31 (5) "Taxpayer", any individual, partnership, or corporation as described in section  
32 143.441, 143.471, or section 148.370 that is subject to the tax imposed in chapter 143, excluding  
33 withholding tax imposed by sections 143.191 to 143.265, or the tax imposed in chapter 148 or  
34 any charitable organization which is exempt from federal income tax and whose Missouri  
35 unrelated business taxable income, if any, would be subject to the state income tax imposed  
36 under chapter 143.

37 2. For all taxable years beginning on or after January 1, 1999, but ending on or before  
38 December 31, 2007, a taxpayer shall be granted a tax credit for up to fifty percent of the amount  
39 of investment in production or production-related activities in any film production project with  
40 an expected in-state expenditure budget in excess of three hundred thousand dollars. For all  
41 taxable years beginning on or after January 1, 2008, a taxpayer shall be allowed a tax credit for  
42 up to thirty-five percent of the amount of qualifying expenses in a qualified film production  
43 project. Each film production company shall be limited to one qualified film production project  
44 per year. Activities qualifying a taxpayer for the tax credit pursuant to this subsection shall be  
45 approved by the office of the Missouri film commission and the department of economic  
46 development.

47 3. Taxpayers shall apply for the film production tax credit by submitting an application  
48 to the department of economic development, on a form provided by the department. As part of  
49 the application, the expected in-state expenditures of the qualified film production project shall  
50 be documented. In addition, the application shall include an economic impact statement,  
51 showing the economic impact from the activities of the film production project. Such economic  
52 impact statement shall indicate the impact on the region of the state in which the film production  
53 or production-related activities are located and on the state as a whole.

54 4. For all taxable years ending on or before December 31, 2007, tax credits certified  
55 pursuant to subsection 2 of this section shall not exceed one million dollars per taxpayer per year,  
56 and shall not exceed a total for all tax credits certified of one million five hundred thousand  
57 dollars per year. For all taxable years beginning on or after January 1, 2008, tax credits certified  
58 under subsection 1 of this section shall not exceed a total for all tax credits certified of four

59 million five hundred thousand dollars per year. Taxpayers may carry forward unused credits for  
60 up to five tax periods, provided all such credits shall be claimed within ten tax periods following  
61 the tax period in which the film production or production-related activities for which the credits  
62 are certified by the department occurred.

63 5. Notwithstanding any provision of law to the contrary, ~~[any]~~ **no** taxpayer ~~[may]~~ **shall**  
64 sell, assign, exchange, convey, or otherwise transfer tax credits allowed in subsection 2 of this  
65 section. ~~[The taxpayer acquiring the tax credits may use the acquired credits to offset the tax~~  
66 ~~liabilities otherwise imposed by chapter 143, excluding withholding tax imposed by sections~~  
67 ~~143.191 to 143.265, or chapter 148. Unused acquired credits may be carried forward for up to~~  
68 ~~five tax periods, provided all such credits shall be claimed within ten tax periods following the~~  
69 ~~tax period in which the film production or production-related activities for which the credits are~~  
70 ~~certified by the department occurred.]~~

71 6. Under section 23.253 of the Missouri sunset act:

72 (1) The provisions of the new program authorized under this section shall automatically  
73 sunset six years after November 28, 2007, unless reauthorized by an act of the general assembly;  
74 and

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

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.

135.766. 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 chapter 143, not  
3 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  
5 to obtaining Small Business Administration guaranteed financing and to programs administered  
6 by the United States Department of Agriculture for rural development or farm service agencies.  
7 No tax credits provided under this section shall be authorized on or after the thirtieth day  
8 following the effective date of this act. The provisions of this subsection shall not be construed  
9 to limit or in any way impair the department's ability to issue tax credits authorized prior to the  
10 thirtieth day following the effective date of this act, or a taxpayer's ability to redeem such tax  
11 credits. **No tax credit issued under this section shall be transferred, sold, or assigned.**

135.825. 1. The administering agencies for all tax credit programs shall, in cooperation  
2 with the department of revenue, implement a system for tracking the amount of tax credits  
3 authorized, issued, and redeemed. Any such agency may promulgate rules for the  
4 implementation of this section.

5           **2. (1) The department of revenue shall prepare and submit an annual report to the**  
6 **general assembly that shall include information on each tax credit program, including the**  
7 **administering agency and the number and amount of tax credits authorized, issued, and**  
8 **redeemed for each program. Such report shall be submitted by December thirty-first of**  
9 **each calendar year.**

10           **(2) The annual report prepared under subdivision (1) of this subsection shall also**  
11 **include a list of taxpayers or other entities that in the previous calendar year received**  
12 **business recruitment tax credits or that received the affordable housing tax credit or**  
13 **neighborhood assistance tax credit created pursuant to sections 32.100 to 32.125, the**  
14 **infrastructure tax credit created pursuant to subsection 6 of section 100.286, the business**  
15 **use incentives for large-scale development programs created pursuant to sections 100.700**  
16 **to 100.850, the low-income housing tax credit created pursuant to sections 135.350 to**  
17 **135.363, the neighborhood preservation tax credit created pursuant to sections 135.475 to**  
18 **135.487, or the historic preservation tax credit created pursuant to sections 253.545 to**  
19 **253.559.**

20           **3.** The provisions of this section shall not apply to any credit that is issued and redeemed  
21 simultaneously.

22           ~~[3-]~~ **4.** Any rule or portion of a rule, as that term is defined in section 536.010, that is  
23 created under the authority delegated in this section shall become effective only if it complies  
24 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.  
25 This section and chapter 536 are nonseverable and if any of the powers vested with the general  
26 assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and  
27 annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and  
28 any rule proposed or adopted after August 28, 2004, shall be invalid and void.

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 sections 143.191 to 143.265. No taxpayer shall receive multiple  
5 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 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 year for which the credit is claimed  
14 equals or exceeds two; and

15 (2) The new business facility investment for the taxable year for which the credit is  
16 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 year for which credit is claimed equals or  
42 exceeds two, and the total number of employees at the facility after the expansion is at least two  
43 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 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 year. If the new business facility is in operation for  
49 less than the entire taxable year, the number of new business facility employees shall be  
50 determined by dividing the sum of the number of individuals employed on the last business day  
51 of each full calendar month during the portion of such taxable year during which the new  
52 business facility was in operation by the number of full calendar months during such period. For  
53 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) of section 135.950, the number of new business facility employees  
57 at such facility shall be reduced by the average number of individuals employed, computed as  
58 provided in this subsection, at the facility during the taxable year immediately preceding the  
59 taxable year in which such expansion, acquisition, or replacement occurred and shall further be  
60 reduced by the number of individuals employed by the taxpayer or related taxpayer that was  
61 subsequently transferred to the new business facility from another Missouri facility and for which  
62 credits authorized in this section are not being earned, whether such credits are earned because  
63 of an expansion, acquisition, relocation, or the establishment of a new facility.

64         8. In the case where a new business facility employee who is a resident of an enhanced  
65 enterprise zone for less than a twelve-month period is employed for less than a twelve-month  
66 period, the credits allowed by paragraph (b) of subdivision (2) of subsection 4 of this section  
67 shall be determined by multiplying four hundred dollars by a fraction, the numerator of which  
68 is the number of calendar days during the taxpayer's tax year for which such credits are claimed,  
69 in which the employee was a resident of an enhanced enterprise zone, and the denominator of  
70 which is three hundred sixty-five.

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



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

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

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

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

97 14. Prior to the issuance of tax credits, the department shall verify through the  
98 department of revenue, or any other state department, that the tax credit applicant does not owe  
99 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent  
100 fees or assessments levied by any state department and through the department of insurance,  
101 financial institutions and professional registration that the applicant does not owe any delinquent  
102 insurance taxes. Such delinquency shall not affect the authorization of the application for such  
103 tax credits, except that the amount of credits issued shall be reduced by the applicant's tax  
104 delinquency. If the department of revenue or the department of insurance, financial institutions  
105 and professional registration, or any other state department, concludes that a taxpayer is  
106 delinquent after June fifteenth but before July first of any year and the application of tax credits  
107 to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer  
108 shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions  
109 to tax shall be tolled. After applying all available credits toward a tax delinquency, the  
110 administering agency shall notify the appropriate department, and that department shall update  
111 the amount of outstanding delinquent tax owed by the applicant. If any credits remain after  
112 satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be  
113 issued to the applicant, subject to the restrictions of other provisions of law.

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

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

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

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

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

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

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

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

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

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

130 135.1150. 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 chapter  
25 143;

26 (b) A corporation subject to the annual corporation franchise tax imposed in chapter 147;

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

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

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

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

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

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

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

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

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

53

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

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

58 6. **No** tax credits issued under this section ~~[may]~~ **shall** be assigned, transferred, sold, or  
59 otherwise conveyed ~~[-, and the new owner of the tax credit shall have the same rights in the credit~~  
60 ~~as the 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 7. 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, 2006, shall be invalid and void.

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 chapter  
26 143;

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

44 4. To claim the credit authorized in this section, a provider 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 provider 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 provider; and

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

54



55 If the provider 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. ~~No tax credits issued under this section [may] shall be assigned, transferred, sold, or~~  
58 ~~otherwise conveyed [and the new owner of the tax credit shall have the same rights in the credit~~  
59 ~~as the taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a~~  
60 ~~notarized endorsement shall be filed with the department specifying the name and address of the~~  
61 ~~new owner of the tax credit or the value of the credit].~~

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

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 chapters 143 and 148, except for sections 143.191 to 143.265, on such  
5 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. During the period beginning on January 1, 2010, but ending on or after June 30, 2010,  
14 the department of economic development shall not approve applications for tax credits under the  
15 provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed seventy  
16 million dollars, increased by any amount of tax credits for which approval shall be rescinded  
17 under the provisions of section 253.559. For each fiscal year beginning on or after July 1, 2010,  
18 **but ending on or before June 30, 2017**, the department of economic development shall not  
19 approve applications for tax credits under the provisions of subsections 3 and 8 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, 2017, the aggregate amount of**  
23 **tax credits redeemed under the provisions of subsections 3 and 8 of section 253.559 shall**  
24 **not exceed twenty-five million dollars.** The limitations provided under this subsection shall  
25 not apply to applications approved under the provisions of subsection 3 of section 253.559 for  
26 projects to receive less than two hundred seventy-five thousand dollars in tax credits.

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

32 4. The limitations on tax credit authorization provided under the provisions of  
33 subsections 2 and 3 of this section shall not apply to:

34 (1) Any application submitted by a taxpayer, which has received approval from the  
35 department prior to January 1, 2010; or

36 (2) Any taxpayer applying for tax credits, provided under this section, which, on or  
37 before January 1, 2010, has filed an application with the department evidencing that such  
38 taxpayer:

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

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

253.557. [+-] If the amount of such credit exceeds the total tax liability for the year in  
2 which the rehabilitated property is placed in service, the amount that exceeds the state tax  
3 liability may be carried back to any of the three preceding years and carried forward for credit  
4 against the taxes imposed pursuant to chapter 143 and chapter 148, except for sections 143.191  
5 to 143.265 for the succeeding ten years, or until the full credit is used, whichever occurs first.  
6 Not-for-profit entities, including but not limited to corporations organized as not-for-profit  
7 corporations pursuant to chapter 355 shall be ineligible for the tax credits authorized under  
8 sections 253.545 through 253.561. Taxpayers eligible for such tax credits ~~may~~ **shall not**  
9 transfer, sell, or assign the credits. Credits granted to a partnership, a limited liability company  
10 taxed as a partnership or multiple owners of property shall be passed through to the partners,  
11 members, or owners respectively pro rata or pursuant to an executed agreement among the  
12 partners, members, or owners documenting an alternate distribution method.

13           ~~[2. The assignee of the tax credits, hereinafter the assignee for purposes of this~~  
14 ~~subsection, may use acquired credits to offset up to one hundred percent of the tax liabilities~~  
15 ~~otherwise imposed pursuant to chapter 143 and chapter 148, except for sections 143.191 to~~  
16 ~~143.265. The assignor shall perfect such transfer by notifying the department of economic~~  
17 ~~development in writing within thirty calendar days following the effective date of the transfer~~  
18 ~~and shall provide any information as may be required by the department of economic~~  
19 ~~development to administer and carry out the provisions of this section.]~~

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 sections 348.300  
7 to 348.318 unless that person presents a tax credit certificate to the department of revenue for  
8 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. ~~[A]~~ Tax credits authorized under the provisions of this section  
12 ~~[may]~~ **shall not** be transferred, sold, or assigned.

348.306. No person shall receive~~[-by issuance, transfer or assignment,]~~ certificates of  
2 tax credit issued under the provisions of sections 348.300 to 348.318 in an amount in excess of  
3 one million dollars. ~~[Subject to the provisions of this section, certificates of]~~ **No** tax credit issued  
4 in accordance with sections 348.300 to 348.318 ~~[may]~~ **shall** be transferred, **sold**, or assigned ~~[by~~  
5 ~~notarized endorsement thereof which names the transferee].~~

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 chapter 274, or incorporated pursuant to chapter 357, for the purpose of operating  
13 within this state a development facility or a renewable fuel production facility;

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

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

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

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

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

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

40 4. A contributor shall submit to the authority an application for the tax credit authorized  
41 by this section on a form provided by the authority. If the contributor meets all criteria  
42 prescribed by this section and the authority, the authority shall issue a tax credit certificate in the  
43 appropriate amount. Tax credits issued pursuant to this section may be claimed in the taxable  
44 year in which the contributor contributes funds to the authority. For all fiscal years beginning  
45 on or after July 1, 2004, tax credits allowed pursuant to this section may be carried forward to  
46 any of the contributor's four subsequent taxable years. Tax credits issued pursuant to this section

47 ~~[may] shall not be [assigned, transferred or sold and the new owner of the tax credit shall have~~  
48 ~~the same rights in the credit as the contributor. Whenever a certificate of tax credit is] assigned,~~  
49 ~~transferred, sold, or otherwise conveyed[, a notarized endorsement shall be filed with the~~  
50 ~~authority specifying the name and address of the new owner of the tax credit or the value of the~~  
51 ~~credit].~~

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

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

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

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 chapter 274 or incorporated pursuant to chapter 357 for the purpose of operating  
11 within this state a development facility or a renewable fuel production facility and approved by  
12 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 chapter 143, other than taxes withheld pursuant to sections 143.191 to 143.265,  
40 **chapter 147**, or chapter 148, [~~chapter 147,~~] in an amount equal to the lesser of fifty percent of  
41 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 chapter 143, other than taxes withheld pursuant to sections 143.191 to 143.265,  
46 chapter 147 or chapter 148, in an amount equal to the lesser of fifty percent of such producer  
47 member's investment or fifteen thousand dollars. Tax credits claimed in a taxable year may be  
48 done so on a quarterly basis and applied to the estimated quarterly tax pursuant to subsection 3  
49 of this section. If a quarterly tax credit claim or series of claims contributes to causing an

50 overpayment of taxes for a taxable year, such overpayment shall not be refunded but shall be  
51 applied to the next taxable 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 this section may  
56 be carried forward to any of the producer member's four subsequent taxable years regardless of  
57 the type of tax liability to which such credits are applied as authorized pursuant to subsection 3  
58 of this section. Tax credits issued pursuant to this section ~~[may]~~ **shall not** be assigned,  
59 transferred, sold, or otherwise conveyed ~~[and the new owner of the tax credit shall have the same~~  
60 ~~rights in the credit as the producer member. Whenever a certificate of tax credit is assigned,~~  
61 ~~transferred, sold or otherwise conveyed, a notarized endorsement shall be filed with the authority~~  
62 ~~specifying the name and address of the new owner of the tax credit or the value of the credit].~~

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

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

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

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

2. Any eligible lender under the family farm livestock loan program under section 348.500 shall be entitled to receive a tax credit equal to one hundred percent of the amount of interest waived by the lender under section 348.500 on a qualifying loan for the first year of the loan only. The tax credit shall be evidenced by a tax credit certificate issued by the agricultural and small business development authority and may be used to satisfy the state tax liability of the owner of such certificate that becomes due in the tax year in which the interest on a qualified loan is waived by the lender under section 348.500. No lender may receive a tax credit under this section unless such person presents a tax credit certificate to the department of revenue for payment of such state tax liability. The amount of the tax credits that may be issued to all eligible lenders claiming tax credits authorized in this section in a fiscal year shall not exceed three hundred thousand dollars.

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

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

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

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

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

(3) Notwithstanding any provision of law to the contrary, ~~a~~ **no** lender may assign, transfer, or sell tax credits authorized under this section ~~;~~ ~~with the new owner of the tax credit~~



37 ~~receiving the same rights in the tax credit as the lender. For any tax credits assigned, transferred,~~  
38 ~~sold, or otherwise conveyed, a notarized endorsement shall be filed by the lender with the~~  
39 ~~authority specifying the name and address of the new owner of the tax credit and the value of~~  
40 ~~such tax 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.

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 sections 447.700 to 447.718 may receive the tax credits and exemptions  
6 pursuant to sections 135.100 to 135.150 and sections 135.200 to 135.257. The tax credits  
7 allowed pursuant to this subsection shall be used to offset the tax imposed by chapter 143,  
8 excluding withholding tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed  
9 by chapter 147, or the tax otherwise imposed by chapter 148. For purposes of this subsection:

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

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

25 (3) For eligibility to receive the income tax refund pursuant to section 135.245, the  
26 eligible project must create at least ten new jobs or retain businesses which supply at least

27 twenty-five existing jobs, or combination thereof, and otherwise comply with the provisions of  
28 section 135.245 for application and use of the refund and the eligibility requirements of this  
29 section;

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

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

35 (6) The taxpayer may claim the state tax credits authorized by this subsection and the  
36 state income exemption for a period not in excess of ten consecutive tax years. For the purpose  
37 of this section, "taxpayer" means an individual proprietorship, partnership, or corporation  
38 described in section 143.441 or 143.471 who operates an eligible project. The director shall  
39 determine the number of years the taxpayer may claim the state tax credits and the state income  
40 exemption based on the projected net state economic benefits attributed to the eligible project;

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

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

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

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

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

92 2. The determination of the director of economic development pursuant to subsection  
93 1 of this section shall not affect requirements for the prospective purchaser to obtain the approval  
94 of the granting of real property tax abatement by the municipal or county government where the  
95 eligible project is located.

96 3. (1) The director of the department of economic development, with the approval of  
97 the director of the department of natural resources, may, in addition to the tax credits allowed

98 in subsection 1 of this section, grant a remediation tax credit to the applicant for up to one  
99 hundred percent of the costs of materials, supplies, equipment, labor, professional engineering,  
100 consulting and architectural fees, permitting fees and expenses, demolition, asbestos abatement,  
101 and direct utility charges for performing the voluntary remediation activities for the preexisting  
102 hazardous substance contamination and releases, including, but not limited to, the costs of  
103 performing operation and maintenance of the remediation equipment at the property beyond the  
104 year in which the systems and equipment are built and installed at the eligible project and the  
105 costs of performing the voluntary remediation activities over a period not in excess of four tax  
106 years following the taxpayer's tax year in which the system and equipment were first put into use  
107 at the eligible project, provided the remediation activities are the subject of a plan submitted to,  
108 and approved by, the director of natural resources pursuant to sections 260.565 to 260.575. The  
109 tax credit may also include up to one hundred percent of the costs of demolition that are not  
110 directly part of the remediation activities, provided that the demolition is on the property where  
111 the voluntary remediation activities are occurring, the demolition is necessary to accomplish the  
112 planned use of the facility where the remediation activities are occurring, and the demolition is  
113 part of a redevelopment plan approved by the municipal or county government and the  
114 department of economic development. The demolition may occur on an adjacent property if the  
115 project is located in a municipality which has a population less than twenty thousand and the  
116 above conditions are otherwise met. The adjacent property shall independently qualify as  
117 abandoned or underutilized. The amount of the credit available for demolition not associated  
118 with remediation cannot exceed the total amount of credits approved for remediation including  
119 demolition required for remediation.

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

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

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

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

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

159 5. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax  
160 credits, exemptions, or refund otherwise allowed in subdivisions (2), (3) and (4) of subsection  
161 1 of this section and the tax credits otherwise allowed in section 135.110, or the tax credits,  
162 exemptions and refund otherwise allowed in sections 135.215, 135.220, 135.225 and 135.245,  
163 respectively, for the same facility for the same tax period.

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

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

167 (2) One hundred percent of the total business' income tax if the eligible facility does not  
168 replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax  
169 period in which the tax credits are earned, and further provided the taxpayer does not operate any

170 other facilities besides the eligible project in Missouri; fifty percent of the total business' income  
171 tax if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the  
172 end of the taxpayer's tax period in which the credits are earned, and further provided the taxpayer  
173 does not operate any other facilities besides the eligible project in Missouri; or twenty-five  
174 percent of the total business income if the taxpayer operates, in addition to the eligible facility,  
175 any other facilities in Missouri. In no case shall a taxpayer operating more than one eligible  
176 project in Missouri be allowed to offset more than twenty-five percent of the taxpayer's business  
177 income in any tax period. That portion of the taxpayer's income attributed to the eligible project  
178 as referenced in subdivision (1) of this subsection, for which the credits allowed in sections  
179 135.110 and 135.225 and subsection 3 of this section may apply, shall be determined in the same  
180 manner as prescribed in subdivision (5) of section 135.100. That portion of the taxpayer's  
181 franchise tax attributed to the eligible project for which the remediation tax credit may offset,  
182 shall be determined in the same manner as prescribed in paragraph (a) of subdivision (5) of  
183 section 135.100.

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

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

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

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

216 ~~11.] No tax credit authorized under this section shall be transferred, sold, or~~  
217 ~~assigned.~~

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

- 221 (1) The shareholders of the corporation described in section 143.471;  
222 (2) The partners of the partnership.

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

226 ~~[12.]~~ **11.** Notwithstanding any provision of law to the contrary, in any county ~~[of the first~~  
227 ~~classification]~~ that has a charter form of government and that has a population of over nine  
228 hundred thousand inhabitants, all demolition costs incurred during the redevelopment of any  
229 former automobile manufacturing plant shall be allowable costs eligible for tax credits under  
230 sections 447.700 to 447.718 so long as the redevelopment of such former automobile  
231 manufacturing plant shall be projected to create at least two hundred fifty new jobs or at least  
232 three hundred retained jobs, or a combination thereof, as determined by the department of  
233 economic development. The amount of allowable costs eligible for tax credits shall be limited  
234 to the least amount necessary to cause the project to occur, as determined by the director of the  
235 department of economic development, provided that no tax credit shall be issued under this  
236 subsection until July 1, 2017. For purposes of this subsection, "former automobile  
237 manufacturing plant" means a redevelopment area that qualifies as an eligible project under  
238 section 447.700, that consists of at least one hundred acres, and that was used primarily for the  
239 manufacture of automobiles but, after 2007, ceased such manufacturing.

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  
27 assistance, 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 year beginning after December 31, 1989, a taxpayer, including any  
101 charitable organization which is exempt from federal income tax and whose Missouri unrelated  
102 business taxable income, if any, would be subject to the state income tax imposed under chapter  
103 143, shall be entitled to a tax credit against any tax otherwise due under the provisions of chapter  
104 143, or chapter 147, or chapter 148, excluding withholding tax imposed by sections 143.191 to  
105 143.265, in the amount of fifty percent of any amount contributed by the taxpayer to the Missouri  
106 small business incubators fund during the taxpayer's tax year or any contribution by the taxpayer  
107 to a local sponsor after the local sponsor's application has been accepted and approved by the  
108 department. The tax credit allowed by this subsection shall be claimed by the taxpayer at the  
109 time he files his return and shall be applied against the income tax liability imposed by chapter

110 143, or chapter 147, or chapter 148, after all other credits provided by law have been applied.  
 111 That portion of earned tax credits which exceeds the taxpayer's tax liability may be carried  
 112 forward for up to five years. The aggregate of all tax credits authorized under this section shall  
 113 not exceed five hundred thousand dollars in any taxable year.

114 12. Notwithstanding any provision of Missouri law to the contrary, ~~any~~ **no** taxpayer  
 115 ~~may~~ **shall** sell, assign, exchange, convey or otherwise transfer tax credits allowed in subsection  
 116 11 of this section ~~under the terms and conditions prescribed in subdivisions (1) and (2) of this~~  
 117 ~~subsection. Such taxpayer, hereinafter the assignor for the purpose of this subsection, may sell,~~  
 118 ~~assign, exchange or otherwise transfer earned tax credits:~~

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

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

121

122 ~~The taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection,~~  
 123 ~~may use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise~~  
 124 ~~imposed by chapter 143, or chapter 147, or chapter 148 excluding withholding tax imposed by~~  
 125 ~~sections 143.191 to 143.265. Unused credits in the hands of the assignee may be carried forward~~  
 126 ~~for up to five years. The assignor shall enter into a written agreement with the assignee~~  
 127 ~~establishing the terms and conditions of the agreement and shall perfect such transfer by~~  
 128 ~~notifying the department of economic development in writing within thirty calendar days~~  
 129 ~~following the effective day of the transfer and shall provide any information as may be required~~  
 130 ~~by the department of economic development to administer and carry out the provisions of this~~  
 131 ~~section. The director of the department of economic development shall prescribe the method for~~  
 132 ~~submitting applications for claiming the tax credit allowed under subsection 11 of this section~~  
 133 ~~and shall, if the application is approved, certify to the director of revenue that the taxpayer~~  
 134 ~~claiming the credit has satisfied all the requirements specified in this section and is eligible to~~  
 135 ~~claim the credit].~~

2 620.650. 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 chapter 143, chapter 147, or chapter 148, other  
 5 than taxes withheld pursuant to sections 143.191 to 143.265, in an amount equal to one hundred  
 6 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~~ **shall not** 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 this section to the director of the department of revenue for deposit in the state treasury to the  
17 credit of the general revenue fund.

620.1039. 1. As used in this section, the term "taxpayer" means an individual, a  
2 partnership, or any charitable organization which is exempt from federal income tax and whose  
3 Missouri unrelated business taxable income, if any, would be subject to the state income tax  
4 imposed under chapter 143, or a corporation as described in section 143.441 or 143.471, or  
5 section 148.370, and the term "qualified research expenses" has the same meaning as prescribed  
6 in 26 U.S.C. 41.

7 2. For tax years beginning on or after January 1, 2001, the director of the department of  
8 economic development may authorize a taxpayer to receive a tax credit against the tax otherwise  
9 due pursuant to chapter 143, or chapter 148, other than the taxes withheld pursuant to sections  
10 143.191 to 143.265, in an amount up to six and one-half percent of the excess of the taxpayer's  
11 qualified research expenses, as certified by the director of the department of economic  
12 development, within this state during the taxable year over the average of the taxpayer's qualified  
13 research expenses within this state over the immediately preceding three taxable years; except  
14 that, no tax credit shall be allowed on that portion of the taxpayer's qualified research expenses  
15 incurred within this state during the taxable year in which the credit is being claimed, to the  
16 extent such expenses exceed two hundred percent of the taxpayer's average qualified research  
17 expenses incurred during the immediately preceding three taxable years.

18 3. The director of economic development shall prescribe the manner in which the tax  
19 credit may be applied for. The tax credit authorized by this section may be claimed by the  
20 taxpayer to offset the tax liability imposed by chapter 143 or chapter 148 that becomes due in the  
21 tax year during which such qualified research expenses were incurred. Where the amount of the  
22 credit exceeds the tax liability, the difference between the credit and the tax liability may only  
23 be carried forward for the next five succeeding taxable years or until the full credit has been  
24 claimed, whichever first occurs. The application for tax credits authorized by the director  
25 pursuant to subsection 2 of this section shall be made no later than the end of the taxpayer's tax  
26 period immediately following the tax period for which the credits are being claimed.

27 4. Certificates of tax credit issued pursuant to this section ~~may~~ **shall not** be transferred,  
28 sold, or assigned ~~by filing a notarized endorsement thereof with the department which names~~

29 ~~the transferee and the amount of tax credit transferred. The director of economic development~~  
30 ~~may allow a taxpayer to transfer, sell or assign up to forty percent of the amount of the~~  
31 ~~certificates of tax credit issued to and not claimed by such taxpayer pursuant to this section~~  
32 ~~during any tax year commencing on or after January 1, 1996, and ending not later than December~~  
33 ~~31, 1999. Such taxpayer shall file, by December 31, 2001, an application with the department~~  
34 ~~which names the transferee, the amount of tax credit desired to be transferred, and a certification~~  
35 ~~that the funds received by the applicant as a result of the transfer, sale or assignment of the tax~~  
36 ~~credit shall be expended within three years at the state university for the sole purpose of~~  
37 ~~conducting research activities agreed upon by the department, the taxpayer and the state~~  
38 ~~university. Failure to expend such funds in the manner prescribed pursuant to this section shall~~  
39 ~~cause the applicant to be subject to the provisions of section 620.017].~~

40         5. No rule or portion of a rule promulgated under the authority of this section shall  
41 become effective unless it has been promulgated pursuant to the provisions of chapter 536. All  
42 rulemaking authority delegated prior to June 27, 1997, is of no force and effect and repealed;  
43 however, nothing in this section shall be interpreted to repeal or affect the validity of any rule  
44 filed or adopted prior to June 27, 1997, if such rule complied with the provisions of chapter 536.  
45 The provisions of this section and chapter 536 are nonseverable and if any of the powers vested  
46 with the general assembly pursuant to chapter 536, including the ability to review, to delay the  
47 effective date, or to disapprove and annul a rule or portion of a rule, are subsequently held  
48 unconstitutional, then the purported grant of rulemaking authority and any rule so proposed and  
49 contained in the order of rulemaking shall be invalid and void.

50         6. The aggregate of all tax credits authorized pursuant to this section shall not exceed  
51 nine million seven hundred thousand dollars in any year.

52         7. For all tax years beginning on or after January 1, 2005, no tax credits shall be  
53 approved, awarded, or issued to any person or entity claiming any tax credit under this section.

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 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 The quality jobs advisory task force may recommend to the department of economic  
124 development that appropriate penalties be applied to the company for violating the agreement.

125 The amount of the job retention credit granted may be equal to up to fifty percent of the amount  
126 of withholding tax generated by the full-time jobs at the project facility for a period of five years.

127 The calendar year annual maximum amount of tax credit that may be issued to any qualified  
128 company for a job retention project or combination of job retention projects shall be seven

129 hundred fifty thousand dollars per year, but the maximum amount may be increased up to one  
130 million dollars if such action is proposed by the department and approved by the quality jobs

131 advisory task force established in section 620.1887; provided, however, until such time as the  
132 initial at-large members of the quality jobs advisory task force are appointed, this determination

133 shall be made by the director of the department of economic development. In considering such  
134 a request, the task force shall rely on economic modeling and other information supplied by the

135 department when requesting the increased limit on behalf of the job retention project. In no  
136 event shall the total amount of all tax credits issued for the entire job retention program under

137 this subdivision exceed three million dollars annually. Notwithstanding the above, no tax credits  
138 shall be issued for job retention projects approved by the department after August 30, 2013;

139 (5) Small business job retention and flood survivor relief: a qualified company may  
140 receive a tax credit under sections 620.1875 to 620.1890 for the retention of jobs and flood  
141 survivor relief in this state for each job retained over a three-year period, provided that:

142 (a) The qualified company did not receive any state or federal benefits, incentives, or tax  
143 relief or abatement in locating its facility in a flood plain;

144 (b) The qualified company and related companies have fewer than one hundred  
145 employees at the time application for the program is made;

146 (c) The average wage of the qualified company's and related companies' employees must  
147 meet or exceed the county average wage;

148 (d) All of the qualified company's and related companies' facilities are located in this  
149 state;

150 (e) The facilities at the primary business site in this state have been directly damaged by  
151 floodwater rising above the level of a five hundred year flood at least two years, but fewer than  
152 eight years, prior to the time application is made;

153 (f) The qualified company made significant efforts to protect the facilities prior to any  
154 impending danger from rising floodwaters;

155 (g) For each year it receives tax credits under sections 620.1875 to 620.1890, the  
156 qualified company and related companies retained, at the company's facilities in this state, at  
157 least the level of full-time, year-round employees that existed in the taxable year immediately  
158 preceding the year in which application for the program is made; and

159 (h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company  
160 cumulatively invests at least two million dollars in capital improvements in facilities and  
161 equipment located at such facilities that are not located within a five hundred year flood plain  
162 as designated by the Federal Emergency Management Agency, and amended from time to time.  
163 The amount of the small business job retention and flood survivor relief credit granted may be  
164 equal to up to one hundred percent of the amount of withholding tax generated by the full-time  
165 jobs at the project facility for a period of three years. The calendar year annual maximum  
166 amount of tax credit that may be issued to any qualified company for a small business job  
167 retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the  
168 maximum amount may be increased up to five hundred thousand dollars if such action is  
169 proposed by the department and approved by the quality jobs advisory task force established in  
170 section 620.1887. In considering such a request, the task force shall rely on economic modeling  
171 and other information supplied by the department when requesting an increase in the limit on  
172 behalf of the small business job retention and flood survivor relief project. In no event shall the  
173 total amount of all tax credits issued for the entire small business job retention and flood survivor  
174 relief program under this subdivision exceed five hundred thousand dollars annually.  
175 Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued  
176 for small business job retention and flood survivor relief projects approved by the department  
177 after August 30, 2010.

178 4. The qualified company shall provide an annual report of the number of jobs and such  
179 other information as may be required by the department to document the basis for the benefits  
180 of this program. The department may withhold the approval of any benefits until it is satisfied  
181 that proper documentation has been provided, and shall reduce the benefits to reflect any  
182 reduction in full-time employees or new payroll. Upon approval by the department, the qualified  
183 company may begin the retention of the withholding taxes when it reaches the minimum number  
184 of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be  
185 issued upon satisfaction by the department that the qualified company has exceeded the county  
186 average wage and the minimum number of new jobs. In such annual report, if the average wage  
187 is below the county average wage, the qualified company has not maintained the employee  
188 insurance as required, or if the number of new jobs is below the minimum, the qualified  
189 company shall not receive tax credits or retain the withholding tax for the balance of the benefit  
190 period. In the case of a qualified company that initially filed a notice of intent and received an

191 approval from the department for high-impact benefits and the minimum number of new jobs  
192 in an annual report is below the minimum for high-impact projects, the company shall not  
193 receive tax credits for the balance of the benefit period but may continue to retain the  
194 withholding taxes if it otherwise meets the requirements of a small and expanding business under  
195 this program.

196 5. The maximum calendar year annual tax credits issued for the entire program shall not  
197 exceed eighty million dollars. Notwithstanding any provision of law to the contrary, the  
198 maximum annual tax credits authorized under section 135.535 are hereby reduced from ten  
199 million dollars to eight million dollars, with the balance of two million dollars transferred to this  
200 program. There shall be no limit on the amount of withholding taxes that may be retained by  
201 approved companies under this program.

202 6. The department shall allocate the annual tax credits based on the date of the approval,  
203 reserving such tax credits based on the department's best estimate of new jobs and new payroll  
204 of the project, and the other factors in the determination of benefits of this program. However,  
205 the annual issuance of tax credits is subject to the annual verification of the actual new payroll.  
206 The allocation of tax credits for the period assigned to a project shall expire if, within two years  
207 from the date of commencement of operations, or approval if applicable, the minimum  
208 thresholds have not been achieved. The qualified company may retain authorized amounts from  
209 the withholding tax under this section once the minimum new jobs thresholds are met for the  
210 duration of the project period. No benefits shall be provided under this program until the  
211 qualified company meets the minimum new jobs thresholds. In the event the qualified company  
212 does not meet the minimum new job threshold, the qualified company may submit a new notice  
213 of intent or the department may provide a new approval for a new project of the qualified  
214 company at the project facility or other facilities.

215 7. For a qualified company with flow-through tax treatment to its members, partners, or  
216 shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion  
217 to their share of ownership on the last day of the qualified company's tax period.

218 8. Tax credits may be claimed against taxes otherwise imposed by chapters 143 and 148,  
219 and may not be carried forward but shall be claimed within one year of the close of the taxable  
220 year for which they were issued, except as provided under subdivision (4) of subsection 3 of this  
221 section.

222 9. Tax credits authorized by this section ~~[may]~~ **shall not** be transferred, sold, or assigned  
223 ~~[by filing a notarized endorsement thereof with the department that names the transferee, the~~  
224 ~~amount of tax credit transferred, and the value received for the credit, as well as any other~~  
225 ~~information reasonably requested by the department].~~

226           10. Prior to the issuance of tax credits, the department shall verify through the  
227 department of revenue, or any other state department, that the tax credit applicant does not owe  
228 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent  
229 fees or assessments levied by any state department and through the department of insurance,  
230 financial institutions and professional registration that the applicant does not owe any delinquent  
231 insurance taxes. Such delinquency shall not affect the authorization of the application for such  
232 tax credits, except that at issuance credits shall be first applied to the delinquency and any  
233 amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue  
234 or the department of insurance, financial institutions and professional registration, or any other  
235 state department, concludes that a taxpayer is delinquent after June fifteenth but before July first  
236 of any year and the application of tax credits to such delinquency causes a tax deficiency on  
237 behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the  
238 deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all  
239 available credits toward a tax delinquency, the administering agency shall notify the appropriate  
240 department and that department shall update the amount of outstanding delinquent tax owed by  
241 the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax  
242 delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions  
243 of other provisions of law.

244           11. Except as provided under subdivision (4) of subsection 3 of this section, the director  
245 of revenue shall issue a refund to the qualified company to the extent that the amount of credits  
246 allowed in this section exceeds the amount of the qualified company's income tax.

247           12. An employee of a qualified company will receive full credit for the amount of tax  
248 withheld as provided in section 143.211.

249           13. If any provision of sections 620.1875 to 620.1890 or application thereof to any  
250 person or circumstance is held invalid, the invalidity shall not affect other provisions or  
251 application of these sections which can be given effect without the invalid provisions or  
252 application, and to this end, the provisions of sections 620.1875 to 620.1890 are hereby declared  
253 severable.

620.2020. 1. The department shall respond to a written request, by or on behalf of a  
2 qualified company, for a proposed benefit award under the provisions of this program within five  
3 business days of receipt of such request. Such response shall contain either a proposal of  
4 benefits for the qualified company, or a written response refusing to provide such a proposal and  
5 stating the reasons for such refusal. A qualified company that intends to seek benefits under the  
6 program shall submit to the department a notice of intent. The department shall respond within  
7 thirty days to a notice of intent with an approval or a rejection, provided that the department may  
8 withhold approval or provide a contingent approval until it is satisfied that proper documentation

9 of eligibility has been provided. Failure to respond on behalf of the department shall result in  
10 the notice of intent being deemed approved. A qualified company receiving approval for  
11 program benefits may receive additional benefits for subsequent new jobs at the same facility  
12 after the full initial project period if the applicable minimum job requirements are met. There  
13 shall be no limit on the number of project periods a qualified company may participate in the  
14 program, and a qualified company may elect to file a notice of intent to begin a new project  
15 period concurrent with an existing project period if the applicable minimum job requirements  
16 are achieved, the qualified company provides the department with the required annual reporting,  
17 and the qualified company is in compliance with this program and any other state programs in  
18 which the qualified company is currently or has previously participated. However, the qualified  
19 company shall not receive any further program benefits under the original approval for any new  
20 jobs created after the date of the new notice of intent, and any jobs created before the new notice  
21 of intent shall not be included as new jobs for purposes of the benefit calculation for the new  
22 approval. When a qualified company has filed and received approval of a notice of intent and  
23 subsequently files another notice of intent, the department shall apply the definition of project  
24 facility under subdivision (18) of section 620.2005 to the new notice of intent as well as all  
25 previously approved notices of intent and shall determine the application of the definitions of  
26 new job, new payroll, project facility base employment, and project facility base payroll  
27 accordingly.

28         2. Notwithstanding any provision of law to the contrary, the benefits available to the  
29 qualified company under any other state programs for which the company is eligible and which  
30 utilize withholding tax from the new or retained jobs of the company shall first be credited to the  
31 other state program before the withholding retention level applicable under this program will  
32 begin to accrue. If any qualified company also participates in a job training program utilizing  
33 withholding tax, the company shall retain no withholding tax under this program, but the  
34 department shall issue a refundable tax credit for the full amount of benefit allowed under this  
35 program. The calendar year annual maximum amount of tax credits which may be issued to a  
36 qualifying company that also participates in a job training program shall be increased by an  
37 amount equivalent to the withholding tax retained by that company under a jobs training  
38 program.

39         3. A qualified company receiving benefits under this program shall provide an annual  
40 report of the number of jobs and such other information as may be required by the department  
41 to document the basis for program benefits available no later than ninety days prior to the end  
42 of the qualified company's tax year immediately following the tax year for which the benefits  
43 provided under the program are attributed. In such annual report, if the average wage is below  
44 the applicable percentage of the county average wage, the qualified company has not maintained

45 the employee insurance as required, or if the number of jobs is below the number required, the  
46 qualified company shall not receive tax credits or retain the withholding tax for the balance of  
47 the project period. Failure to timely file the annual report required under this section shall result  
48 in the forfeiture of tax credits attributable to the year for which the reporting was required and  
49 a recapture of withholding taxes retained by the qualified company during such year.

50       4. The department may withhold the approval of any benefits under this program until  
51 it is satisfied that proper documentation has been provided, and shall reduce the benefits to  
52 reflect any reduction in full-time employees or payroll. Upon approval by the department, the  
53 qualified company may begin the retention of the withholding taxes when it reaches the required  
54 number of jobs and the average wage meets or exceeds the applicable percentage of county  
55 average wage. Tax credits, if any, may be issued upon satisfaction by the department that the  
56 qualified company has exceeded the applicable percentage of county average wage and the  
57 required number of jobs.

58       5. Any qualified company approved for benefits under this program shall provide to the  
59 department, upon request, any and all information and records reasonably required to monitor  
60 compliance with program requirements. This program shall be considered a business recruitment  
61 tax credit under subdivision (4) of subsection 2 of section 135.800, and any qualified company  
62 approved for benefits under this program shall be subject to the provisions of sections 135.800  
63 to 135.830.

64       6. Any taxpayer who is awarded benefits under this program who knowingly hires  
65 individuals who are not allowed to work legally in the United States shall immediately forfeit  
66 such benefits and shall repay the state an amount equal to any state tax credits already redeemed  
67 and any withholding taxes already retained.

68       7. The maximum amount of tax credits that may be authorized under this program for  
69 any fiscal year shall be limited as follows, less the amount of any tax credits previously obligated  
70 for that fiscal year under any of the tax credit programs referenced in subsection 13 of this  
71 section:

72       (1) For the fiscal year beginning on July 1, 2013, but ending on or before June 30, 2014,  
73 no more than one hundred six million dollars in tax credits may be authorized;

74       (2) For the fiscal year beginning on July 1, 2014, but ending on or before June 30, 2015,  
75 no more than one hundred eleven million dollars in tax credits may be authorized; and

76       (3) For any fiscal year beginning on or after July 1, 2015, no more than one hundred  
77 sixteen million dollars in tax credits may be authorized for each fiscal year.

78       8. For tax credits for the creation of new jobs under section 620.2010, the department  
79 shall allocate the annual tax credits based on the date of the approval, reserving such tax credits  
80 based on the department's best estimate of new jobs and new payroll of the project, and any other

81 applicable factors in determining the amount of benefits available to the qualified company under  
82 this program. However, the annual issuance of tax credits shall be subject to annual verification  
83 of actual payroll by the department. Any authorization of tax credits shall expire if, within two  
84 years from the date of commencement of operations, or approval if applicable, the qualified  
85 company has failed to meet the applicable minimum job requirements. The qualified company  
86 may retain authorized amounts from the withholding tax under the project once the applicable  
87 minimum job requirements have been met for the duration of the project period. No benefits  
88 shall be provided under this program until the qualified company meets the applicable minimum  
89 new job requirements. In the event the qualified company does not meet the applicable  
90 minimum new job requirements, the qualified company may submit a new notice of intent or the  
91 department may provide a new approval for a new project of the qualified company at the project  
92 facility or other facilities.

93 9. Tax credits provided under this program may be claimed against taxes otherwise  
94 imposed by chapters 143 and 148, and may not be carried forward, but shall be claimed within  
95 one year of the close of the taxable year for which they were issued. Tax credits provided under  
96 this program ~~[may]~~ **shall not** be transferred, sold, or assigned ~~[by filing a notarized endorsement~~  
97 ~~thereof with the department that names the transferee, the amount of tax credit transferred, and~~  
98 ~~the value received for the credit, as well as any other information reasonably requested by the~~  
99 ~~department]~~. For a qualified company with flow-through tax treatment to its members, partners,  
100 or shareholders, the tax credit shall be allowed to members, partners, or shareholders in  
101 proportion to their share of ownership on the last day of the qualified company's tax period.

102 10. Prior to the issuance of tax credits or the qualified company beginning to retain  
103 withholding taxes, the department shall verify through the department of revenue and any other  
104 applicable state department that the tax credit applicant does not owe any delinquent income,  
105 sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments  
106 levied by any state department and through the department of insurance, financial institutions and  
107 professional registration that the applicant does not owe any delinquent insurance taxes or other  
108 fees. Such delinquency shall not affect the approval, except that any tax credits issued shall be  
109 first applied to the delinquency and any amount issued shall be reduced by the applicant's tax  
110 delinquency. If the department of revenue, the department of insurance, financial institutions and  
111 professional registration, or any other state department concludes that a taxpayer is delinquent  
112 after June fifteenth but before July first of any year and the application of tax credits to such  
113 delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be  
114 granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall  
115 be tolled. After applying all available credits toward a tax delinquency, the administering agency  
116 shall notify the appropriate department and that department shall update the amount of

117 outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all  
118 insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the  
119 applicant, subject to the restrictions of other provisions of law.

120         11. The director of revenue shall issue a refund to the qualified company to the extent  
121 that the amount of tax credits allowed under this program exceeds the amount of the qualified  
122 company's tax liability under chapter 143 or 148.

123         12. An employee of a qualified company shall receive full credit for the amount of tax  
124 withheld as provided in section 143.211.

125         13. Notwithstanding any provision of law to the contrary, beginning August 28, 2013,  
126 no new benefits shall be authorized for any project that had not received from the department a  
127 proposal or approval for such benefits prior to August 28, 2013, under the development tax credit  
128 program created under sections 32.100 to 32.125, the rebuilding communities tax credit program  
129 created under section 135.535, the enhanced enterprise zone tax credit program created under  
130 sections 135.950 to 135.973, and the Missouri quality jobs program created under sections  
131 620.1875 to 620.1890. The provisions of this subsection shall not be construed to limit or impair  
132 the ability of any administering agency to authorize or issue benefits for any project that had  
133 received an approval or a proposal from the department under any of the programs referenced  
134 in this subsection prior to August 28, 2013, or the ability of any taxpayer to redeem any such tax  
135 credits or to retain any withholding tax under an approval issued prior to that date. The  
136 provisions of this subsection shall not be construed to limit or in any way impair the ability of  
137 any governing authority to provide any local abatement or designate a new zone under the  
138 enhanced enterprise zone program created by sections 135.950 to 135.963. Notwithstanding any  
139 provision of law to the contrary, no qualified company that is awarded benefits under this  
140 program shall:

141         (1) Simultaneously receive benefits under the programs referenced in this subsection at  
142 the same capital investment; or

143         (2) Receive benefits under the provisions of section 620.1910 for the same jobs.

144         14. If any provision of sections 620.2000 to 620.2020 or application thereof to any  
145 person or circumstance is held invalid, the invalidity shall not affect other provisions or  
146 application of these sections which can be given effect without the invalid provisions or  
147 application, and to this end, the provisions of sections 620.2000 to 620.2020 are hereby declared  
148 severable.

149         15. By no later than January 1, 2014, and the first day of each calendar quarter thereafter,  
150 the department shall present a quarterly report to the general assembly detailing the benefits  
151 authorized under this program during the immediately preceding calendar quarter to the extent



152 such information may be disclosed under state and federal law. The report shall include, at a  
153 minimum:

154 (1) A list of all approved and disapproved applicants for each tax credit;

155 (2) A list of the aggregate amount of new or retained jobs that are directly attributable  
156 to the tax credits authorized;

157 (3) A statement of the aggregate amount of new capital investment directly attributable  
158 to the tax credits authorized;

159 (4) Documentation of the estimated net state fiscal benefit for each authorized project  
160 and, to the extent available, the actual benefit realized upon completion of such project or  
161 activity; and

162 (5) The department's response time for each request for a proposed benefit award under  
163 this program.

164 16. The department may adopt such rules, statements of policy, procedures, forms, and  
165 guidelines as may be necessary to carry out the provisions of sections 620.2000 to 620.2020.  
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, 2013, shall be invalid and void.

173 17. Under section 23.253 of the Missouri sunset act:

174 (1) The provisions of the new program authorized under sections 620.2000 to 620.2020  
175 shall automatically sunset six years after August 28, 2013, unless reauthorized by an act of the  
176 general assembly; and

177 (2) If such program is reauthorized, the program authorized under this section shall  
178 automatically sunset twelve years after the effective date of ~~[this]~~ the reauthorization of sections  
179 620.2000 to 620.2020; and

180 (3) Sections 620.2000 to 620.2020 shall terminate on September first of the calendar  
181 year immediately following the calendar year in which the program authorized under sections  
182 620.2000 to 620.2020 is sunset.

✓