

SECOND REGULAR SESSION  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 548**  
96TH GENERAL ASSEMBLY

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Reported from the Committee on Ways and Means and Fiscal Oversight, March 29, 2012, with recommendation that the Senate Committee Substitute do pass.

4400S.07C

TERRY L. SPIELER, Secretary.

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**AN ACT**

To repeal sections 135.010, 135.025, 135.030, 135.090, 135.305, 135.327, 135.350, 135.352, 135.562, 135.630, 135.647, 135.815, 135.967, 135.1150, 253.550, 253.557, and 253.559, RSMo, and to enact in lieu thereof twenty new sections relating to certain tax credit programs, with an emergency clause.

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

Section A. Sections 135.010, 135.025, 135.030, 135.090, 135.305, 135.327, 135.350, 135.352, 135.562, 135.630, 135.647, 135.815, 135.967, 135.1150, 253.550, 253.557, and 253.559, RSMo, are repealed and twenty new sections enacted in lieu thereof, to be known as section 135.010, 135.025, 135.030, 135.090, 135.305, 135.327, 135.350, 135.352, 135.562, 135.630, 135.647, 135.815, 135.822, 135.967, 135.1150, 135.1180, 253.550, 253.557, 253.559, and 1, to read as follows:

135.010. As used in sections 135.010 to 135.030 the following words and terms mean:

(1) "Claimant", a person or persons claiming a credit under sections 135.010 to 135.030. If the persons are eligible to file a joint federal income tax return and reside at the same address at any time during the taxable year, then the credit may only be allowed if claimed on a combined Missouri income tax return or a combined claim return reporting their combined incomes and property taxes. A claimant shall not be allowed a property tax credit unless the claimant or spouse has attained the age of sixty-five on or before the last day of the calendar year and the claimant or spouse was a resident of Missouri for the entire year, or the claimant or spouse is a veteran of any branch of the armed forces of the United States or this state who became one hundred percent disabled as a

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

13 result of such service, or the claimant or spouse is disabled as defined in  
14 subdivision (2) of this section, and such claimant or spouse provides proof of such  
15 disability in such form and manner, and at such times, as the director of revenue  
16 may require, or if the claimant has reached the age of sixty on or before the last  
17 day of the calendar year and such claimant received surviving spouse Social  
18 Security benefits during the calendar year and the claimant provides proof, as  
19 required by the director of revenue, that the claimant received surviving spouse  
20 Social Security benefits during the calendar year for which the credit will be  
21 claimed. A claimant shall not be allowed a property tax credit if the claimant  
22 filed a valid claim for a credit under section 137.106 in the year following the  
23 year for which the property tax credit is claimed. The residency requirement  
24 shall be deemed to have been fulfilled for the purpose of determining the  
25 eligibility of a surviving spouse for a property tax credit if a person of the age of  
26 sixty-five years or older who would have otherwise met the requirements for a  
27 property tax credit dies before the last day of the calendar year. The residency  
28 requirement shall also be deemed to have been fulfilled for the purpose of  
29 determining the eligibility of a claimant who would have otherwise met the  
30 requirements for a property tax credit but who dies before the last day of the  
31 calendar year;

32 (2) "Disabled", the inability to engage in any substantial gainful activity  
33 by reason of any medically determinable physical or mental impairment which  
34 can be expected to result in death or which has lasted or can be expected to last  
35 for a continuous period of not less than twelve months. A claimant shall not be  
36 required to be gainfully employed prior to such disability to qualify for a property  
37 tax credit;

38 (3) ["Gross rent", amount paid by a claimant to a landlord for the rental,  
39 at arm's length, of a homestead during the calendar year, exclusive of charges for  
40 health and personal care services and food furnished as part of the rental  
41 agreement, whether or not expressly set out in the rental agreement. If the  
42 director of revenue determines that the landlord and tenant have not dealt at  
43 arm's length, and that the gross rent is excessive, then he shall determine the  
44 gross rent based upon a reasonable amount of rent. Gross rent shall be deemed  
45 to be paid only if actually paid prior to the date a return is filed. The director of  
46 revenue may prescribe regulations requiring a return of information by a landlord  
47 receiving rent, certifying for a calendar year the amount of gross rent received  
48 from a tenant claiming a property tax credit and shall, by regulation, provide a

49 method for certification by the claimant of the amount of gross rent paid for any  
50 calendar year for which a claim is made. The regulations authorized by this  
51 subdivision may require a landlord or a tenant or both to provide data relating  
52 to health and personal care services and to food. Neither a landlord nor a tenant  
53 may be required to provide data relating to utilities, furniture, home furnishings  
54 or appliances;

55 (4) "Homestead", the dwelling in Missouri owned [or rented] by the  
56 claimant and not to exceed five acres of land surrounding it as is reasonably  
57 necessary for use of the dwelling as a home. It may consist of part of a  
58 multidwelling or multipurpose building and part of the land upon which it is  
59 built. "Owned" includes a vendee in possession under a land contract and one or  
60 more tenants by the entireties, joint tenants, or tenants in common and includes  
61 a claimant actually in possession if he was the immediate former owner of record,  
62 if a lineal descendant is presently the owner of record, and if the claimant  
63 actually pays all taxes upon the property. It may include a mobile home;

64 [(5)] (4) "Income", Missouri adjusted gross income as defined in section  
65 143.121 less two thousand dollars, or in the case of a homestead owned and  
66 occupied, for the entire year, by the claimant, less four thousand dollars as an  
67 exemption for the claimant's spouse residing at the same address, and increased,  
68 where necessary, to reflect the following:

69 (a) Social Security, railroad retirement, and veterans payments and  
70 benefits unless the claimant is a one hundred percent service-connected, disabled  
71 veteran or a spouse of a one hundred percent service-connected, disabled  
72 veteran. The one hundred percent service-connected disabled veteran shall not  
73 be required to list veterans payments and benefits;

74 (b) The total amount of all other public and private pensions and  
75 annuities;

76 (c) Public relief, public assistance, and unemployment benefits received  
77 in cash, other than benefits received under this chapter;

78 (d) No deduction being allowed for losses not incurred in a trade or  
79 business;

80 (e) Interest on the obligations of the United States, any state, or any of  
81 their subdivisions and instrumentalities;

82 [(6)] (5) "Property taxes accrued", property taxes paid, exclusive of  
83 special assessments, penalties, interest, and charges for service levied on a  
84 claimant's homestead in any calendar year. Property taxes shall qualify for the

85 credit only if actually paid prior to the date a return is filed. The director of  
86 revenue shall require a tax receipt or other proof of property tax payment. If a  
87 homestead is owned only partially by claimant, then "property taxes accrued" is  
88 that part of property taxes levied on the homestead which was actually paid by  
89 the claimant. For purposes of this subdivision, property taxes are "levied" when  
90 the tax roll is delivered to the director of revenue for collection. If a claimant  
91 owns a homestead part of the preceding calendar year and rents it or a different  
92 homestead for part of the same year, "property taxes accrued" means only taxes  
93 levied on the homestead both owned and occupied by the claimant, multiplied by  
94 the percentage of twelve months that such property was owned and occupied as  
95 the homestead of the claimant during the year. When a claimant owns and  
96 occupies two or more different homesteads in the same calendar year, property  
97 taxes accrued shall be the sum of taxes allocable to those several properties  
98 occupied by the claimant as a homestead for the year. If a homestead is an  
99 integral part of a larger unit such as a farm, or multipurpose or multidwelling  
100 building, property taxes accrued shall be that percentage of the total property  
101 taxes accrued as the value of the homestead is of the total value. For purposes  
102 of this subdivision "unit" refers to the parcel of property covered by a single tax  
103 statement of which the homestead is a part[;

104 (7) "Rent constituting property taxes accrued", twenty percent of the gross  
105 rent paid by a claimant and spouse in the calendar year].

135.025. The property taxes accrued [and rent constituting property taxes  
2 accrued] on each return shall be totaled. This total, up to [seven hundred fifty  
3 dollars in rent constituting property taxes actually paid or] eleven hundred  
4 dollars in actual property tax paid, shall be used in determining the property tax  
5 credit. The director of revenue shall prescribe regulations providing for  
6 allocations where part of a claimant's homestead is rented to another or used for  
7 nondwelling purposes or where a homestead is owned [or rented] or used as a  
8 dwelling for part of a year.

135.030. 1. As used in this section:

2 (1) The term "maximum upper limit" shall, for each calendar year after  
3 December 31, 1997, but before calendar year 2008, be the sum of twenty-five  
4 thousand dollars. For all calendar years beginning on or after January 1, 2008,  
5 the maximum upper limit shall be the sum of twenty-seven thousand five  
6 hundred dollars. In the case of a homestead owned and occupied for the entire  
7 year by the claimant, the maximum upper limit shall be the sum of thirty

8 thousand dollars;

9 (2) The term "minimum base" shall, for each calendar year after December  
10 31, 1997, but before calendar year 2008, be the sum of thirteen thousand  
11 dollars. For all calendar years beginning on or after January 1, 2008, the  
12 minimum base shall be the sum of fourteen thousand three hundred dollars.

13 2. If the income on a return is equal to or less than the maximum upper  
14 limit for the calendar year for which the return is filed, the property tax credit  
15 shall be determined from a table of credits based upon the amount by which the  
16 total property tax described in section 135.025 exceeds the percent of income in  
17 the following list:

18 If the income on the return is:	The percent is:
19 Not over the minimum base	0 percent with credit
20	not to exceed \$1,100
21	in actual property tax
22	[or rent equivalent] paid
23	[up to \$750]
24 Over the minimum base but	1/16 percent accumulative
25 not over the maximum upper limit	per \$300 from 0 percent
26	to 4 percent.

27 The director of revenue shall prescribe a table based upon the preceding  
28 sentences. The property tax shall be in increments of twenty-five dollars and the  
29 income in increments of three hundred dollars. The credit shall be the amount  
30 rounded to the nearest whole dollar computed on the basis of the property tax  
31 and income at the midpoints of each increment. As used in this subsection, the  
32 term "accumulative" means an increase by continuous or repeated application of  
33 the percent to the income increment at each three hundred dollar level.

34 3. Notwithstanding subsection 4 of section 32.057, the department of  
35 revenue or any duly authorized employee or agent shall determine whether any  
36 taxpayer filing a report or return with the department of revenue who has not  
37 applied for the credit allowed pursuant to section 135.020 may qualify for the  
38 credit, and shall notify any qualified claimant of the claimant's potential  
39 eligibility, where the department determines such potential eligibility exists.

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

2 (1) "Homestead", the dwelling in Missouri owned by the surviving spouse  
3 and not exceeding five acres of land surrounding it as is reasonably necessary for  
4 use of the dwelling as a home. As used in this section, "homestead" shall not

5 include any dwelling which is occupied by more than two families;

6 (2) "Public safety officer", any firefighter, police officer, capitol police  
7 officer, parole officer, probation officer, correctional employee, water patrol officer,  
8 park ranger, conservation officer, commercial motor enforcement officer,  
9 emergency medical technician, first responder, or highway patrolman employed  
10 by the state of Missouri or a political subdivision thereof who is killed in the line  
11 of duty, unless the death was the result of the officer's own misconduct or abuse  
12 of alcohol or drugs;

13 (3) "Surviving spouse", a spouse, who has not remarried, of a public safety  
14 officer.

15 2. For all tax years beginning on or after January 1, 2008, a surviving  
16 spouse shall be allowed a credit against the tax otherwise due under chapter 143,  
17 excluding withholding tax imposed by sections 143.191 to 143.265, in an amount  
18 equal to the total amount of the property taxes on the surviving spouse's  
19 homestead paid during the tax year for which the credit is claimed. A surviving  
20 spouse may claim the credit authorized under this section for each tax year  
21 beginning the year of death of the public safety officer spouse until the tax year  
22 in which the surviving spouse remarries. No credit shall be allowed for the tax  
23 year in which the surviving spouse remarries. If the amount allowable as a credit  
24 exceeds the income tax reduced by other credits, then the excess shall be  
25 considered an overpayment of the income tax.

26 3. The department of revenue shall promulgate rules to implement the  
27 provisions of this section.

28 4. Any rule or portion of a rule, as that term is defined in section 536.010,  
29 that is created under the authority delegated in this section shall become effective  
30 only if it complies with and is subject to all of the provisions of chapter 536 and,  
31 if applicable, section 536.028. This section and chapter 536 are nonseverable and  
32 if any of the powers vested with the general assembly pursuant to chapter 536 to  
33 review, to delay the effective date, or to disapprove and annul a rule are  
34 subsequently held unconstitutional, then the grant of rulemaking authority and  
35 any rule proposed or adopted after August 28, 2007, shall be invalid and void.

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

37 (1)] the provisions of the [new] program authorized under this section  
38 [shall automatically sunset six years after August 28, 2007, unless reauthorized  
39 by an act of the general assembly; and

40 (2) If such program is reauthorized, the program authorized under this

41 section shall automatically sunset twelve years after the effective date of the  
42 reauthorization of this section; and

43 (3)] are hereby reauthorized and shall automatically sunset on  
44 August 28, 2016. This section shall terminate on September first of the  
45 calendar year immediately following the calendar year in which the program  
46 authorized under this section is sunset.

135.305. A Missouri wood energy producer shall be eligible for a tax credit  
2 on taxes otherwise due under chapter 143, except sections 143.191 to 143.261, as  
3 a production incentive to produce processed wood products in a qualified  
4 wood-producing facility using Missouri forest product residue. The tax credit to  
5 the wood energy producer shall be five dollars per ton of processed material. The  
6 credit may be claimed for a period of five years and is to be a tax credit against  
7 the tax otherwise due. No new tax credits, provided for under sections 135.300  
8 to 135.311, shall be authorized after June 30, [2013] 2016.

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

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

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

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

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

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

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

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

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

22 2. Any person residing in this state who legally adopts a special needs

23 child on or after January 1, 1988, and before January 1, 2000, shall be eligible to  
24 receive a tax credit of up to ten thousand dollars for nonrecurring adoption  
25 expenses for each child adopted that may be applied to taxes due under chapter  
26 143. Any business entity providing funds to an employee to enable that employee  
27 to legally adopt a special needs child shall be eligible to receive a tax credit of up  
28 to ten thousand dollars for nonrecurring adoption expenses for each child adopted  
29 that may be applied to taxes due under such business entity's state tax liability,  
30 except that only one ten thousand dollar credit is available for each special needs  
31 child that is adopted.

32 3. Any person residing in this state who proceeds in good faith with the  
33 adoption of a special needs child on or after January 1, 2000, shall be eligible to  
34 receive a tax credit of up to ten thousand dollars for nonrecurring adoption  
35 expenses for each child that may be applied to taxes due under chapter 143;  
36 provided, however, that beginning on or after July 1, 2004, two million dollars of  
37 the tax credits allowed shall be allocated for the adoption of special needs  
38 children who are residents or wards of residents of this state at the time the  
39 adoption is initiated. Any business entity providing funds to an employee to  
40 enable that employee to proceed in good faith with the adoption of a special needs  
41 child shall be eligible to receive a tax credit of up to ten thousand dollars for  
42 nonrecurring adoption expenses for each child that may be applied to taxes due  
43 under such business entity's state tax liability, except that only one ten thousand  
44 dollar credit is available for each special needs child that is adopted.

45 4. Individuals and business entities may claim a tax credit for their total  
46 nonrecurring adoption expenses in each year that the expenses are incurred. A  
47 claim for fifty percent of the credit shall be allowed when the child is placed in  
48 the home. A claim for the remaining fifty percent shall be allowed when the  
49 adoption is final. The total of these tax credits shall not exceed the maximum  
50 limit of ten thousand dollars per child. The cumulative amount of tax credits  
51 which may be claimed by taxpayers claiming the credit for nonrecurring adoption  
52 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million  
53 dollars. The cumulative amount of tax credits that may be claimed by taxpayers  
54 claiming the credit for nonrecurring adoption expenses shall not be more than  
55 four million dollars but may be increased by appropriation in any fiscal year  
56 beginning on or after July 1, 2004; provided, however, that by December  
57 thirty-first following each July, if less than two million dollars in credits have  
58 been issued for adoption of special needs children who are not residents or wards



59 of residents of this state at the time the adoption is initiated, the remaining  
60 amount of the cap shall be available for the adoption of special needs children  
61 who are residents or wards of residents of this state at the time the adoption is  
62 initiated. For all fiscal years beginning on or after July 1, 2006, applications to  
63 claim the adoption tax credit for special needs children who are residents or  
64 wards of residents of this state at the time the adoption is initiated shall be filed  
65 between July first and April fifteenth of each fiscal year. For all fiscal years  
66 beginning on or after July 1, 2006, applications to claim the adoption tax credit  
67 for special needs children who are not residents or wards of residents of this state  
68 at the time the adoption is initiated shall be filed between July first and  
69 December thirty-first of each fiscal year.

70 5. Notwithstanding any provision of law to the contrary, any individual  
71 or business entity may assign, transfer or sell tax credits allowed in this  
72 section. Any sale of tax credits claimed pursuant to this section shall be at a  
73 discount rate of seventy-five percent or greater of the amount sold.

74 6. The director of revenue shall establish a procedure by which, for each  
75 fiscal year, the cumulative amount of tax credits authorized in this section is  
76 equally apportioned among all taxpayers within the two categories specified in  
77 subsection 3 of this section claiming the credit in that fiscal year. To the  
78 maximum extent possible, the director of revenue shall establish the procedure  
79 described in this subsection in such a manner as to ensure that taxpayers within  
80 each category can claim all the tax credits possible up to the cumulative amount  
81 of tax credits available for the fiscal year.

82 7. For all tax years beginning on or after January 1, 2006, a tax credit  
83 may be claimed in an amount equal to up to fifty percent of a verified  
84 contribution to a qualified agency and shall be named the children in crisis tax  
85 credit. The minimum amount of any tax credit issued shall not be less than fifty  
86 dollars and shall be applied to taxes due under chapter 143, excluding sections  
87 143.191 to 143.265. A contribution verification shall be issued to the taxpayer by  
88 the agency receiving the contribution. Such contribution verification shall include  
89 the taxpayer's name, Social Security number, amount of tax credit, amount of  
90 contribution, the name and address of the agency receiving the credit, and the  
91 date the contribution was made. The tax credit provided under this subsection  
92 shall be initially filed for the year in which the verified contribution is made.

93 8. The cumulative amount of the tax credits redeemed shall not exceed the  
94 unclaimed portion of the resident adoption category allocation as described in this

95 section. The director of revenue shall determine the unclaimed portion  
96 available. The amount available shall be equally divided among the three  
97 qualified agencies: CASA, child advocacy centers, or crisis care centers to be used  
98 towards tax credits issued. In the event tax credits claimed under one agency do  
99 not total the allocated amount for that agency, the unused portion for that agency  
100 will be made available to the remaining agencies equally. In the event the total  
101 amount of tax credits claimed for any one agency exceeds the amount available  
102 for that agency, the amount redeemed shall and will be apportioned equally to all  
103 eligible taxpayers claiming the credit under that agency. After all children in  
104 crisis tax credits have been claimed, any remaining unclaimed portion of the  
105 reserved allocation for adoptions of special needs children who are residents or  
106 wards of residents of this state shall then be made available for adoption tax  
107 credit claims of special needs children who are not residents or wards of residents  
108 of this state at the time the adoption is initiated.

109           9. Prior to December thirty-first of each year, [the entities listed under  
110 the definition of] **each** qualified agency shall apply to the department of social  
111 services in order to verify their qualified agency status. Upon a determination  
112 that the agency is eligible to be a qualified agency, the department of social  
113 services shall provide a letter of eligibility to such agency. No later than  
114 February first of each year, the department of social services shall provide a list  
115 of qualified agencies to the department of revenue. All tax credit applications to  
116 claim the children in crisis tax credit shall be filed between July first and April  
117 fifteenth of each fiscal year. A taxpayer shall apply for the children in crisis tax  
118 credit by attaching a copy of the contribution verification provided by a qualified  
119 agency to such taxpayer's income tax return.

120           10. The tax credits provided under this section shall be subject to the  
121 provisions of section 135.333.

122           11. (1) In the event a credit denial, due to lack of available funds, causes  
123 a balance-due notice to be generated by the department of revenue, or any other  
124 redeeming agency, the taxpayer will not be held liable for any penalty or interest,  
125 provided the balance is paid, or approved payment arrangements have been  
126 made, within sixty days from the notice of denial.

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

130           12. The director shall calculate the level of appropriation necessary to

131 issue all tax credits for nonresident special needs adoptions applied for under this  
132 section and provide such calculation to the speaker of the house of  
133 representatives, the president pro tempore of the senate, and the director of the  
134 division of budget and planning in the office of administration by January  
135 thirty-first of each year.

136 13. The department may promulgate such rules or regulations as are  
137 necessary to administer the provisions of this section. Any rule or portion of a  
138 rule, as that term is defined in section 536.010, that is created under the  
139 authority delegated in this section shall become effective only if it complies with  
140 and is subject to all of the provisions of chapter 536 and, if applicable, section  
141 536.028. This section and chapter 536 are nonseverable and if any of the powers  
142 vested with the general assembly pursuant to chapter 536 to review, to delay the  
143 effective date, or to disapprove and annul a rule are subsequently held  
144 unconstitutional, then the grant of rulemaking authority and any rule proposed  
145 or adopted after August 28, 2006, shall be invalid and void.

146 14. [Pursuant to section 23.253 of the Missouri sunset act:

147 (1) The provisions of the new program authorized under subsections 7 to  
148 12 of this section shall automatically sunset six years after August 28, 2006,  
149 unless reauthorized by an act of the general assembly; and

150 (2) If such program is reauthorized,] (1) The program authorized under  
151 [this section shall automatically sunset twelve years after the effective date of the  
152 reauthorization of this section; and

153 (3) This section shall terminate on September first of the calendar year  
154 immediately following the calendar year in which the program authorized under  
155 this section is sunset] **subsections 7 to 12 of this section shall expire on**  
156 **August 28, 2015;**

157 **(2) Subsections 7 to 12 of this section shall terminate on**  
158 **September 1, 2016.**

135.350. As used in this section, unless the context clearly requires  
2 otherwise, the following words and phrases shall mean:

3 (1) "Commission", the Missouri housing development commission, or its  
4 successor agency;

5 (2) "Director", director of the department of revenue;

6 (3) "Eligibility statement", a statement authorized and issued by the  
7 commission certifying that a given project qualifies for the Missouri low-income  
8 housing tax credit. The commission shall promulgate rules establishing criteria

9 upon which the eligibility statements will be issued. The eligibility statement  
10 shall specify the amount of the Missouri low-income housing tax credit  
11 allowed. The commission shall only authorize the tax credits to qualified projects  
12 which begin after June 18, 1991;

13 (4) **"Federal credit period", the same meaning as is prescribed the**  
14 **term "credit period" under section 42 of the 1986 Internal Revenue**  
15 **Code, as amended;**

16 (5) "Federal low-income housing tax credit", the federal tax credit as  
17 provided in section 42 of the 1986 Internal Revenue Code, as amended;

18 [(5)] (6) "Low-income project", a housing project which has restricted  
19 rents that do not exceed thirty percent of median income for at least forty percent  
20 of its units occupied by persons of families having incomes of sixty percent or less  
21 of the median income, or at least twenty percent of the units occupied by persons  
22 or families having incomes of fifty percent or less of the median income;

23 [(6)] (7) "Median income", those incomes which are determined by the  
24 federal Department of Housing and Urban Development guidelines and adjusted  
25 for family size;

26 [(7)] (8) "Qualified Missouri project", a qualified low-income building as  
27 that term is defined in section 42 of the 1986 Internal Revenue Code, as  
28 amended, which is located in Missouri;

29 [(8)] (9) "Taxpayer", person, firm or corporation subject to the state  
30 income tax imposed by the provisions of chapter 143 (except withholding imposed  
31 by sections 143.191 to 143.265) or a corporation subject to the annual corporation  
32 franchise tax imposed by the provisions of chapter 147, or an insurance company  
33 paying an annual tax on its gross premium receipts in this state, or other  
34 financial institution paying taxes to the state of Missouri or any political  
35 subdivision of this state under the provisions of chapter 148, or an express  
36 company which pays an annual tax on its gross receipts in this state.

135.352. 1. A taxpayer owning an interest in a qualified Missouri project  
2 shall, subject to the limitations provided under the provisions of subsection 3 of  
3 this section, be allowed a state tax credit, whether or not allowed a federal tax  
4 credit, to be termed the Missouri low-income housing tax credit, if the commission  
5 issues an eligibility statement for that project.

6 2. For qualified Missouri projects placed in service after January 1, 1997,  
7 the Missouri low-income housing tax credit available to a project shall be such  
8 amount as the commission shall determine is necessary to ensure the feasibility

9 of the project, up to an amount equal to the federal low-income housing tax credit  
10 for a qualified Missouri project, for a federal [tax] **credit** period, and such  
11 amount shall be subtracted from the amount of state tax otherwise due for the  
12 same tax period.

13 3. No more than six million dollars in tax credits shall be authorized each  
14 fiscal year **ending on or before June 30, 2012**, for projects financed through  
15 tax-exempt bond issuance.

16 4. **For purposes of the limitations provided under this**  
17 **subsection, the aggregate amount of tax credits allowed over a federal**  
18 **credit period shall be attributed to the fiscal year in which such credits**  
19 **are authorized by the commission for a qualified Missouri project. For**  
20 **the fiscal year beginning on or after July 1, 2012, but ending on or**  
21 **before June 30, 2013, there shall be a one hundred ten million dollar**  
22 **cap on tax credit authorizations for projects which are not financed**  
23 **through tax exempt bond issuance. For the fiscal year beginning on or**  
24 **after July 1, 2013, but ending on or before June 30, 2014, there shall be**  
25 **a ninety-seven million dollar cap on tax credit authorizations for**  
26 **projects which are not financed through tax exempt bond issuance. For**  
27 **the fiscal year beginning on or after July 1, 2014, but ending on or**  
28 **before June 30, 2015, there shall be an eighty-four million dollar cap on**  
29 **tax credit authorizations for projects which are not financed through**  
30 **tax exempt bond issuance. For all fiscal years beginning on or after**  
31 **July 1, 2015, there shall be a seventy million dollar cap on tax credit**  
32 **authorizations for projects which are not financed through tax exempt**  
33 **bond issuance.**

34 5. **For purposes of the limitations provided under this**  
35 **subsection, the aggregate amount of tax credits allowed over a federal**  
36 **credit period shall be attributed to the fiscal year in which such credits**  
37 **are authorized by the commission for a qualified Missouri project. For**  
38 **the fiscal year beginning on or after July 1, 2012, but ending on or**  
39 **before June 30, 2013, there shall be a fifteen million dollar cap on tax**  
40 **credit authorizations for projects which are financed through tax**  
41 **exempt bond issuance. For the fiscal year beginning on or after July**  
42 **1, 2013, but ending on or before June 30, 2014, there shall be a ten**  
43 **million dollar cap on tax credit authorizations for projects which are**  
44 **financed through tax exempt bond issuance. For the fiscal year**  
45 **beginning on or after July 1, 2014, but ending on or before June 30,**

46 **2015, there shall be a five million dollar cap on tax credit**  
47 **authorizations for projects which are financed through tax exempt**  
48 **bond issuance. No tax credits shall be authorized after June 30, 2015,**  
49 **for projects financed through tax-exempt bond issuance.**

50 **6.** The Missouri low-income housing tax credit shall be taken against the  
51 taxes and in the order specified pursuant to section 32.115. The credit authorized  
52 by this section shall not be refundable. Any amount of credit that exceeds the tax  
53 due for a taxpayer's taxable year may be carried back to any of the taxpayer's  
54 three prior taxable years or carried forward to any of the taxpayer's five  
55 subsequent taxable years. **For projects authorized on or after the effective**  
56 **date of this act, any amount of credit that exceeds the tax due for a**  
57 **taxpayer's taxable year may be carried forward to any of the taxpayer's**  
58 **five subsequent taxable years or carried back to any of the taxpayer's**  
59 **two prior taxable years.**

60 **[5.] 7.** All or any portion of Missouri tax credits issued in accordance with  
61 the provisions of sections 135.350 to 135.362 may be allocated to parties who are  
62 eligible pursuant to the provisions of subsection 1 of this section. Beginning  
63 January 1, 1995, for qualified projects which began on or after January 1, 1994,  
64 an owner of a qualified Missouri project shall certify to the director the amount  
65 of credit allocated to each taxpayer. The owner of the project shall provide to the  
66 director appropriate information so that the low-income housing tax credit can be  
67 properly allocated.

68 **[6.] 8.** In the event that recapture of Missouri low-income housing tax  
69 credits is required pursuant to subsection 2 of section 135.355, any statement  
70 submitted to the director as provided in this section shall include the proportion  
71 of the state credit required to be recaptured, the identity of each taxpayer subject  
72 to the recapture and the amount of credit previously allocated to such taxpayer.

73 **9. A taxpayer that receives state credits under the provisions of**  
74 **sections 253.545 to 253.559 shall be ineligible to receive state tax credits**  
75 **under the provisions of sections 135.350 to 135.363 for the same project,**  
76 **if such project is not financed through tax exempt bond issuance.**

77 **[7.] 10.** The director of the department may promulgate rules and  
78 regulations necessary to administer the provisions of this section. No rule or  
79 portion of a rule promulgated pursuant to the authority of this section shall  
80 become effective unless it has been promulgated pursuant to the provisions of  
81 section 536.024.

82           **11. Notwithstanding any provision of law to the contrary, no tax**  
83 **credits provided under this section shall be authorized on or after**  
84 **August 28, 2018. The provisions of this subsection shall not be**  
85 **construed to limit or in any way impair the department's ability to**  
86 **issue tax credits authorized prior to August 28, 2018, or a taxpayer's**  
87 **ability to redeem such tax credits.**

135.562. 1. If any taxpayer with a federal adjusted gross income of thirty  
2 thousand dollars or less incurs costs for the purpose of making all or any portion  
3 of such taxpayer's principal dwelling accessible to an individual with a disability  
4 who permanently resides with the taxpayer, such taxpayer shall receive a tax  
5 credit against such taxpayer's Missouri income tax liability in an amount equal  
6 to the lesser of one hundred percent of such costs or two thousand five hundred  
7 dollars per taxpayer, per tax year.

8           2. Any taxpayer with a federal adjusted gross income greater than thirty  
9 thousand dollars but less than sixty thousand dollars who incurs costs for the  
10 purpose of making all or any portion of such taxpayer's principal dwelling  
11 accessible to an individual with a disability who permanently resides with the  
12 taxpayer shall receive a tax credit against such taxpayer's Missouri income tax  
13 liability in an amount equal to the lesser of fifty percent of such costs or two  
14 thousand five hundred dollars per taxpayer per tax year. No taxpayer shall be  
15 eligible to receive tax credits under this section in any tax year immediately  
16 following a tax year in which such taxpayer received tax credits under the  
17 provisions of this section.

18           3. Tax credits issued pursuant to this section may be refundable in an  
19 amount not to exceed two thousand five hundred dollars per tax year.

20           4. Eligible costs for which the credit may be claimed include:

- 21           (1) Constructing entrance or exit ramps;
- 22           (2) Widening exterior or interior doorways;
- 23           (3) Widening hallways;
- 24           (4) Installing handrails or grab bars;
- 25           (5) Moving electrical outlets and switches;
- 26           (6) Installing stairway lifts;
- 27           (7) Installing or modifying fire alarms, smoke detectors, and other alerting  
28 systems;
- 29           (8) Modifying hardware of doors; or
- 30           (9) Modifying bathrooms.

31           5. The tax credits allowed, including the maximum amount that may be  
32 claimed, pursuant to this section shall be reduced by an amount sufficient to  
33 offset any amount of such costs a taxpayer has already deducted from such  
34 taxpayer's federal adjusted gross income or to the extent such taxpayer has  
35 applied any other state or federal income tax credit to such costs.

36           6. A taxpayer shall claim a credit allowed by this section in the same  
37 taxable year as the credit is issued, and at the time such taxpayer files his or her  
38 Missouri income tax return; provided that such return is timely filed.

39           7. The department may, in consultation with the department of social  
40 services, promulgate such rules or regulations as are necessary to administer the  
41 provisions of this section. Any rule or portion of a rule, as that term is defined  
42 in section 536.010, that is created under the authority delegated in this section  
43 shall become effective only if it complies with and is subject to all of the  
44 provisions of chapter 536 and, if applicable, section 536.028. This section and  
45 chapter 536 are nonseverable and if any of the powers vested with the general  
46 assembly pursuant to chapter 536 to review, to delay the effective date or to  
47 disapprove and annul a rule are subsequently held unconstitutional, then the  
48 grant of rulemaking authority and any rule proposed or adopted after August 28,  
49 2007, shall be invalid and void.

50           8. The provisions of this section shall apply to all tax years beginning on  
51 or after January 1, 2008.

52           9. The provisions of this section shall expire December 31, [2013]  
53 **2016. The provisions of this subsection shall not be construed to limit**  
54 **or in any way impair the department or a taxpayer's ability to redeem**  
55 **tax credits authorized on or before December 31, 2016.**

56           10. In no event shall the aggregate amount of all tax credits allowed  
57 pursuant to this section exceed one hundred thousand dollars in any given fiscal  
58 year. The tax credits issued pursuant to this section shall be on a first-come,  
59 first-served filing basis.

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

2           (1) "Contribution", a donation of cash, stock, bonds, or other marketable  
3 securities, or real property;

4           (2) "Director", the director of the department of social services;

5           (3) "Pregnancy resource center", a nonresidential facility located in this  
6 state:

7           (a) Established and operating primarily to provide assistance to women



8 with crisis pregnancies or unplanned pregnancies by offering pregnancy testing,  
9 counseling, emotional and material support, and other similar services to  
10 encourage and assist such women in carrying their pregnancies to term; and

11 (b) Where childbirths are not performed; and

12 (c) Which does not perform, induce, or refer for abortions and which does  
13 not hold itself out as performing, inducing, or referring for abortions; and

14 (d) Which provides direct client services at the facility, as opposed to  
15 merely providing counseling or referral services by telephone; and

16 (e) Which provides its services at no cost to its clients; and

17 (f) When providing medical services, such medical services must be  
18 performed in accordance with Missouri statute; and

19 (g) Which is exempt from income taxation pursuant to the Internal  
20 Revenue Code of 1986, as amended;

21 (4) "State tax liability", in the case of a business taxpayer, any liability  
22 incurred by such taxpayer pursuant to the provisions of chapters 143, 147, 148,  
23 and 153, excluding sections 143.191 to 143.265 and related provisions, and in the  
24 case of an individual taxpayer, any liability incurred by such taxpayer pursuant  
25 to the provisions of chapter 143, excluding sections 143.191 to 143.265 and  
26 related provisions;

27 (5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a  
28 shareholder in an S corporation doing business in the state of Missouri and  
29 subject to the state income tax imposed by the provisions of chapter 143, or a  
30 corporation subject to the annual corporation franchise tax imposed by the  
31 provisions of chapter 147, or an insurance company paying an annual tax on its  
32 gross premium receipts in this state, or other financial institution paying taxes  
33 to the state of Missouri or any political subdivision of this state pursuant to the  
34 provisions of chapter 148, or an express company which pays an annual tax on  
35 its gross receipts in this state pursuant to chapter 153, or an individual subject  
36 to the state income tax imposed by the provisions of chapter 143, or any  
37 charitable organization which is exempt from federal income tax and whose  
38 Missouri unrelated business taxable income, if any, would be subject to the state  
39 income tax imposed under chapter 143.

40 2. For all tax years beginning on or after January 1, 2007, a taxpayer  
41 shall be allowed to claim a tax credit against the taxpayer's state tax liability in  
42 an amount equal to fifty percent of the amount such taxpayer contributed to a  
43 pregnancy resource center.

44           3. The amount of the tax credit claimed shall not exceed the amount of the  
45 taxpayer's state tax liability for the taxable year for which the credit is claimed,  
46 and such taxpayer shall not be allowed to claim a tax credit in excess of fifty  
47 thousand dollars per taxable year. However, any tax credit that cannot be  
48 claimed in the taxable year the contribution was made may be carried over to the  
49 next four succeeding taxable years until the full credit has been claimed.

50           4. Except for any excess credit which is carried over pursuant to  
51 subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit  
52 unless the total amount of such taxpayer's contribution or contributions to a  
53 pregnancy resource center or centers in such taxpayer's taxable year has a value  
54 of at least one hundred dollars.

55           5. The director shall determine, at least annually, which facilities in this  
56 state may be classified as pregnancy resource centers. The director may require  
57 of a facility seeking to be classified as a pregnancy resource center whatever  
58 information which is reasonably necessary to make such a determination. The  
59 director shall classify a facility as a pregnancy resource center if such facility  
60 meets the definition set forth in subsection 1 of this section.

61           6. The director shall establish a procedure by which a taxpayer can  
62 determine if a facility has been classified as a pregnancy resource  
63 center. Pregnancy resource centers shall be permitted to decline a contribution  
64 from a taxpayer. The cumulative amount of tax credits which may be claimed by  
65 all the taxpayers contributing to pregnancy resource centers in any one fiscal year  
66 shall not exceed two million dollars. Tax credits shall be issued in the order  
67 contributions are received.

68           7. The director shall establish a procedure by which, from the beginning  
69 of the fiscal year until some point in time later in the fiscal year to be determined  
70 by the director, the cumulative amount of tax credits are equally apportioned  
71 among all facilities classified as pregnancy resource centers. If a pregnancy  
72 resource center fails to use all, or some percentage to be determined by the  
73 director, of its apportioned tax credits during this predetermined period of time,  
74 the director may reapportion these unused tax credits to those pregnancy  
75 resource centers that have used all, or some percentage to be determined by the  
76 director, of their apportioned tax credits during this predetermined period of  
77 time. The director may establish more than one period of time and reapportion  
78 more than once during each fiscal year. To the maximum extent possible, the  
79 director shall establish the procedure described in this subsection in such a

80 manner as to ensure that taxpayers can claim all the tax credits possible up to  
81 the cumulative amount of tax credits available for the fiscal year.

82 8. Each pregnancy resource center shall provide information to the  
83 director concerning the identity of each taxpayer making a contribution to the  
84 pregnancy resource center who is claiming a tax credit pursuant to this section  
85 and the amount of the contribution. The director shall provide the information  
86 to the director of revenue. The director shall be subject to the confidentiality and  
87 penalty provisions of section 32.057 relating to the disclosure of tax information.

88 9. Notwithstanding any other law to the contrary, any tax credits granted  
89 under this section may be assigned, transferred, sold, or otherwise conveyed  
90 without consent or approval. Such taxpayer, hereinafter the assignor for  
91 purposes of this section, may sell, assign, exchange, or otherwise transfer earned  
92 tax credits:

93 (1) For no less than seventy-five percent of the par value of such credits;  
94 and

95 (2) In an amount not to exceed one hundred percent of annual earned  
96 credits.

97 10. Pursuant to section 23.253 of the Missouri sunset act[:

98 (1) Any new] **the** program authorized under this section shall  
99 automatically sunset [six years after] August 28, [2006] **2015**, unless  
100 reauthorized by an act of the general assembly[; and

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

104 [(3)] this section shall terminate on September first of the calendar year  
105 immediately following the calendar year in which a program authorized under  
106 this section is sunset.

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

2 (1) "Local food pantry", any food pantry that is:

3 (a) Exempt from taxation under section 501(c)(3) of the Internal Revenue  
4 Code of 1986, as amended; and

5 (b) Distributing emergency food supplies to Missouri low-income people  
6 who would otherwise not have access to food supplies in the area in which the  
7 taxpayer claiming the tax credit under this section resides;

8 (2) "Taxpayer", an individual, a firm, a partner in a firm, corporation, or  
9 a shareholder in an S corporation doing business in this state and subject to the

10 state income tax imposed by chapter 143, excluding withholding tax imposed by  
11 sections 143.191 to 143.265.

12           2. For all tax years beginning on or after January 1, 2007, any taxpayer  
13 who donates cash or food, unless such food is donated after the food's expiration  
14 date, to any local food pantry shall be allowed a credit against the tax otherwise  
15 due under chapter 143, excluding withholding tax imposed by sections 143.191  
16 to 143.265, in an amount equal to fifty percent of the value of the donations made  
17 to the extent such amounts that have been subtracted from federal adjusted gross  
18 income or federal taxable income are added back in the determination of Missouri  
19 adjusted gross income or Missouri taxable income before the credit can be  
20 claimed. Each taxpayer claiming a tax credit under this section shall file an  
21 affidavit with the income tax return verifying the amount of their  
22 contributions. The amount of the tax credit claimed shall not exceed the amount  
23 of the taxpayer's state tax liability for the tax year that the credit is claimed, and  
24 shall not exceed two thousand five hundred dollars per taxpayer claiming the  
25 credit. Any amount of credit that the taxpayer is prohibited by this section from  
26 claiming in a tax year shall not be refundable, but may be carried forward to any  
27 of the taxpayer's three subsequent taxable years. No tax credit granted under  
28 this section shall be transferred, sold, or assigned. No taxpayer shall be eligible  
29 to receive a credit pursuant to this section if such taxpayer employs persons who  
30 are not authorized to work in the United States under federal law.

31           3. The cumulative amount of tax credits under this section which may be  
32 allocated to all taxpayers contributing to a local food pantry in any one fiscal year  
33 shall not exceed two million dollars. The director of revenue shall establish a  
34 procedure by which the cumulative amount of tax credits is apportioned among  
35 all taxpayers claiming the credit by April fifteenth of the fiscal year in which the  
36 tax credit is claimed. To the maximum extent possible, the director of revenue  
37 shall establish the procedure described in this subsection in such a manner as to  
38 ensure that taxpayers can claim all the tax credits possible up to the cumulative  
39 amount of tax credits available for the fiscal year.

40           4. Any local food pantry may accept or reject any donation of food made  
41 under this section for any reason. For purposes of this section, any donations of  
42 food accepted by a local food pantry shall be valued at fair market value, or at  
43 wholesale value if the taxpayer making the donation of food is a retail grocery  
44 store, food broker, wholesaler, or restaurant.

45           5. The department of revenue shall promulgate rules to implement the

46 provisions of this section. Any rule or portion of a rule, as that term is defined  
47 in section 536.010, that is created under the authority delegated in this section  
48 shall become effective only if it complies with and is subject to all of the  
49 provisions of chapter 536 and, if applicable, section 536.028. This section and  
50 chapter 536 are nonseverable and if any of the powers vested with the general  
51 assembly pursuant to chapter 536 to review, to delay the effective date, or to  
52 disapprove and annul a rule are subsequently held unconstitutional, then the  
53 grant of rulemaking authority and any rule proposed or adopted after August 28,  
54 2007, shall be invalid and void.

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

56 (1) The provisions of the new program authorized under this section shall  
57 automatically sunset ~~[four]~~ **three** years after August 28, ~~[2007]~~ **2012**, unless  
58 reauthorized by an act of the general assembly; and

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

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

135.815. 1. Prior to authorization of any tax credit application, an  
2 administering agency shall verify through the department of revenue that the tax  
3 credit applicant does not owe any delinquent income, sales, or use taxes, or  
4 interest or penalties on such taxes, ~~[and]~~ through the department of insurance,  
5 financial institutions and professional registration that the applicant does not  
6 owe any delinquent insurance taxes, **and that the applicant does not owe**  
7 **any delinquent property taxes or federal taxes.** [Such delinquency shall  
8 not affect the authorization of the application for such tax credits, except that the  
9 amount of credits issued shall be reduced by the applicant's tax delinquency. If  
10 the department of revenue or the department of insurance, financial institutions  
11 and professional registration concludes that a taxpayer is delinquent after June  
12 fifteenth but before July first of any year, and the application of tax credits to  
13 such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then  
14 the taxpayer shall be granted thirty days to satisfy the deficiency in which  
15 interest, penalties, and additions to tax shall be tolled. After applying all  
16 available credits towards a tax delinquency, the administering agency shall notify  
17 the appropriate department, and that department shall update the amount of

18 outstanding delinquent tax owed by the applicant. If any credits remain after  
19 satisfying all insurance, income, sales, and use tax delinquencies, the remaining  
20 credits shall be issued to the applicant, subject to the restrictions of other  
21 provisions of law.] **The administering agency shall not authorize the tax**  
22 **credit application until the tax credit applicant has remedied the**  
23 **delinquency or arrangements have been made to remedy such**  
24 **delinquency.**

25         2. Any applicant of a tax credit program contained in the definition of the  
26 term "all tax credit programs" who purposely and directly employs unauthorized  
27 aliens shall forfeit any tax credits issued to such applicant which have not been  
28 redeemed, and shall repay the amount of any tax credits redeemed by such  
29 applicant during the period of time such unauthorized alien was employed by the  
30 applicant. As used in this subsection, the term "unauthorized alien" shall mean  
31 an alien who does not have the legal right or authorization under federal law to  
32 work in the United States, as defined under Section 8 U.S.C. 1324a(h)(3).

**135.822. Any tax credit program, which as of August 28, 2012, is**  
2 **not subject to the provisions of sections 23.250 to 23.298, shall**  
3 **automatically sunset effective January 1, 2016, unless reauthorized by**  
4 **an act of the general assembly. The provisions of this section shall not**  
5 **be construed to limit or in any way impair a recipient's ability to**  
6 **redeem tax credits or an administering agency's ability to issue tax**  
7 **credits authorized prior to January 1, 2016.**

135.967. 1. A taxpayer who establishes a new business facility may, upon  
2 approval by the department, be allowed a credit, each tax year for up to ten tax  
3 years, in an amount determined as set forth in this section, against the tax  
4 imposed by chapter 143, excluding withholding tax imposed by sections 143.191  
5 to 143.265. No taxpayer shall receive multiple ten-year periods for subsequent  
6 expansions at the same facility.

7         2. Notwithstanding any provision of law to the contrary, any taxpayer who  
8 establishes a new business facility in an enhanced enterprise zone and is awarded  
9 state tax credits under this section may not also receive tax credits under sections  
10 135.100 to 135.150, sections 135.200 to 135.286, or section 135.535, and may not  
11 simultaneously receive tax credits under sections 620.1875 to 620.1890 at the  
12 same facility.

13         3. No credit shall be issued pursuant to this section unless:

14         (1) The number of new business facility employees engaged or maintained

15 in employment at the new business facility for the taxable year for which the  
16 credit is claimed equals or exceeds two; and

17 (2) The new business facility investment for the taxable year for which the  
18 credit is claimed equals or exceeds one hundred thousand dollars.

19 4. The annual amount of credits allowed for an approved enhanced  
20 business enterprise shall be the lesser of:

21 (1) The annual amount authorized by the department for the enhanced  
22 business enterprise, which shall be limited to the projected state economic  
23 benefit, as determined by the department; or

24 (2) The sum calculated based upon the following:

25 (a) A credit of four hundred dollars for each new business facility  
26 employee employed within an enhanced enterprise zone;

27 (b) An additional credit of four hundred dollars for each new business  
28 facility employee who is a resident of an enhanced enterprise zone;

29 (c) An additional credit of four hundred dollars for each new business  
30 facility employee who is paid by the enhanced business enterprise a wage that  
31 exceeds the average wage paid within the county in which the facility is located,  
32 as determined by the department; and

33 (d) A credit equal to two percent of new business facility investment  
34 within an enhanced enterprise zone.

35 5. Prior to January 1, 2007, in no event shall the department authorize  
36 more than four million dollars annually to be issued for all enhanced business  
37 enterprises. After December 31, 2006, in no event shall the department authorize  
38 more than twenty-four million dollars annually to be issued for all enhanced  
39 business enterprises.

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

43 (1) The taxpayer's new business facility investment in the expansion  
44 during the tax period in which the credits allowed in this section are claimed  
45 exceeds one hundred thousand dollars and if the number of new business facility  
46 employees engaged or maintained in employment at the expansion facility for the  
47 taxable year for which credit is claimed equals or exceeds two, and the total  
48 number of employees at the facility after the expansion is at least two greater  
49 than the total number of employees before the expansion; and

50 (2) The taxpayer's investment in the expansion and in the original facility

51 prior to expansion shall be determined in the manner provided in subdivision (19)  
52 of section 135.950.

53           7. The number of new business facility employees during any taxable year  
54 shall be determined by dividing by twelve the sum of the number of individuals  
55 employed on the last business day of each month of such taxable year. If the new  
56 business facility is in operation for less than the entire taxable year, the number  
57 of new business facility employees shall be determined by dividing the sum of the  
58 number of individuals employed on the last business day of each full calendar  
59 month during the portion of such taxable year during which the new business  
60 facility was in operation by the number of full calendar months during such  
61 period. For the purpose of computing the credit allowed by this section in the  
62 case of a facility which qualifies as a new business facility under subsection 6 of  
63 this section, and in the case of a new business facility which satisfies the  
64 requirements of paragraph (c) of subdivision (17) of section 135.950, or  
65 subdivision (25) of section 135.950, the number of new business facility employees  
66 at such facility shall be reduced by the average number of individuals employed,  
67 computed as provided in this subsection, at the facility during the taxable year  
68 immediately preceding the taxable year in which such expansion, acquisition, or  
69 replacement occurred and shall further be reduced by the number of individuals  
70 employed by the taxpayer or related taxpayer that was subsequently transferred  
71 to the new business facility from another Missouri facility and for which credits  
72 authorized in this section are not being earned, whether such credits are earned  
73 because of an expansion, acquisition, relocation, or the establishment of a new  
74 facility.

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

83           9. For the purpose of computing the credit allowed by this section in the  
84 case of a facility which qualifies as a new business facility pursuant to subsection  
85 6 of this section, and in the case of a new business facility which satisfies the  
86 requirements of paragraph (c) of subdivision (17) of section 135.950 or subdivision



87 (25) of section 135.950, the amount of the taxpayer's new business facility  
88 investment in such facility shall be reduced by the average amount, computed as  
89 provided in subdivision (19) of section 135.950 for new business facility  
90 investment, of the investment of the taxpayer, or related taxpayer immediately  
91 preceding such expansion or replacement or at the time of  
92 acquisition. Furthermore, the amount of the taxpayer's new business facility  
93 investment shall also be reduced by the amount of investment employed by the  
94 taxpayer or related taxpayer which was subsequently transferred to the new  
95 business facility from another Missouri facility and for which credits authorized  
96 in this section are not being earned, whether such credits are earned because of  
97 an expansion, acquisition, relocation, or the establishment of a new facility.

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

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

106 12. Certificates of tax credit authorized by this section may be  
107 transferred, sold, or assigned by filing a notarized endorsement thereof with the  
108 department that names the transferee, the amount of tax credit transferred, and  
109 the value received for the credit, as well as any other information reasonably  
110 requested by the department. The sale price cannot be less than seventy-five  
111 percent of the par value of such credits.

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

115 14. Prior to the issuance of tax credits, the department shall verify  
116 through the department of revenue, or any other state department, that the tax  
117 credit applicant does not owe any delinquent income, sales, or use tax or interest  
118 or penalties on such taxes, or any delinquent fees or assessments levied by any  
119 state department and through the department of insurance, financial institutions  
120 and professional registration that the applicant does not owe any delinquent  
121 insurance taxes, **and that the applicant does not owe any delinquent**  
122 **property taxes or federal taxes.** [Such delinquency shall not affect the

123 authorization of the application for such tax credits, except that the amount of  
124 credits issued shall be reduced by the applicant's tax delinquency. If the  
125 department of revenue or the department of insurance, financial institutions and  
126 professional registration, or any other state department, concludes that a  
127 taxpayer is delinquent after June fifteenth but before July first of any year and  
128 the application of tax credits to such delinquency causes a tax deficiency on  
129 behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to  
130 satisfy the deficiency in which interest, penalties, and additions to tax shall be  
131 tolled. After applying all available credits toward a tax delinquency, the  
132 administering agency shall notify the appropriate department, and that  
133 department shall update the amount of outstanding delinquent tax owed by the  
134 applicant. If any credits remain after satisfying all insurance, income, sales, and  
135 use tax delinquencies, the remaining credits shall be issued to the applicant,  
136 subject to the restrictions of other provisions of law.] **The department shall**  
137 **not authorize the tax credit application until the tax credit applicant**  
138 **has remedied the delinquency or arrangements have been made to**  
139 **remedy such delinquency.**

135.1150. 1. This section shall be known and may be cited as the  
2 "Residential 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  
7 that are used solely to provide direct care services to children who are residents  
8 of this state. Eligible donations may include cash, publicly traded stocks and  
9 bonds, and real estate that will be valued and documented according to rules  
10 promulgated by the department of social services. For purposes of this section,

11 "direct care services" include but are not limited to increasing the quality of care  
12 and service for children through improved employee compensation and training;

13 (4) "Qualified residential treatment agency" or "agency", a residential  
14 care facility that is licensed under section 210.484, accredited by the Council on  
15 Accreditation (COA), the Joint Commission on Accreditation of Healthcare  
16 Organizations (JCAHO), or the Commission on Accreditation of Rehabilitation  
17 Facilities (CARF), and is under contract with the Missouri department of social  
18 services to provide treatment services for children who are residents or wards of  
19 residents of this state, and that receives eligible donations. Any agency that

20 operates more than one facility or at more than one location shall be eligible for  
21 the tax credit under this section only for any eligible donation made to facilities  
22 or locations of the agency which are licensed and accredited;

23 (5) "Taxpayer", any of the following individuals or entities who make an  
24 eligible donation to an agency:

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

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

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

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

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

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

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

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

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

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

56 (3) Payment from the agency equal to the value of the tax credit for which  
57 application is made. If the agency applying for the tax credit meets all criteria  
58 required by this subsection, the department shall issue a certificate in the  
59 appropriate amount.

60 5. An agency may apply for tax credits in an aggregate amount that does  
61 not exceed forty percent of the payments made by the department to the agency  
62 in the preceding twelve months.

63 6. Tax credits issued under this section may be assigned, transferred,  
64 sold, or otherwise conveyed, and the new owner of the tax credit shall have the  
65 same rights in the credit as the taxpayer. Whenever a certificate is assigned,  
66 transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed  
67 with the department specifying the name and address of the new owner of the tax  
68 credit or the value of the credit.

69 7. The department shall promulgate rules to implement the provisions of  
70 this section. Any rule or portion of a rule, as that term is defined in section  
71 536.010, that is created under the authority delegated in this section shall  
72 become effective only if it complies with and is subject to all of the provisions of  
73 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are  
74 nonseverable and if any of the powers vested with the general assembly pursuant  
75 to chapter 536 to review, to delay the effective date, or to disapprove and annul  
76 a rule are subsequently held unconstitutional, then the grant of rulemaking  
77 authority and any rule proposed or adopted after August 28, 2006, shall be  
78 invalid and void.

79 8. [Under section 23.253 of the Missouri sunset act:

80 (1) The provisions of the new program authorized under this section shall  
81 automatically sunset six years after August 28, 2006, unless reauthorized by an  
82 act of the general assembly; and

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

86 (3) This section shall terminate on September first of the calendar year  
87 immediately following the calendar year in which the program authorized under  
88 this section is sunset.] **Pursuant to section 23.253 of the Missouri sunset  
89 act, the provisions of the program authorized under this section are  
90 hereby reauthorized and shall automatically sunset on August 28, 2015.**

**135.1180. 1. This section shall be known and may be cited as the**

2 **"Developmental 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**  
7 **a taxpayer that are used solely to provide direct care services to**  
8 **persons with developmental disabilities who are residents of this**  
9 **state. Eligible donations may include cash, publicly traded stocks and**  
10 **bonds, and real estate that will be valued and documented according**  
11 **to rules promulgated by the department of social services. For**  
12 **purposes of this section, "direct care services" include, but are not**  
13 **limited to, increasing the quality of care and service for persons with**  
14 **developmental disabilities through improved employee compensation**  
15 **and training;**

16 **(4) "Qualified developmental disability care provider" or**  
17 **"provider", a care provider that provides assistance to persons with**  
18 **developmental disabilities, and is under contract with the Missouri**  
19 **department of social services or department of mental health to provide**  
20 **treatment services for such persons, and that receives eligible**  
21 **donations. Any provider that operates more than one facility or at**  
22 **more than one location shall be eligible for the tax credit under this**  
23 **section only for any eligible donation made to facilities or locations of**  
24 **the provider which are licensed and accredited;**

25 **(5) "Taxpayer", any of the following individuals or entities who**  
26 **make an eligible donation to a provider:**

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

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

32 **(c) An insurance company paying an annual tax on its gross**  
33 **premium receipts in this state;**

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

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

38 **(f) Any charitable organization which is exempt from federal**

39 income tax and whose Missouri unrelated business taxable income, if  
40 any, would be subject to the state income tax imposed under chapter  
41 143.

42 3. For all taxable years beginning on or after January 1, 2012,  
43 any taxpayer shall be allowed a credit against the taxes otherwise due  
44 under chapter 143, 147, or 148 excluding withholding tax imposed by  
45 sections 143.191 to 143.265 in an amount equal to fifty percent of the  
46 amount of an eligible donation, subject to the restrictions in this  
47 section. The amount of the tax credit claimed shall not exceed the  
48 amount of the taxpayer's state income tax liability in the tax year for  
49 which the credit is claimed. Any amount of credit that the taxpayer is  
50 prohibited by this section from claiming in a tax year shall not be  
51 refundable, but may be carried forward to any of the taxpayer's four  
52 subsequent taxable years.

53 4. To claim the credit authorized in this section, a provider may  
54 submit to the department an application for the tax credit authorized  
55 by this section on behalf of taxpayers. The department shall verify that  
56 the provider has submitted the following items accurately and  
57 completely:

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

60 (2) A statement attesting to the eligible donation received, which  
61 shall include the name and taxpayer identification number of the  
62 individual making the eligible donation, the amount of the eligible  
63 donation, and the date the eligible donation was received by the  
64 provider; and

65 (3) Payment from the provider equal to the value of the tax  
66 credit for which application is made. If the provider applying for the  
67 tax credit meets all criteria required by this subsection, the department  
68 shall issue a certificate in the appropriate amount.

69 5. Tax credits issued under this section may be assigned,  
70 transferred, sold, or otherwise conveyed, and the new owner of the tax  
71 credit shall have the same rights in the credit as the  
72 taxpayer. Whenever a certificate is assigned, transferred, sold, or  
73 otherwise conveyed, a notarized endorsement shall be filed with the  
74 department specifying the name and address of the new owner of the  
75 tax credit or the value of the credit.

76           **6. The department shall promulgate rules to implement the**  
77 **provisions of this section. Any rule or portion of a rule, as that term is**  
78 **defined in section 536.010, that is created under the authority delegated**  
79 **in this section shall become effective only if it complies with and is**  
80 **subject to all of the provisions of chapter 536, and, if applicable, section**  
81 **536.028. This section and chapter 536, are nonseverable and if any of**  
82 **the powers vested with the general assembly pursuant to chapter 536,**  
83 **to review, to delay the effective date, or to disapprove and annul a rule**  
84 **are subsequently held unconstitutional, then the grant of rulemaking**  
85 **authority and any rule proposed or adopted after August 28, 2012, shall**  
86 **be invalid and void.**

87           **7. Under section 23.253 of the Missouri sunset act:**

88           **(1) The provisions of the new program authorized under this**  
89 **section shall automatically sunset three years after August 28, 2012,**  
90 **unless reauthorized by an act of the general assembly; and**

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

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

253.550. 1. Any taxpayer incurring costs and expenses for the  
2 rehabilitation of eligible property, which is a certified historic structure or  
3 structure in a certified historic district, may, subject to the provisions of this  
4 section and section 253.559, receive a credit against the taxes imposed pursuant  
5 to chapters 143 and 148, except for sections 143.191 to 143.265, on such taxpayer  
6 in an amount equal to twenty-five percent of the total costs and expenses of  
7 rehabilitation incurred after January 1, 1998, which shall include, but not be  
8 limited to, qualified rehabilitation expenditures as defined under section  
9 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended, and the related  
10 regulations thereunder, provided the rehabilitation costs associated with  
11 rehabilitation and the expenses exceed fifty percent of the total basis in the  
12 property and the rehabilitation meets standards consistent with the standards  
13 of the Secretary of the United States Department of the Interior for rehabilitation  
14 as determined by the state historic preservation officer of the Missouri  
15 department of natural resources.

16           2. During the period beginning on January 1, 2010, but ending on or after  
17 June 30, 2010, the department of economic development shall not approve  
18 applications for tax credits under the provisions of subsections 3 and 8 of section  
19 253.559 which, in the aggregate, exceed seventy million dollars, increased by any  
20 amount of tax credits for which approval shall be rescinded under the provisions  
21 of section 253.559. For each fiscal year beginning on or after July 1, 2010, **but**  
22 **ending on or before June 30, 2012**, the department of economic development  
23 shall not approve applications for tax credits under the provisions of subsections  
24 3 and 8 of section 253.559 which, in the aggregate, exceed one hundred forty  
25 million dollars, increased by any amount of tax credits for which approval shall  
26 be rescinded under the provisions of section 253.559. The limitations provided  
27 under this subsection shall not apply to applications approved under the  
28 provisions of subsection 3 of section 253.559 for projects to receive less than two  
29 hundred seventy-five thousand dollars in tax credits.

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

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

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

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

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

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



52           5. For each fiscal year beginning on or after July 1, 2012, the  
53 department of economic development shall not approve applications for  
54 tax credits under the provisions of subsections 3 and 8 of section  
55 253.559 which, in the aggregate, exceed seventy-five million dollars,  
56 increased by any amount of tax credits for which approval shall be  
57 rescinded under the provisions of section 253.559. The limitations  
58 provided under this subsection shall not apply to applications approved  
59 under the provisions of subsection 3 of section 253.559 for projects to  
60 receive less than two hundred seventy-five thousand dollars in tax  
61 credits.

62           6. For all applications for tax credits approved on or after the  
63 effective date of this act, no more than one hundred and twenty-five  
64 thousand dollars in tax credits may be issued for eligible costs and  
65 expenses incurred in the rehabilitation of an eligible property which  
66 is a nonincome producing single-family, owner-occupied residential  
67 property and is either a certified historic structure or a structure in a  
68 certified historic district.

69           7. In lieu of the limitations on tax credit authorization provided  
70 under the provisions of subsections 5 and 6 of this section, the  
71 limitations on tax credit authorization provided under the provisions  
72 of subsections 2 and 3 of this section shall apply to:

73           (1) Any application submitted by a taxpayer, which has received  
74 approval from the department prior to the effective date of this act; or

75           (2) Any application for tax credits provided under this section  
76 for a project, which on or before the effective date of this act:

77           (a) Received an approved Part I from the Secretary of the United  
78 States Department of Interior and has incurred costs and expenses for  
79 an eligible property which exceed the lesser of fifteen percent of the  
80 total project costs or three million dollars; or

81           (b) Has received certification, by the state historic preservation  
82 officer, that the rehabilitation plan meets the standards consistent with  
83 the standards of the Secretary of the United States Department of the  
84 Interior, and the rehabilitation costs and expenses associated with such  
85 rehabilitation would, upon completion, be expected to exceed fifty  
86 percent of the total basis in the property.

87           8. For each fiscal year beginning on or after July 1, 2012, the  
88 department of economic development shall not approve applications for

89 **projects to receive less than two hundred seventy-five thousand dollars**  
90 **in tax credits which, in the aggregate, exceed ten million dollars,**  
91 **increased by any amount of tax credits for which approval shall be**  
92 **rescinded under the provisions of section 253.559. The limitations on**  
93 **tax credit authorization provided under the provisions of this**  
94 **subsection, shall not apply to:**

95 **(1) Any application submitted by a taxpayer, which has received**  
96 **approval from the department prior to the effective date of this act; or**

97 **(2) Any application for tax credits provided under this section**  
98 **for a project, which on or before the effective date of this act:**

99 **(a) Received an approved Part I from the Secretary of the United**  
100 **States Department of Interior and has incurred costs and expenses for**  
101 **an eligible property which exceed five percent of the total project costs;**  
102 **or**

103 **(b) Has received certification, by the state historic preservation**  
104 **officer, that the rehabilitation plan meets the standards consistent with**  
105 **the standards of the Secretary of the United States Department of the**  
106 **Interior, and the rehabilitation costs and expenses associated with such**  
107 **rehabilitation would, upon completion, be expected to exceed fifty**  
108 **percent of the total basis in the property.**

253.557. 1. If the amount of such credit exceeds the total tax liability for  
2 the year in which the rehabilitated property is placed in service, the amount that  
3 exceeds the state tax liability may be carried back to any of the three preceding  
4 years and carried forward for credit against the taxes imposed pursuant to  
5 chapter 143 and chapter 148, except for sections 143.191 to 143.265 for the  
6 succeeding ten years, or until the full credit is used, whichever occurs first. **For**  
7 **all tax credits authorized under the provisions of sections 253.545 to**  
8 **253.559 on or after the effective date of this act, if the total amount of**  
9 **such credit exceeds the total tax liability for the year in which the**  
10 **rehabilitated property is placed in service, the amount that exceeds the**  
11 **state tax liability may be carried back to the preceding year and**  
12 **carried forward for credit against the taxes imposed pursuant to**  
13 **chapter 143 and chapter 148, except for sections 143.191 to 143.265 for**  
14 **the succeeding five years, or until the full credit is used, whichever**  
15 **occurs first.** Not-for-profit entities, including but not limited to corporations  
16 organized as not-for-profit corporations pursuant to chapter 355 shall be ineligible  
17 for the tax credits authorized under sections 253.545 [through 253.561] to

18 **253.559. Any taxpayer that receives state tax credits under the**  
19 **provisions of sections 135.350 to 135.363 for a project that is not**  
20 **financed through tax exempt bonds issuance shall be ineligible for the**  
21 **state tax credits authorized under sections 253.545 to 253.559 for the**  
22 **same project.** Taxpayers eligible for such tax credits may transfer, sell or  
23 assign the credits to **any other taxpayer including, but not limited to, a**  
24 **not-for-profit entity.** Credits granted to a partnership, a limited liability  
25 company taxed as a partnership or multiple owners of property shall be passed  
26 through to the partners, members or owners **including, but not limited to,**  
27 **any not-for-profit entity that is a partner, member, or owner,** respectively  
28 pro rata or pursuant to an executed agreement among [the] **such** partners,  
29 members or owners documenting an alternate distribution method.

30         2. The assignee of the tax credits, hereinafter the assignee for purposes  
31 of this subsection, may use acquired credits to offset up to one hundred percent  
32 of the tax liabilities otherwise imposed pursuant to chapter 143 and chapter 148,  
33 except for sections 143.191 to 143.265. The assignor shall perfect such transfer  
34 by notifying the department of economic development in writing within thirty  
35 calendar days following the effective date of the transfer and shall provide any  
36 information as may be required by the department of economic development to  
37 administer and carry out the provisions of this section.

       253.559. 1. To obtain approval for tax credits allowed under sections  
2 253.545 to 253.559, a taxpayer shall submit an application for tax credits to the  
3 department of economic development. Each application for approval, including  
4 any applications received for supplemental allocations of tax credits as provided  
5 under subsection 8 of this section, shall be prioritized for review and approval,  
6 in the order of the date on which the application was postmarked, with the oldest  
7 postmarked date receiving priority. Applications postmarked on the same day  
8 shall go through a lottery process to determine the order in which such  
9 applications shall be reviewed.

10         2. Each application shall be reviewed by the department of economic  
11 development for approval. In order to receive approval, an application, other  
12 than applications submitted under the provisions of subsection 8 of this section,  
13 shall include:

14         (1) Proof of ownership or site control. Proof of ownership shall include  
15 evidence that the taxpayer is the fee simple owner of the eligible property, such  
16 as a warranty deed or a closing statement. Proof of site control may be evidenced

17 by a leasehold interest or an option to acquire such an interest. If the taxpayer  
18 is in the process of acquiring fee simple ownership, proof of site control shall  
19 include an executed sales contract or an executed option to purchase the eligible  
20 property;

21 (2) Floor plans of the existing structure, architectural plans, and, where  
22 applicable, plans of the proposed alterations to the structure, as well as proposed  
23 additions;

24 (3) The estimated cost of rehabilitation, the anticipated total costs of the  
25 project, the actual basis of the property, as shown by proof of actual acquisition  
26 costs, the anticipated total labor costs, the estimated project start date, and the  
27 estimated project completion date;

28 (4) Proof that the property is an eligible property and a certified historic  
29 structure or a structure in a certified historic district; and

30 (5) Any other information which the department of economic development  
31 may reasonably require to review the project for approval. Only the property for  
32 which a property address is provided in the application shall be reviewed for  
33 approval. Once selected for review, a taxpayer shall not be permitted to request  
34 the review of another property for approval in the place of the property contained  
35 in such application. Any disapproved application shall be removed from the  
36 review process. If an application is removed from the review process, the  
37 department of economic development shall notify the taxpayer in writing of the  
38 decision to remove such application. Disapproved applications shall lose priority  
39 in the review process. A disapproved application, which is removed from the  
40 review process, may be resubmitted, but shall be deemed to be a new submission  
41 for purposes of the priority procedures described in this section.

42 3. If the department of economic development deems the application  
43 sufficient, the taxpayer shall be notified in writing of the approval for an amount  
44 of tax credits equal to the amount provided under section 253.550 less any  
45 amount of tax credits previously approved. Such approvals shall be granted to  
46 applications in the order of priority established under this section and shall  
47 require full compliance thereafter with all other requirements of law as a  
48 condition to any claim for such credits.

49 4. Following approval of an application, the identity of the taxpayer  
50 contained in such application shall not be modified except:

51 (1) The taxpayer may add partners, members, or shareholders as part of  
52 the ownership structure, so long as the principal remains the same, provided

53 however, that subsequent to the commencement of renovation and the  
54 expenditure of at least ten percent of the proposed rehabilitation budget, removal  
55 of the principal for failure to perform duties and the appointment of a new  
56 principal thereafter shall not constitute a change of the principal; or

57 (2) Where the ownership of the project is changed due to a foreclosure,  
58 deed in lieu of a foreclosure or voluntary conveyance, or a transfer in  
59 bankruptcy. **Upon any such change in ownership, the taxpayer contained**  
60 **in such application shall notify the department of such change.**

61 5. In the event that the department of economic development grants  
62 approval for tax credits equal to the total amount available under subsection 2,  
63 **5, or 8** of section 253.550, or sufficient that when totaled with all other  
64 approvals, the **applicable** amount available under subsection 2, **5, or 8** of  
65 section 253.550 is exhausted, all taxpayers with applications then awaiting  
66 approval or thereafter submitted for approval shall be notified by the department  
67 of economic development that no additional approvals shall be granted during the  
68 fiscal year and shall be notified of the priority given to such taxpayer's  
69 application then awaiting approval. Such applications shall be kept on file by the  
70 department of economic development and shall be considered for approval for tax  
71 credits in the order established in this section in the event that additional credits  
72 become available due to the rescission of approvals or when a new fiscal year's  
73 allocation of credits becomes available for approval.

74 6. All taxpayers with applications receiving approval on or after the  
75 effective date of this act shall commence rehabilitation within two years of the  
76 date of issuance of the letter from the department of economic development  
77 granting the approval for tax credits. "Commencement of rehabilitation" shall  
78 mean that as of the date in which actual physical work, contemplated by the  
79 architectural plans submitted with the application, has begun, the taxpayer has  
80 incurred no less than ten percent of the estimated costs of rehabilitation provided  
81 in the application. Taxpayers with approval of a project shall submit evidence of  
82 compliance with the provisions of this subsection. If the department of economic  
83 development determines that a taxpayer has failed to comply with the  
84 requirements provided under this section, the approval for the amount of tax  
85 credits for such taxpayer shall be rescinded and such amount of tax credits shall  
86 then be included in the **applicable** total amount of tax credits, provided under  
87 subsection 2, **5, or 8** of section 253.550, from which approvals may be  
88 granted. Any taxpayer whose approval shall be subject to rescission shall be

89 notified of such from the department of economic development and, upon receipt  
90 of such notice, may submit a new application for the project.

91           7. To claim the credit authorized under sections 253.550 to 253.559, a  
92 taxpayer with approval shall apply for final approval and issuance of tax credits  
93 from the department of economic development which, in consultation with the  
94 department of natural resources, shall determine the final amount of eligible  
95 rehabilitation costs and expenses and whether the completed rehabilitation meets  
96 the standards of the Secretary of the United States Department of the Interior  
97 for rehabilitation as determined by the state historic preservation officer of the  
98 Missouri department of natural resources.

99 For financial institutions credits authorized pursuant to sections 253.550 to  
100 253.561 shall be deemed to be economic development credits for purposes of  
101 section 148.064. The approval of all applications and the issuing of certificates  
102 of eligible credits to taxpayers shall be performed by the department of economic  
103 development. The department of economic development shall inform a taxpayer  
104 of final approval by letter and shall issue, to the taxpayer, tax credit  
105 certificates. The taxpayer shall attach the certificate to all Missouri income tax  
106 returns on which the credit is claimed.

107           8. Except as expressly provided in this subsection, tax credit certificates  
108 shall be issued in the final year that costs and expenses of rehabilitation of the  
109 project are incurred, or within the twelve-month period immediately following the  
110 conclusion of such rehabilitation. In the event the amount of eligible  
111 rehabilitation costs and expenses incurred by a taxpayer would result in the  
112 issuance of an amount of tax credits in excess of the amount provided under such  
113 taxpayer's approval granted under subsection 3 of this section, such taxpayer may  
114 apply to the department for issuance of tax credits in an amount equal to such  
115 excess. Applications for issuance of tax credits in excess of the amount provided  
116 under a taxpayer's application shall be made on a form prescribed by the  
117 department. Such applications shall be subject to all provisions regarding  
118 priority provided under subsection 1 of this section.

119           9. The department of economic development shall determine, on an annual  
120 basis, the overall economic impact to the state from the rehabilitation of eligible  
121 property.

122           **10. Notwithstanding any provision of law to the contrary, no tax**  
123 **credits provided under sections 253.545 to 253.559 shall be authorized**  
124 **on or after August 28, 2018. The provisions of this subsection shall not**

125 be construed to limit or in any way impair the department's ability to  
126 issue tax credits authorized prior to August 28, 2018, or a taxpayer's  
127 ability to redeem such tax credits.

128       11. By no later than January 1, 2013, the department shall  
129 propose rules to implement the provisions of sections 253.550 to  
130 253.559. Prior to proposing such rules, the department shall conduct  
131 a stakeholder process designed to solicit input from interested  
132 parties. Any rule or portion of a rule, as that term is defined in section  
133 536.010, that is created under the authority delegated herein shall  
134 become effective only if it complies with and is subject to all of the  
135 provisions of chapter 536 and, if applicable, section 536.028. This  
136 section and chapter 536 are nonseverable and if any of the powers  
137 vested with the general assembly pursuant to chapter 536 to review, to  
138 delay the effective date, or to disapprove and annul a rule are  
139 subsequently held unconstitutional, then the grant of rulemaking  
140 authority and any rule proposed or adopted after the effective date of  
141 this act, shall be invalid and void.

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

- 3       (1) "Benefits", retained withholdings taxes, tax credits, or grants;
- 4       (2) "Company", a firm, partnership, joint venture, association,  
5 private or public corporation whether organized for profit or not,  
6 which provides goods or services under a contract;
- 7       (3) "Contract", an agreement entered between a company and the  
8 federal government, or any agency thereof, for the provision of goods  
9 or services;
- 10       (4) "Department", the department of economic development;
- 11       (5) "Facility", the building or buildings used by a company to  
12 carry out the terms of a contract;
- 13       (6) "Same or substantially similar business enterprise", any  
14 business activity undertaken pursuant to a contract in which the  
15 nature of the products produced or sold, or activities conducted, are  
16 similar in character and use or are produced, sold, performed, or  
17 conducted in the same or similar manner as the company;
- 18       (7) "Taxpayer", a firm, partnership, joint venture, association,  
19 private or public corporation whether organized for profit or not;
- 20       (8) "Withholding taxes", the same meaning as such term is

21 **defined under section 620.1878.**

22 **2. Provisions of law to the contrary notwithstanding, any**  
23 **taxpayer that acquires a facility from a company for such taxpayer's**  
24 **operation of the same or substantially similar business enterprise shall**  
25 **be ineligible for benefits under the business facility tax credit program**  
26 **created pursuant to sections 135.100 to 135.150, the business use**  
27 **incentives for large scale development program created pursuant to**  
28 **sections 100.700 to 100.850, the development tax credit program created**  
29 **pursuant to sections 32.100 to 32.125, the rebuilding communities tax**  
30 **credit program created pursuant to section 135.535, the enhanced**  
31 **enterprise zone tax credit program created pursuant to sections 135.950**  
32 **to 135.970, or the Missouri quality jobs program created pursuant to**  
33 **sections 620.1875 to 620.1890, as administered by the department.**

Section B. Because immediate action is necessary to secure adequate state  
2 revenue, section A of this act is deemed necessary for the immediate preservation  
3 of the public health, welfare, peace and safety, and is hereby declared to be an  
4 emergency act within the meaning of the constitution, and section A of this act  
5 shall be in full force and effect upon its passage and approval.

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