

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILL NO. 140

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for the sale of ethanol fuel.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be known as section 135.755, to read as follows:

135.755. 1. For the purposes of this section, the following terms shall mean:

(1) "Department", the Missouri department of revenue;

(2) "Higher ethanol blend", a fuel capable of being dispensed directly into motor vehicle fuel tanks for consumption that is comprised of at least fifteen percent but not more than eighty-five percent ethanol;

(3) "Retail dealer", a person that owns or operates a retail service station;

(4) "Retail service station", a location from which higher ethanol blend is sold to the general public and is dispensed directly into motor vehicle fuel tanks for consumption.

2. For all tax years beginning on or after January 1, 2022, a retail dealer that sells higher ethanol blend at such retail dealer's retail service station shall be allowed a tax credit to be taken against the retail dealer's state income tax liability. The amount of the credit shall equal five cents per gallon of higher ethanol blend sold by the retail dealer and dispensed through metered pumps at the retail dealer's retail service station during the tax year

in which the tax credit is claimed. Tax credits authorized pursuant to this section shall not be transferred, sold, or assigned. If the amount of the tax credit exceeds the taxpayer's state tax liability, the difference shall not be refundable, but may be carried forward to any of the five subsequent tax years. The total amount of tax credits authorized pursuant to this section for any given fiscal year shall not exceed four million dollars.

3. The tax credit allowed by this section shall be claimed by such taxpayer at the time such taxpayer files a return and shall be applied against the income tax liability imposed by chapter 143 after reduction for all other credits allowed thereon. The department may require any documentation it deems necessary to implement the provisions of this section.

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

5. Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of this section shall automatically sunset on December 31, 2027, unless reauthorized by an act of the general assembly; and

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

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