

SECOND REGULAR SESSION

# SENATE BILL NO. 954

95TH GENERAL ASSEMBLY

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INTRODUCED BY SENATOR CROWELL.

Read 1st time February 17, 2010, and ordered printed.

TERRY L. SPIELER, Secretary.

5118S.011

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## AN ACT

To repeal sections 32.105, 32.110, 32.111, 32.112, 32.115, 99.1205, 100.286, 100.297, 100.850, 135.090, 135.305, 135.327, 135.352, 135.460, 135.484, 135.490, 135.535, 135.545, 135.546, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.680, 135.700, 135.710, 135.750, 135.766, 135.967, 208.770, 253.550, 253.559, 320.093, 348.430, 348.432, 348.434, 348.505, 447.708, 620.495, 620.1039, 620.1881, and 660.055, RSMo, and to enact in lieu thereof forty-one new sections relating to the allocation of tax credits by appropriation, with penalty provisions and an expiration date for a certain section.

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

Section A. Sections 32.105, 32.110, 32.111, 32.112, 32.115, 99.1205, 2 100.286, 100.297, 100.850, 135.090, 135.305, 135.327, 135.352, 135.460, 135.484, 3 135.490, 135.535, 135.545, 135.546, 135.550, 135.562, 135.575, 135.600, 135.630, 4 135.647, 135.679, 135.680, 135.700, 135.710, 135.750, 135.766, 135.967, 208.770, 5 253.550, 253.559, 320.093, 348.430, 348.432, 348.434, 348.505, 447.708, 620.495, 6 620.1039, 620.1881, and 660.055, RSMo, are repealed and forty-one new sections 7 enacted in lieu thereof, to be known as sections 32.105, 32.110, 32.111, 32.112, 8 32.115, 99.1205, 100.286, 100.297, 100.850, 135.090, 135.305, 135.327, 135.352, 9 135.460, 135.484, 135.490, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 10 135.647, 135.679, 135.680, 135.700, 135.710, 135.750, 135.821, 135.967, 208.770, 11 253.550, 253.559, 348.430, 348.432, 348.434, 348.505, 447.708, 620.495, 620.1881, 12 and 660.055, to read as follows:

32.105. As used in sections 32.100 to 32.125, the following terms mean:

2 (1) "Affordable housing assistance activities", money, real or personal

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

3 property, or professional services expended or devoted to the construction, or  
 4 rehabilitation of affordable housing units;

5 (2) "Affordable housing unit", a residential unit generally occupied by  
 6 persons and families with incomes at or below the levels described in this  
 7 subdivision and bearing a cost to the occupant no greater than thirty percent of  
 8 the maximum eligible household income for the affordable housing unit. In the  
 9 case of owner-occupied units, the cost to the occupant shall be considered the  
 10 amount of the gross monthly mortgage payment, including casualty insurance,  
 11 mortgage insurance, and taxes. In the case of rental units, the cost to the  
 12 occupant shall be considered the amount of the gross rent. The cost to the  
 13 occupant shall include the cost of any utilities, other than telephone. If any  
 14 utilities are paid directly by the occupant, the maximum cost that may be paid  
 15 by the occupant is to be reduced by a utility allowance prescribed by the  
 16 commission. For rental units, persons or families are eligible occupants of  
 17 affordable housing units if the household combined, adjusted gross income as  
 18 defined by the commission is equal to or less than the following percentages of  
 19 the median family income for the geographic area in which the residential unit  
 20 is located, or the median family income for the state of Missouri, whichever is  
 21 larger; ("geographic area", as used in this subdivision, means the metropolitan  
 22 area or county designated as an area by the federal Department of Housing and  
 23 Urban Development under Section 8 of the United States Housing Act of 1937, as  
 24 amended, for purposes of determining fair market rental rates):

25	Percent of State or
26	Geographic Area Family
27	Median Income
Size of Household	
28	One Person 35%
29	Two Persons 40%
30	Three Persons 45%
31	Four Persons 50%
32	Five Persons 54%
33	Six Persons 58%
34	Seven Persons 62%
35	Eight Persons 66%

36 For owner-occupied units, persons or families are eligible occupants of affordable  
 37 housing units if the household combined, adjusted gross income as defined by the  
 38 commission is equal to or less than the following percentages of the median  
 39 family income for the geographic area in which the residential unit is located, or  
 40 the median family income for the state of Missouri, whichever is larger:

	Percent of State or Geographic Area Family Median Income
41	
42	
43	Size of Household
44	One Person 70%
45	Two Persons 80%
46	Three Persons 90%
47	Four Persons 100%
48	Five Persons 108%
49	Six Persons 116%
50	Seven Persons 124%
51	Eight Persons 132%

52 (3) "Business firm", person, firm, a partner in a firm, corporation or a  
 53 shareholder in an S corporation doing business in the state of Missouri and  
 54 subject to the state income tax imposed by the provisions of chapter 143, RSMo,  
 55 including any charitable organization that is exempt from federal income tax and  
 56 whose Missouri unrelated business taxable income, if any, would be subject to the  
 57 state income tax imposed under such chapter, or a corporation subject to the  
 58 annual corporation franchise tax imposed by the provisions of chapter 147, RSMo,  
 59 or an insurance company paying an annual tax on its gross premium receipts in  
 60 this state, or other financial institution paying taxes to the state of Missouri or  
 61 any political subdivision of this state pursuant to the provisions of chapter 148,  
 62 RSMo, or an express company which pays an annual tax on its gross receipts in  
 63 this state;

64 (4) "Commission", the Missouri housing development commission;

65 (5) "Community services", any type of counseling and advice, emergency  
 66 assistance or medical care furnished to individuals or groups in the state of  
 67 Missouri or transportation services at below-cost rates as provided in sections  
 68 208.250 to 208.275, RSMo;

69 (6) "Crime prevention", any activity which aids in the reduction of crime  
 70 in the state of Missouri;

71 (7) "Defense industry contractor", a person, corporation or other entity  
 72 which will be or has been negatively impacted as a result of its status as a prime  
 73 contractor of the Department of Defense or as a second or third tier contractor.  
 74 A "second tier contractor" means a person, corporation or other entity which  
 75 contracts to perform manufacturing, maintenance or repair services for a prime  
 76 contractor of the Department of Defense, and a "third tier contractor" means a  
 77 person, corporation or other entity which contracts with a person, corporation or  
 78 other entity which contracts with a prime contractor of the Department of

79 Defense;

80 (8) "Doing business", among other methods of doing business in the state  
81 of Missouri, a partner in a firm or a shareholder in an S corporation shall be  
82 deemed to be doing business in the state of Missouri if such firm or S corporation,  
83 as the case may be, is doing business in the state of Missouri;

84 (9) "Economic development", the acquisition, renovation, improvement, or  
85 the furnishing or equipping of existing buildings and real estate in distressed or  
86 blighted areas of the state when such acquisition, renovation, improvement, or  
87 the furnishing or equipping of the business development projects will result in the  
88 creation or retention of jobs within the state. Only neighborhood organizations,  
89 as defined in subdivision (13) of this section, may apply to conduct economic  
90 development projects. Prior to the approval of an economic development project,  
91 the neighborhood organization shall enter into a contractual agreement with the  
92 department of economic development. Credits approved for economic development  
93 projects may not exceed six million dollars from within any one fiscal year's  
94 allocation. Neighborhood assistance program tax credits for economic  
95 development projects and affordable housing assistance as defined in section  
96 32.111 may be transferred, sold or assigned by a notarized endorsement thereof  
97 naming the transferee. **Other provisions of law to the contrary**  
98 **notwithstanding, no tax credits shall be authorized under the**  
99 **provisions of this section after June 30, 2011, unless an allocation is**  
100 **made pursuant to the provisions of section 135.821. In any fiscal year**  
101 **for which an allocation is made pursuant to the provisions of section**  
102 **135.821, no more than the amount of tax credits so allocated shall be**  
103 **authorized;**

104 (10) "Education", any type of scholastic instruction or scholarship  
105 assistance to an individual who resides in the state of Missouri that enables the  
106 individual to prepare himself or herself for better opportunities or community  
107 awareness activities rendered by a statewide organization established for the  
108 purpose of archeological education and preservation;

109 (11) "Homeless assistance pilot project", the program established pursuant  
110 to section 32.117;

111 (12) "Job training", any type of instruction to an individual who resides  
112 in the state of Missouri that enables the individual to acquire vocational skills so  
113 that the individual can become employable or be able to seek a higher grade of  
114 employment;

115 (13) "Neighborhood organization", any organization performing community  
116 services or economic development activities in the state of Missouri and:

117 (a) Holding a ruling from the Internal Revenue Service of the United  
118 States Department of the Treasury that the organization is exempt from income  
119 taxation pursuant to the provisions of the Internal Revenue Code; or

120 (b) Incorporated in the state of Missouri as a not-for-profit corporation  
121 pursuant to the provisions of chapter 355, RSMo; or

122 (c) Designated as a community development corporation by the United  
123 States government pursuant to the provisions of Title VII of the Economic  
124 Opportunity Act of 1964;

125 (14) "Physical revitalization", furnishing financial assistance, labor,  
126 material, or technical advice to aid in the physical improvement or rehabilitation  
127 of any part or all of a neighborhood area;

128 (15) "S corporation", a corporation described in Section 1361(a)(1) of the  
129 United States Internal Revenue Code and not subject to the taxes imposed by  
130 section 143.071, RSMo, by reason of section 143.471, RSMo;

131 (16) "Workfare renovation project", any project initiated pursuant to  
132 sections 215.340 to 215.355, RSMo.

32.110. 1. Any business firm which engages in the activities of providing  
2 physical revitalization, economic development, job training or education for  
3 individuals, community services, or crime prevention in the state of Missouri  
4 shall receive a tax credit as provided in section 32.115 if the director of the  
5 department of economic development annually approves the proposal of the  
6 business firm; except that, no proposal shall be approved which does not have the  
7 endorsement of the agency of local government within the area in which the  
8 business firm is engaging in such activities which has adopted an overall  
9 community or neighborhood development plan that the proposal is consistent with  
10 such plan. The proposal shall set forth the program to be conducted, the  
11 neighborhood area to be served, why the program is needed, the estimated  
12 amount to be contributed to the program and the plans for implementing the  
13 program. If, in the opinion of the director of the department of economic  
14 development, a business firm's contribution can more consistently with the  
15 purposes of sections 32.100 to 32.125 be made through contributions to a  
16 neighborhood organization as defined in subdivision (13) of section 32.105, tax  
17 credits may be allowed as provided in section 32.115. The director of the  
18 department of economic development is hereby authorized to promulgate rules  
19 and regulations for establishing criteria for evaluating such proposals by business  
20 firms for approval or disapproval and for establishing priorities for approval or  
21 disapproval of such proposals by business firms with the assistance and approval  
22 of the director of the department of revenue. The total amount of tax credit

23 granted for programs approved pursuant to sections 32.100 to 32.125 shall not  
24 exceed fourteen million dollars in fiscal year 1999 and twenty-six million dollars  
25 in fiscal year 2000, and any subsequent fiscal year, except as otherwise provided  
26 for proposals approved pursuant to section 32.111, 32.112 or 32.117. All tax  
27 credits authorized pursuant to the provisions of sections 32.100 to 32.125 may be  
28 used as a state match to secure additional federal funding.

29 **2. Other provisions of law to the contrary notwithstanding, no**  
30 **tax credits shall be authorized under the provisions of this section after**  
31 **June 30, 2011, unless an allocation is made pursuant to the provisions**  
32 **of section 135.821. In any fiscal year for which an allocation is made**  
33 **pursuant to the provisions of section 135.821, no more than the amount**  
34 **of tax credits so allocated shall be authorized.**

32.111. 1. Any business firm which engages in providing affordable  
2 housing assistance activities or market rate housing in distressed communities  
3 as defined in section 135.530, RSMo, in the state of Missouri [shall] **may,**  
4 **subject to the limitations provided under subsection 2 of this section**  
5 **and subsection 3 of section 32.115,** receive a tax credit as provided in section  
6 32.115 if the commission or its delegate approves a proposal submitted by one or  
7 more business firms for the provision of affordable housing units or market rate  
8 housing in distressed communities or in accordance with the requirements of  
9 participation in the workfare renovation project in sections 215.340 to 215.355,  
10 RSMo. The proposal shall set forth the program of affordable housing to be  
11 conducted, the location and number of affordable housing units, the neighborhood  
12 area to be served, why the program is needed, the time period for which  
13 affordable housing units shall be provided, the estimated amount to be invested  
14 in the program, plans for implementing the program and a list of the business  
15 firms proposing to provide affordable housing assistance activities which are part  
16 of the proposal. The same type of information shall be provided in proposals for  
17 market rate housing in distressed communities. In the case of rental units of  
18 affordable housing, but not market rate housing in distressed communities, all  
19 proposals approved by the commission shall require a land use restriction  
20 agreement stating the provision of affordable housing on such property for a time  
21 period deemed reasonable by the commission. In the case of owner-occupied units  
22 of affordable housing, all proposals approved by the commission shall require a  
23 land use restriction agreement for a time period deemed reasonable by the  
24 commission requiring any subsequent owner, except a lender with a security  
25 interest in the property, to be an owner occupant whose income at the time of  
26 acquisition is at or below the level described in section 32.105, and further

27 requiring the acquisition price to any subsequent owner shall not exceed by more  
28 than a five percent annual appreciation the acquisition price to the original,  
29 eligible owner at the time tax credits are first claimed. The land use restriction  
30 agreement shall constitute a lien as described in subdivision (4) of subsection 3  
31 of section 32.115. The restriction shall be approved by the property owner and  
32 shall be binding on any subsequent owner of the property unless otherwise  
33 approved by the commission. In approving a proposal, the commission may  
34 authorize the use of tax credits by one or more of the business firms listed in the  
35 proposal and shall establish specific requirements regarding the degree of  
36 completion of affordable housing assistance activities or market rate housing  
37 activities in distressed communities necessary to be eligible for tax credits  
38 provided pursuant to this section. If, in the opinion of the commission or its  
39 delegate, a business firm's investment can more consistently with the purposes  
40 of this section be made through a neighborhood organization, tax credits may be  
41 allowed as provided in this section. The commission may approve requests for  
42 multiyear credit commitments provided eligibility is maintained. The commission  
43 or its delegate is hereby authorized to promulgate rules and regulations for  
44 establishing criteria for evaluating such proposals by business firms for approval  
45 or disapproval, for establishing housing priorities for approval or disapproval of  
46 such proposals by business firms, and for the certification of eligibility for tax  
47 credits authorized pursuant to this section. The decision of the commission or its  
48 delegate to approve or disapprove a proposal pursuant to this section shall be in  
49 writing, and if approved, the maximum credit allowable to the business firm shall  
50 be stated. A copy of the decision of the commission or its delegate shall be  
51 transmitted to the director of revenue and to the governor. A copy of the  
52 certification approved by the commission and a statement of the total amount of  
53 credits approved by the commission, the amount of credits previously taken by  
54 the taxpayer and the amount being claimed for the current tax year shall be filed  
55 in a manner and form designated by the director of revenue for any tax year in  
56 which a tax credit is being claimed.

57 **2. Business firms shall file, with the commission, an application**  
58 **for tax credits authorized under this section on a form provided by the**  
59 **commission. In the event the amount of claims exceed the amount of**  
60 **credits available under the provisions of section 32.115, the commission**  
61 **shall award the credits on a first-to-file, first-to-receive basis.**

32.112. Any business firm which makes a contribution to a neighborhood  
2 organization, a significant part of whose activities consist of affordable housing  
3 assistance activities or market rate housing in distressed communities as defined

4 in section 135.530, RSMo, in the state of Missouri, [shall] **may, subject to the**  
5 **limitations provided under subsection 4 of section 32.115**, receive a tax  
6 credit as provided in section 32.115 if the commission approves a proposal  
7 submitted by one or more business firms for the general operating assistance of  
8 such neighborhood organization. The proposal shall set forth the activities of the  
9 neighborhood organization, including the affordable housing assistance activities  
10 or market rate housing in distressed communities, the neighborhood area to be  
11 served, why the activities are needed, the estimated amount to be contributed to  
12 the neighborhood organization, and a list of the business firms proposing to make  
13 the contributions. The commission is hereby authorized to promulgate rules and  
14 regulations pursuant to section 536.024, RSMo, for establishing criteria for  
15 evaluating such proposals by business firms for approval or disapproval, and for  
16 the certification of eligibility for tax credits authorized pursuant to this  
17 section. The decision of the commission to approve or disapprove a proposal  
18 pursuant to this section shall be in writing and, if approved, the maximum credit  
19 allowable to the business firm shall be stated. A copy of the decision of the  
20 commission shall be transmitted to the director of revenue and to the governor.  
21 A copy of the certification approved by the commission and a statement of the  
22 total amount of credits approved, the amount of credits previously taken by the  
23 taxpayer and the amount being claimed for the current tax year shall be filed in  
24 a manner and form designated by the director of revenue for any tax year in  
25 which a tax credit is being claimed.

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

- 3 (1) The annual tax on gross premium receipts of insurance companies in  
4 chapter 148, RSMo;
- 5 (2) The tax on banks determined pursuant to subdivision (2) of subsection  
6 2 of section 148.030, RSMo;
- 7 (3) The tax on banks determined in subdivision (1) of subsection 2 of  
8 section 148.030, RSMo;
- 9 (4) The tax on other financial institutions in chapter 148, RSMo;
- 10 (5) The corporation franchise tax in chapter 147, RSMo;
- 11 (6) The state income tax in chapter 143, RSMo; and
- 12 (7) The annual tax on gross receipts of express companies in chapter 153,  
13 RSMo.

14 2. For proposals approved pursuant to section 32.110:

- 15 (1) The amount of the tax credit shall not exceed fifty percent of the total  
16 amount contributed during the taxable year by the business firm or, in the case



17 of a financial institution, where applicable, during the relevant income period in  
18 programs approved pursuant to section 32.110;

19 (2) Except as provided in subsection 2 or 5 of this section, a tax credit of  
20 up to seventy percent may be allowed for contributions to programs where  
21 activities fall within the scope of special program priorities as defined with the  
22 approval of the governor in regulations promulgated by the director of the  
23 department of economic development;

24 (3) Except as provided in subsection 2 or 5 of this section, the tax credit  
25 allowed for contributions to programs located in any community shall be equal to  
26 seventy percent of the total amount contributed where such community is a city,  
27 town or village which has fifteen thousand or less inhabitants as of the last  
28 decennial census and is located in a county which is either located in:

29 (a) An area that is not part of a standard metropolitan statistical area;

30 (b) A standard metropolitan statistical area but such county has only one  
31 city, town or village which has more than fifteen thousand inhabitants; or

32 (c) A standard metropolitan statistical area and a substantial number of  
33 persons in such county derive their income from agriculture. Such community  
34 may also be in an unincorporated area in such county as provided in subdivision  
35 (1), (2) or (3) of this subsection. Except in no case shall the total economic benefit  
36 of the combined federal and state tax savings to the taxpayer exceed the amount  
37 contributed by the taxpayer during the tax year;

38 (4) Such tax credit allocation, equal to seventy percent of the total amount  
39 contributed, shall not exceed four million dollars in fiscal year 1999 and six  
40 million dollars in fiscal year 2000 and any subsequent fiscal year. When the  
41 maximum dollar limit on the seventy percent tax credit allocation is committed,  
42 the tax credit allocation for such programs shall then be equal to fifty percent  
43 credit of the total amount contributed. Regulations establishing special program  
44 priorities are to be promulgated during the first month of each fiscal year and at  
45 such times during the year as the public interest dictates. Such credit shall not  
46 exceed two hundred and fifty thousand dollars annually except as provided in  
47 subdivision (5) of this subsection. No tax credit shall be approved for any bank,  
48 bank and trust company, insurance company, trust company, national bank,  
49 savings association, or building and loan association for activities that are a part  
50 of its normal course of business. Any tax credit not used in the period the  
51 contribution was made may be carried over the next five succeeding calendar or  
52 fiscal years until the full credit has been claimed. Except as otherwise provided  
53 for proposals approved pursuant to section 32.111, 32.112 or 32.117, in no event  
54 shall the total amount of all other tax credits allowed pursuant to sections 32.100

55 to 32.125 exceed thirty-two million dollars in any one fiscal year, of which six  
56 million shall be credits allowed pursuant to section 135.460, RSMo. If six million  
57 dollars in credits are not approved, then the remaining credits may be used for  
58 programs approved pursuant to sections 32.100 to 32.125. **Other provisions of**  
59 **law to the contrary notwithstanding, no tax credits shall be authorized**  
60 **under the provisions of sections 32.110 or 135.460 after June 30, 2011,**  
61 **unless an allocation is made pursuant to the provisions of section**  
62 **135.821. In any fiscal year for which an allocation is made pursuant to**  
63 **the provisions of section 135.821, no more than the amount of tax**  
64 **credits so allocated shall be authorized.**

65 (5) The credit may exceed two hundred fifty thousand dollars annually  
66 and shall not be limited if community services, crime prevention, education, job  
67 training, physical revitalization or economic development, as defined by section  
68 32.105, is rendered in an area defined by federal or state law as an impoverished,  
69 economically distressed, or blighted area or as a neighborhood experiencing  
70 problems endangering its existence as a viable and stable neighborhood, or if the  
71 community services, crime prevention, education, job training, physical  
72 revitalization or economic development is limited to impoverished persons.

73 3. For proposals approved pursuant to section 32.111:

74 (1) The amount of the tax credit shall not exceed fifty-five percent of the  
75 total amount invested in affordable housing assistance activities or market rate  
76 housing in distressed communities as defined in section 135.530, RSMo, by a  
77 business firm. Whenever such investment is made in the form of an equity  
78 investment or a loan, as opposed to a donation alone, tax credits may be claimed  
79 only where the loan or equity investment is accompanied by a donation which is  
80 eligible for federal income tax charitable deduction, and where the total value of  
81 the tax credits herein plus the value of the federal income tax charitable  
82 deduction is less than or equal to the value of the donation. Any tax credit not  
83 used in the period for which the credit was approved may be carried over the next  
84 ten succeeding calendar or fiscal years until the full credit has been allowed. If  
85 the affordable housing units or market rate housing units in distressed  
86 communities for which a tax is claimed are within a larger structure, parts of  
87 which are not the subject of a tax credit claim, then expenditures applicable to  
88 the entire structure shall be reduced on a prorated basis in proportion to the ratio  
89 of the number of square feet devoted to the affordable housing units or market  
90 rate housing units in distressed communities, for purposes of determining the  
91 amount of the tax credit. The total amount of tax credit granted for programs  
92 approved pursuant to section 32.111 for the fiscal year beginning July 1, 1991,

93 shall not exceed two million dollars, to be increased by no more than two million  
94 dollars each succeeding fiscal year, until the total tax credits that may be  
95 approved reaches ten million dollars in any fiscal year. **No tax credits shall**  
96 **be authorized under the provisions of section 32.111 after June 30, 2011,**  
97 **unless an allocation is made pursuant to the provisions of section**  
98 **135.821. In any fiscal year for which an allocation is made pursuant to**  
99 **the provisions of section 135.821, no more than the amount of tax**  
100 **credits so allocated shall be authorized;**

101 (2) For any year during the compliance period indicated in the land use  
102 restriction agreement, the owner of the affordable housing rental units for which  
103 a credit is being claimed shall certify to the commission that all tenants renting  
104 claimed units are income eligible for affordable housing units and that the rentals  
105 for each claimed unit are in compliance with the provisions of sections 32.100 to  
106 32.125. The commission is authorized, in its discretion, to audit the records and  
107 accounts of the owner to verify such certification;

108 (3) In the case of owner-occupied affordable housing units, the qualifying  
109 owner occupant shall, before the end of the first year in which credits are  
110 claimed, certify to the commission that the occupant is income eligible during the  
111 preceding two years, and at the time of the initial purchase contract, but not  
112 thereafter. The qualifying owner occupant shall further certify to the commission,  
113 before the end of the first year in which credits are claimed, that during the  
114 compliance period indicated in the land use restriction agreement, the cost of the  
115 affordable housing unit to the occupant for the claimed unit can reasonably be  
116 projected to be in compliance with the provisions of sections 32.100 to  
117 32.125. Any succeeding owner occupant acquiring the affordable housing unit  
118 during the compliance period indicated in the land use restriction agreement  
119 shall make the same certification;

120 (4) If at any time during the compliance period the commission determines  
121 a project for which a proposal has been approved is not in compliance with the  
122 applicable provisions of sections 32.100 to 32.125 or rules promulgated therefor,  
123 the commission may within one hundred fifty days of notice to the owner either  
124 seek injunctive enforcement action against the owner, or seek legal damages  
125 against the owner representing the value of the tax credits, or foreclose on the  
126 lien in the land use restriction agreement, selling the project at a public sale, and  
127 paying to the owner the proceeds of the sale, less the costs of the sale and less the  
128 value of all tax credits allowed herein. The commission shall remit to the director  
129 of revenue the portion of the legal damages collected or the sale proceeds  
130 representing the value of the tax credits. However, except in the event of

131 intentional fraud by the taxpayer, the proposal's certificate of eligibility for tax  
132 credits shall not be revoked.

133 4. For proposals approved pursuant to section 32.112, the amount of the  
134 tax credit shall not exceed fifty-five percent of the total amount contributed to a  
135 neighborhood organization by business firms. Any tax credit not used in the  
136 period for which the credit was approved may be carried over the next ten  
137 succeeding calendar or fiscal years until the full credit has been allowed. The  
138 total amount of tax credit granted for programs approved pursuant to section  
139 32.112 shall not exceed one million dollars for each fiscal year. **No tax credits**  
140 **shall be authorized under the provisions of section 32.112 after June 30,**  
141 **2011, unless an allocation is made pursuant to the provisions of section**  
142 **135.821. In any fiscal year for which an allocation is made pursuant to**  
143 **the provisions of section 135.821, no more than the amount of tax**  
144 **credits so allocated shall be authorized.**

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

99.1205. 1. This section shall be known and may be cited as the  
2 "Distressed Areas Land Assemblage Tax Credit Act".

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

4 (1) "Acquisition costs", the purchase price for the eligible parcel, costs of  
5 environmental assessments, closing costs, real estate brokerage fees, reasonable  
6 demolition costs of vacant structures, and reasonable maintenance costs incurred  
7 to maintain an acquired eligible parcel for a period of five years after the  
8 acquisition of such eligible parcel. Acquisition costs shall not include costs for  
9 title insurance and survey, attorney's fees, relocation costs, fines, or bills from a  
10 municipality;

11 (2) "Applicant", any person, firm, partnership, trust, limited liability  
12 company, or corporation which has:

13 (a) Incurred, within an eligible project area, acquisition costs for the  
14 acquisition of land sufficient to satisfy the requirements under subdivision (8) of  
15 this subsection; and

16 (b) Been appointed or selected, pursuant to a redevelopment agreement  
17 by a municipal authority, as a redeveloper or similar designation, under an  
18 economic incentive law, to redevelop an urban renewal area or a redevelopment  
19 area that includes all of an eligible project area or whose redevelopment plan or  
20 redevelopment area, which encompasses all of an eligible project area, has been

21 approved or adopted under an economic incentive law. In addition to being  
22 designated the redeveloper, the applicant shall have been designated to receive  
23 economic incentives only after the municipal authority has considered the amount  
24 of the tax credits in adopting such economic incentives as provided in subsection  
25 8 of this section. The redevelopment agreement shall provide that:

26       a. The funds generated through the use or sale of the tax credits issued  
27 under this section shall be used to redevelop the eligible project area;

28       b. No more than seventy-five percent of the urban renewal area identified  
29 in the urban renewal plan or the redevelopment area identified in the  
30 redevelopment plan may be redeveloped by the applicant; and

31       c. The remainder of the urban renewal area or the redevelopment area  
32 shall be redeveloped by co-redevelopers or redevelopers to whom the applicant  
33 has assigned its redevelopment rights and obligations under the urban renewal  
34 plan or the redevelopment plan;

35       (3) "Certificate", a tax credit certificate issued under this section;

36       (4) "Condemnation proceedings", any action taken by, or on behalf of, an  
37 applicant to initiate an action in a court of competent jurisdiction to use the  
38 power of eminent domain to acquire a parcel within the eligible project  
39 area. Condemnation proceedings shall include any and all actions taken after the  
40 submission of a notice of intended acquisition to an owner of a parcel within the  
41 eligible project area by a municipal authority or any other person or entity under  
42 section 523.250, RSMo;

43       (5) "Department", the Missouri department of economic development;

44       (6) "Economic incentive laws", any provision of Missouri law pursuant to  
45 which economic incentives are provided to redevelopers of a parcel or parcels to  
46 redevelop the land, such as tax abatement or payments in lieu of taxes, or  
47 redevelopment plans or redevelopment projects approved or adopted which  
48 include the use of economic incentives to redevelop the land. Economic incentive  
49 laws include, but are not limited to, the land clearance for redevelopment  
50 authority law under sections 99.300 to 99.660, the real property tax increment  
51 allocation redevelopment act under sections 99.800 to 99.865, the Missouri  
52 downtown and rural economic stimulus act under sections 99.915 to 99.1060, and  
53 the downtown revitalization preservation program under sections 99.1080 to  
54 99.1092;

55       (7) "Eligible parcel", a parcel:

56           (a) Which is located within an eligible project area;

57           (b) Which is to be redeveloped;

58           (c) On which the applicant has not commenced construction prior to

59 November 28, 2007;

60 (d) Which has been acquired without the commencement of any  
61 condemnation proceedings with respect to such parcel brought by or on behalf of  
62 the applicant. Any parcel acquired by the applicant from a municipal authority  
63 shall not constitute an eligible parcel; and

64 (e) On which all outstanding taxes, fines, and bills levied by municipal  
65 governments that were levied by the municipality during the time period that the  
66 applicant held title to the eligible parcel have been paid in full;

67 (8) "Eligible project area", an area which shall have satisfied the following  
68 requirements:

69 (a) The eligible project area shall consist of at least seventy-five acres and  
70 may include parcels within its boundaries that do not constitute an eligible  
71 parcel;

72 (b) At least eighty percent of the eligible project area shall be located  
73 within a Missouri qualified census tract area, as designated by the United States  
74 Department of Housing and Urban Development under 26 U.S.C. Section 42, or  
75 within a distressed community as that term is defined in section 135.530, RSMo;

76 (c) The eligible parcels acquired by the applicant within the eligible  
77 project area shall total at least fifty acres, which may consist of contiguous and  
78 noncontiguous parcels;

79 (d) The average number of parcels per acre in an eligible project area  
80 shall be four or more;

81 (e) Less than five percent of the acreage within the boundaries of the  
82 eligible project area shall consist of owner-occupied residences which the  
83 applicant has identified for acquisition under the urban renewal plan or the  
84 redevelopment plan pursuant to which the applicant was appointed or selected  
85 as the redeveloper or by which the person or entity was qualified as an applicant  
86 under this section on the date of the approval or adoption of such plan;

87 (9) "Interest costs", interest, loan fees, and closing costs. Interest costs  
88 shall not include attorney's fees;

89 (10) "Maintenance costs", costs of boarding up and securing vacant  
90 structures, costs of removing trash, and costs of cutting grass and weeds;

91 (11) "Municipal authority", any city, town, village, county, public body  
92 corporate and politic, political subdivision, or land trust of this state established  
93 and authorized to own land within the state;

94 (12) "Municipality", any city, town, village, or county;

95 (13) "Parcel", a single lot or tract of land, and the improvements thereon,  
96 owned by, or recorded as the property of, one or more persons or entities;

97 (14) "Redeveloped", the process of undertaking and carrying out a  
98 redevelopment plan or urban renewal plan pursuant to which the conditions  
99 which provided the basis for an eligible project area to be included in a  
100 redevelopment plan or urban renewal plan are to be reduced or eliminated by  
101 redevelopment or rehabilitation; and

102 (15) "Redevelopment agreement", the redevelopment agreement or similar  
103 agreement into which the applicant entered with a municipal authority and which  
104 is the agreement for the implementation of the urban renewal plan or  
105 redevelopment plan pursuant to which the applicant was appointed or selected  
106 as the redeveloper or by which the person or entity was qualified as an applicant  
107 under this section; and such appointment or selection shall have been approved  
108 by an ordinance of the governing body of the municipality, or municipalities, or  
109 in the case of any city not within a county, the board of aldermen, in which the  
110 eligible project area is located. The redevelopment agreement shall include a  
111 time line for redevelopment of the eligible project area. The redevelopment  
112 agreement shall state that the named developer shall be subject to the provisions  
113 of chapter 290, RSMo.

114 3. Any applicant shall be entitled to a tax credit against the taxes  
115 imposed under chapters 143, 147, and 148, RSMo, except for sections 143.191 to  
116 143.265, RSMo, in an amount equal to fifty percent of the acquisition costs, and  
117 one hundred percent of the interest costs incurred for a period of five years after  
118 the acquisition of an eligible parcel. No tax credits shall be issued under this  
119 section until after January 1, 2008.

120 4. If the amount of such tax credit exceeds the total tax liability for the  
121 year in which the applicant is entitled to receive a tax credit, the amount that  
122 exceeds the state tax liability may be carried forward for credit against the taxes  
123 imposed under chapters 143, 147, and 148, RSMo, for the succeeding six years,  
124 or until the full credit is used, whichever occurs first. The applicant shall not be  
125 entitled to a tax credit for taxes imposed under sections 143.191 to 143.265,  
126 RSMo. Applicants entitled to receive such tax credits may transfer, sell, or  
127 assign the tax credits. Tax credits granted to a partnership, a limited liability  
128 company taxed as a partnership, or multiple owners of property shall be passed  
129 through to the partners, members, or owners respectively pro rata or pursuant  
130 to an executed agreement among the partners, members, or owners documenting  
131 an alternate distribution method.

132 5. A purchaser, transferee, or assignee of the tax credits authorized under  
133 this section may use acquired tax credits to offset up to one hundred percent of  
134 the tax liabilities otherwise imposed under chapters 143, 147, and 148, RSMo,

135 except for sections 143.191 to 143.265, RSMo. A seller, transferor, or assignor  
136 shall perfect such transfer by notifying the department in writing within thirty  
137 calendar days following the effective date of the transfer and shall provide any  
138 information as may be required by the department to administer and carry out  
139 the provisions of this section.

140           6. To claim tax credits authorized under this section, an applicant shall  
141 submit to the department an application for a certificate. An applicant shall  
142 identify the boundaries of the eligible project area in the application. The  
143 department shall verify that the applicant has submitted a valid application in  
144 the form and format required by the department. The department shall verify  
145 that the municipal authority held the requisite hearings and gave the requisite  
146 notices for such hearings in accordance with the applicable economic incentive  
147 act, and municipal ordinances. On an annual basis, an applicant may file for the  
148 tax credit for the acquisition costs, and for the tax credit for the interest costs,  
149 subject to the limitations of this section. If an applicant applying for the tax  
150 credit meets the criteria required under this section, the department shall issue  
151 a certificate in the appropriate amount. If an applicant receives a tax credit for  
152 maintenance costs as a part of the applicant's acquisition costs, the department  
153 shall post on its Internet web site the amount and type of maintenance costs and  
154 a description of the redevelopment project for which the applicant received a tax  
155 credit within thirty days after the department issues the certificate to the  
156 applicant.

157           7. The total aggregate amount of tax credits authorized under this section  
158 shall not exceed ninety-five million dollars. At no time shall the annual amount  
159 of the tax credits issued under this section exceed twenty million dollars. **No tax**  
160 **credits shall be authorized under the provisions of this section after**  
161 **June 30, 2011, unless an allocation is made pursuant to the provisions**  
162 **of section 135.821. In any fiscal year for which an allocation is made**  
163 **pursuant to the provisions of section 135.821, no more than the amount**  
164 **of tax credits so allocated shall be authorized.** If the tax credits that are  
165 to be issued under this section exceed, in any year, the [twenty million dollar]  
166 limitation **provided under this subsection**, the department shall either:

167           (1) Issue **all available** tax credits to the applicant [in the amount of  
168 twenty million dollars], if there is only one applicant entitled to receive tax  
169 credits in that year; or

170           (2) Issue the tax credits on a pro rata basis to all applicants entitled to  
171 receive tax credits in that year. Any amount of tax credits, which an applicant  
172 is, or applicants are, entitled to receive on an annual basis and are not issued due



173 to the [twenty million dollar] limitation **provided under this section**, shall be  
174 carried forward for the benefit of the applicant or applicants to subsequent years.  
175 No tax credits provided under this section shall be authorized after [August 28]  
176 **June 30**, 2013. Any tax credits which have been authorized on or before [August  
177 28] **June 30**, 2013, but not issued, may be issued, subject to the limitations  
178 provided under this subsection, until all such authorized tax credits have been  
179 issued.

180 8. Upon issuance of any tax credits pursuant to this section, the  
181 department shall report to the municipal authority the applicant's name and  
182 address, the parcel numbers of the eligible parcels for which the tax credits were  
183 issued, the itemized acquisition costs and interest costs for which tax credits were  
184 issued, and the total value of the tax credits issued. The municipal authority and  
185 the state shall not consider the amount of the tax credits as an applicant's cost,  
186 but shall include the tax credits in any sources and uses and cost benefit analysis  
187 reviewed or created for the purpose of awarding other economic incentives. The  
188 amount of the tax credits shall not be considered an applicant's cost in the  
189 evaluation of the amount of any award of any other economic incentives, but shall  
190 be considered in measuring the reasonableness of the rate of return to the  
191 applicant with respect to such award of other economic incentives. The municipal  
192 authority shall provide the report to any relevant commission, board, or entity  
193 responsible for the evaluation and recommendation or approval of other economic  
194 incentives to assist in the redevelopment of the eligible project area. Tax credits  
195 authorized under this section shall constitute redevelopment tax credits, as such  
196 term is defined under section 135.800 RSMo, and shall be subject to all provisions  
197 applicable to redevelopment tax credits provided under sections 135.800 to  
198 135.830 RSMo.

199 9. The department may promulgate rules to implement the provisions of  
200 this section. Any rule or portion of a rule, as that term is defined in section  
201 536.010, RSMo, that is created under the authority delegated in this section shall  
202 become effective only if it complies with and is subject to all of the provisions of  
203 chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and  
204 chapter 536, RSMo, are nonseverable and if any of the powers vested with the  
205 general assembly pursuant to chapter 536, RSMo, to review, to delay the effective  
206 date, or to disapprove and annul a rule are subsequently held unconstitutional,  
207 then the grant of rulemaking authority and any rule proposed or adopted after  
208 August 28, 2007, shall be invalid and void.

100.286. 1. Within the discretion of the board, the development and  
2 reserve fund, the infrastructure development fund or the export finance fund may

3 be pledged to secure the payment of any bonds or notes issued by the board, or  
4 to secure the payment of any loan made by the board or a participating lender  
5 which loan:

6 (1) Is requested to finance any project or export trade activity;

7 (2) Is requested by a borrower who is demonstrated to be financially  
8 responsible;

9 (3) Can reasonably be expected to provide a benefit to the economy of this  
10 state;

11 (4) Is otherwise secured by a mortgage or deed of trust on real or personal  
12 property or other security satisfactory to the board; provided that loans to finance  
13 export trade activities may be secured by export accounts receivable or  
14 inventories of exportable goods satisfactory to the board;

15 (5) Does not exceed five million dollars;

16 (6) Does not have a term longer than five years if such loan is made to  
17 finance export trade activities; and

18 (7) Is, when used to finance export trade activities, made to small or  
19 medium size businesses or agricultural businesses, as may be defined by the  
20 board.

21 2. The board shall prescribe standards for the evaluation of the financial  
22 condition, business history, and qualifications of each borrower and the terms and  
23 conditions of loans which may be secured, and may require each application to  
24 include a financial report and evaluation by an independent certified public  
25 accounting firm, in addition to such examination and evaluation as may be  
26 conducted by any participating lender.

27 3. Each application for a loan secured by the development and reserve  
28 fund, the infrastructure development fund or the export finance fund shall be  
29 reviewed in the first instance by any participating lender to whom the application  
30 was submitted. If satisfied that the standards prescribed by the board are met  
31 and that the loan is otherwise eligible to be secured by the development and  
32 reserve fund, the infrastructure development fund or the export finance fund, the  
33 participating lender shall certify the same and forward the application for final  
34 approval to the board.

35 4. The securing of any loans by the development and reserve fund, the  
36 infrastructure development fund or the export finance fund shall be conditioned  
37 upon approval of the application by the board, and receipt of an annual reserve  
38 participation fee, as prescribed by the board, submitted by or on behalf of the  
39 borrower.

40 5. The securing of any loan by the export finance fund for export trade

41 activities shall be conditioned upon the board's compliance with any applicable  
42 treaties and international agreements, such as the general agreement on tariffs  
43 and trade and the subsidies code, to which the United States is then a party.

44           6. Any taxpayer, including any charitable organization that is exempt  
45 from federal income tax and whose Missouri unrelated business taxable income,  
46 if any, would be subject to the state income tax imposed under chapter 143,  
47 RSMo, may, subject to the limitations provided under subsection 8 of this section,  
48 receive a tax credit against any tax otherwise due under the provisions of chapter  
49 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.261,  
50 RSMo, chapter 147, RSMo, or chapter 148, RSMo, in the amount of fifty percent  
51 of any amount contributed in money or property by the taxpayer to the  
52 development and reserve fund, the infrastructure development fund or the export  
53 finance fund during the taxpayer's tax year, provided, however, the total tax  
54 credits awarded in any calendar year beginning after January 1, 1994, shall not  
55 be the greater of ten million dollars or five percent of the average growth in  
56 general revenue receipts in the preceding three fiscal years. This limit may be  
57 exceeded only upon joint agreement by the commissioner of administration, the  
58 director of the department of economic development, and the director of the  
59 department of revenue that such action is essential to ensure retention or  
60 attraction of investment in Missouri. If the board receives, as a contribution, real  
61 property, the contributor at such contributor's own expense shall have two  
62 independent appraisals conducted by appraisers certified by the Master Appraisal  
63 Institute. Both appraisals shall be submitted to the board, and the tax credit  
64 certified by the board to the contributor shall be based upon the value of the  
65 lower of the two appraisals. The board shall not certify the tax credit until the  
66 property is deeded to the board. Such credit shall not apply to reserve  
67 participation fees paid by borrowers under sections 100.250 to 100.297. The  
68 portion of earned tax credits which exceeds the taxpayer's tax liability may be  
69 carried forward for up to five years.

70           7. Notwithstanding any provision of law to the contrary, any taxpayer  
71 may sell, assign, exchange, convey or otherwise transfer tax credits allowed in  
72 subsection 6 of this section under the terms and conditions prescribed in  
73 subdivisions (1) and (2) of this subsection. Such taxpayer, hereinafter the  
74 assignor for the purpose of this subsection, may sell, assign, exchange or  
75 otherwise transfer earned tax credits:

- 76           (1) For no less than seventy-five percent of the par value of such credits;  
77 and  
78           (2) In an amount not to exceed one hundred percent of annual earned

79 credits. The taxpayer acquiring earned credits, hereinafter the assignee for the  
80 purpose of this subsection, may use the acquired credits to offset up to one  
81 hundred percent of the tax liabilities otherwise imposed by chapter 143, RSMo,  
82 excluding withholding tax imposed by sections 143.191 to 143.261, RSMo, chapter  
83 147, RSMo, or chapter 148, RSMo. Unused credits in the hands of the assignee  
84 may be carried forward for up to five years, provided all such credits shall be  
85 claimed within ten years following the tax years in which the contribution was  
86 made. The assignor shall enter into a written agreement with the assignee  
87 establishing the terms and conditions of the agreement and shall perfect such  
88 transfer by notifying the board in writing within thirty calendar days following  
89 the effective day of the transfer and shall provide any information as may be  
90 required by the board to administer and carry out the provisions of this  
91 section. Notwithstanding any other provision of law to the contrary, the amount  
92 received by the assignor of such tax credit shall be taxable as income of the  
93 assignor, and the excess of the par value of such credit over the amount paid by  
94 the assignee for such credit shall be taxable as income of the assignee.

95           8. Provisions of subsections 1 to 7 of this section to the contrary  
96 notwithstanding, no more than ten million dollars in tax credits provided under  
97 this section, may be authorized or approved annually **prior to June 30, 2011.**  
98 **No tax credits shall be authorized or approved under the provisions of**  
99 **this section after June 30, 2011, unless an allocation is made pursuant**  
100 **to the provisions of section 135.821. In any fiscal year for which an**  
101 **allocation is made pursuant to the provisions of section 135.821, no**  
102 **more than the amount of tax credits so allocated shall be authorized or**  
103 **approved.** [The limitation on tax credit authorization and approval provided  
104 under this subsection may be exceeded only upon mutual agreement, evidenced  
105 by a signed and properly notarized letter, by the commissioner of the office of  
106 administration, the director of the department of economic development, and the  
107 director of the department of revenue that such action is essential to ensure  
108 retention or attraction of investment in Missouri provided, however, that in no  
109 case shall more than twenty-five million dollars in tax credits be authorized or  
110 approved during such year.] Taxpayers shall file, with the board, an application  
111 for tax credits authorized under this section on a form provided by the board. **In**  
112 **the event the amount of claims exceed the amount of tax credits**  
113 **available under the provisions of this subsection, the board shall award**  
114 **the credits on a first-to-file, first-to-receive basis.** The provisions of this  
115 subsection shall not be construed to limit or in any way impair the ability of the  
116 board to authorize tax credits for issuance for projects authorized or approved, by

117 a vote of the board, on or before the thirtieth day following the effective date of  
118 this act, or a taxpayer's ability to redeem such tax credits.

100.297. 1. The board may authorize a tax credit, as described in this  
2 section, to the owner of any revenue bonds or notes issued by the board pursuant  
3 to the provisions of sections 100.250 to 100.297, for infrastructure facilities as  
4 defined in subdivision (9) of section 100.255, if, prior to the issuance of such  
5 bonds or notes, the board determines that:

6 (1) The availability of such tax credit is a material inducement to the  
7 undertaking of the project in the state of Missouri and to the sale of the bonds or  
8 notes;

9 (2) The loan with respect to the project is adequately secured by a first  
10 deed of trust or mortgage or comparable lien, or other security satisfactory to the  
11 board.

12 2. Upon making the determinations specified in subsection 1 of this  
13 section, the board may declare that each owner of an issue of revenue bonds or  
14 notes shall be entitled, in lieu of any other deduction with respect to such bonds  
15 or notes, to a tax credit against any tax otherwise due by such owner pursuant  
16 to the provisions of chapter 143, RSMo, excluding withholding tax imposed by  
17 sections 143.191 to 143.261, RSMo, chapter 147, RSMo, or chapter 148, RSMo, in  
18 the amount of one hundred percent of the unpaid principal of and unpaid interest  
19 on such bonds or notes held by such owner in the taxable year of such owner  
20 following the calendar year of the default of the loan by the borrower with respect  
21 to the project. The occurrence of a default shall be governed by documents  
22 authorizing the issuance of the bonds. The tax credit allowed pursuant to this  
23 section shall be available to the original owners of the bonds or notes or any  
24 subsequent owner or owners thereof. Once an owner is entitled to a claim, any  
25 such tax credits shall be transferable as provided in subsection 7 of section  
26 100.286. Notwithstanding any provision of Missouri law to the contrary, any  
27 portion of the tax credit to which any owner of a revenue bond or note is entitled  
28 pursuant to this section which exceeds the total income tax liability of such owner  
29 of a revenue bond or note shall be carried forward and allowed as a credit against  
30 any future taxes imposed on such owner within the next ten years pursuant to  
31 the provisions of chapter 143, RSMo, excluding withholding tax imposed by  
32 sections 143.191 to 143.261, RSMo, chapter 147, RSMo, or chapter 148,  
33 RSMo. The eligibility of the owner of any revenue bond or note issued pursuant  
34 to the provisions of sections 100.250 to 100.297 for the tax credit provided by this  
35 section shall be expressly stated on the face of each such bond or note. The tax  
36 credit allowed pursuant to this section shall also be available to any financial

37 institution or guarantor which executes any credit facility as security for bonds  
38 issued pursuant to this section to the same extent as if such financial institution  
39 or guarantor was an owner of the bonds or notes, provided however, in such case  
40 the tax credits provided by this section shall be available immediately following  
41 any default of the loan by the borrower with respect to the project. In addition  
42 to reimbursing the financial institution or guarantor for claims relating to unpaid  
43 principal and interest, such claim may include payment of any unpaid fees  
44 imposed by such financial institution or guarantor for use of the credit facility.

45         3. The aggregate principal amount of revenue bonds or notes outstanding  
46 at any time with respect to which the tax credit provided in this section shall be  
47 available shall not exceed fifty million dollars. **Provisions of this section to**  
48 **the contrary notwithstanding, for all fiscal years beginning on or after**  
49 **July 1, 2011, no revenue bonds or notes shall be issued under the**  
50 **provisions of sections 100.250 to 100.297, unless an allocation is made**  
51 **pursuant to the provisions of section 135.821. In any fiscal year for**  
52 **which an allocation is made pursuant to the provisions of section**  
53 **135.821, no more than the amount so allocated shall be issued in the**  
54 **form of revenue bonds or notes.**

100.850. 1. The approved company shall remit to the board a job  
2 development assessment fee, not to exceed five percent of the gross wages of each  
3 eligible employee whose job was created as a result of the economic development  
4 project, or not to exceed ten percent if the economic development project is located  
5 within a distressed community as defined in section 135.530, RSMo, for the  
6 purpose of retiring bonds which fund the economic development project.

7         2. Any approved company remitting an assessment as provided in  
8 subsection 1 of this section shall make its payroll books and records available to  
9 the board at such reasonable times as the board shall request and shall file with  
10 the board documentation respecting the assessment as the board may require.

11         3. Any assessment remitted pursuant to subsection 1 of this section shall  
12 cease on the date the bonds are retired.

13         4. Any approved company which has paid an assessment for debt  
14 reduction shall be allowed a tax credit equal to the amount of the  
15 assessment. The tax credit may be claimed against taxes otherwise imposed by  
16 chapters 143 and 148, RSMo, except withholding taxes imposed under the  
17 provisions of sections 143.191 to 143.265, RSMo, which were incurred during the  
18 tax period in which the assessment was made.

19         5. In no event shall the aggregate amount of tax credits authorized by  
20 subsection 4 of this section exceed twenty-five million dollars annually. Of such

21 amount, nine hundred fifty thousand dollars shall be reserved for an approved  
22 project for a world headquarters of a business whose primary function is tax  
23 return preparation that is located in any home rule city with more than four  
24 hundred thousand inhabitants and located in more than one county, which  
25 amount reserved shall end in the year of the final maturity of the certificates  
26 issued for such approved project. **Provisions of this section to the contrary  
27 notwithstanding, no tax credits provided under sections 100.700 to  
28 100.850 shall be authorized for projects approved after June 30, 2011,  
29 unless an allocation sufficient to provide tax credits for such project is  
30 made pursuant to the provisions of section 135.821. In any fiscal year  
31 for which an allocation is made pursuant to the provisions of section  
32 135.821, no more than the amount of tax credits so allocated shall be  
33 authorized.**

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

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] **may, subject to the limitations provided under subsection  
17 3 of this section**, be allowed a credit against the tax otherwise due under  
18 chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to  
19 143.265, RSMo, in an amount equal to the total amount of the property taxes on  
20 the surviving spouse's homestead paid during the tax year for which the credit  
21 is claimed. A surviving spouse may claim the credit authorized under this section  
22 for each tax year beginning the year of death of the public safety officer spouse

23 until the tax year in which the surviving spouse remarries. No credit shall be  
24 allowed for the tax year in which the surviving spouse remarries. If the amount  
25 allowable as a credit exceeds the income tax reduced by other credits, then the  
26 excess shall be considered an overpayment of the income tax.

27       **3. No tax credits shall be authorized under the provisions of this**  
28 **section after June 30, 2011, unless an allocation is made pursuant to the**  
29 **provisions of section 135.821. In any fiscal year for which an allocation**  
30 **is made pursuant to the provisions of section 135.821, no more than the**  
31 **amount of tax credits so allocated shall be authorized. Taxpayers shall**  
32 **file, with the department of revenue, an application for tax credits**  
33 **authorized under this section on a form provided by the department.**  
34 **In the event the amount of claims exceed the amount of credits**  
35 **available under the provisions of this section, the department of**  
36 **revenue shall award the credits on a first-to-file, first-to-receive basis.**

37       **4.** The department of revenue shall promulgate rules to implement the  
38 provisions of this section.

39       **[4.] 5.** Any rule or portion of a rule, as that term is defined in section  
40 536.010, RSMo, that is created under the authority delegated in this section shall  
41 become effective only if it complies with and is subject to all of the provisions of  
42 chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and  
43 chapter 536, RSMo, are nonseverable and if any of the powers vested with the  
44 general assembly pursuant to chapter 536, RSMo, to review, to delay the effective  
45 date, or to disapprove and annul a rule are subsequently held unconstitutional,  
46 then the grant of rulemaking authority and any rule proposed or adopted after  
47 August 28, 2007, shall be invalid and void.

48       **[5.] 6.** Pursuant to section 23.253, RSMo, of the Missouri sunset act:

49       (1) The provisions of the new program authorized under this section shall  
50 automatically sunset six years after August 28, 2007, unless reauthorized by an  
51 act of the general assembly; and

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

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

135.305. **1.** A Missouri wood energy producer [shall] **may, subject to**  
2 **the limitations provided under subsection 2 of this section,** be eligible for  
3 a tax credit on taxes otherwise due under chapter 143, RSMo, except sections



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

10 **2. No tax credits shall be authorized under the provisions of this**  
11 **section after June 30, 2011, unless an allocation is made pursuant to the**  
12 **provisions of section 135.821. In any fiscal year for which an allocation**  
13 **is made pursuant to the provisions of section 135.821, no more than the**  
14 **amount of tax credits so allocated shall be authorized. Taxpayers shall**  
15 **file, with the department of economic development, an application for**  
16 **tax credits authorized under this section on a form provided by the**  
17 **department. In the event the amount of claims exceed the amount of**  
18 **credits available under the provisions of this section, the department**  
19 **of economic development shall award the credits on a first-to-file, first-**  
20 **to-receive basis.**

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, RSMo, including an  
4 association based in this state, affiliated with a national association, organized  
5 to provide support to entities receiving funding from the court-appointed special  
6 advocate fund;

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

9 (3) "Contribution", amount of donation to 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, RSMo, other than taxes  
21 withheld under sections 143.191 to 143.265, RSMo.

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, RSMo. Any business entity providing funds to an employee to enable that  
27 employee to legally adopt a special needs child shall be eligible to receive a tax  
28 credit of up to ten thousand dollars for nonrecurring adoption expenses for each  
29 child adopted that may be applied to taxes due under such business entity's state  
30 tax liability, except that only one ten thousand dollar credit is available for each  
31 special needs 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 RSMo; provided, however, that beginning on or after July 1, 2004, two million  
37 dollars of the tax credits allowed shall be allocated for the adoption of special  
38 needs children who are residents or wards of residents of this state at the time  
39 the 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. **Other provisions of law to the contrary notwithstanding, no**  
63 **tax credits shall be authorized under the provisions of this section after**  
64 **June 30, 2011, unless an allocation is made pursuant to the provisions**  
65 **of section 135.821. In any fiscal year for which an allocation is made**  
66 **pursuant to the provisions of section 135.821, no more than the amount**  
67 **of tax credits so allocated shall be authorized. If, by December thirty-**  
68 **first of any year after June 30, 2011, less than half of the allocation,**  
69 **provided under section 135.821, for tax credits provided under this**  
70 **section have been issued for adoptions of special needs children who**  
71 **are not residents or wards of residents of this state at the time the**  
72 **adoption is initiated, the remaining amount shall be available for the**  
73 **adoption of special needs children who are residents or wards of**  
74 **residents of this state at the time the adoption is initiated.** For all fiscal  
75 years beginning on or after July 1, 2006, applications to claim the adoption tax  
76 credit for special needs children who are residents or wards of residents of this  
77 state at the time the adoption is initiated shall be filed between July first and  
78 April fifteenth of each fiscal year. For all fiscal years beginning on or after July  
79 1, 2006, applications to claim the adoption tax credit for special needs children  
80 who are not residents or wards of residents of this state at the time the adoption  
81 is initiated shall be filed between July first and December thirty-first of each  
82 fiscal year.

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

87         6. The director of revenue shall establish a procedure by which, for each  
88 fiscal year, the cumulative amount of tax credits authorized in this section is  
89 equally apportioned among all taxpayers within the two categories specified in  
90 subsection 3 of this section claiming the credit in that fiscal year. To the  
91 maximum extent possible, the director of revenue shall establish the procedure  
92 described in this subsection in such a manner as to ensure that taxpayers within  
93 each category can claim all the tax credits possible up to the cumulative amount  
94 of tax credits available for the fiscal year.

95         7. For all tax years beginning on or after January 1, 2006, a tax credit  
96 may be claimed in an amount equal to up to fifty percent of a verified  
97 contribution to a qualified agency and shall be named the children in crisis tax

98 credit. The minimum amount of any tax credit issued shall not be less than fifty  
99 dollars and shall be applied to taxes due under chapter 143, RSMo, excluding  
100 sections 143.191 to 143.265, RSMo. A contribution verification shall be issued to  
101 the taxpayer by the agency receiving the contribution. Such contribution  
102 verification shall include the taxpayer's name, Social Security number, amount  
103 of tax credit, amount of contribution, the name and address of the agency  
104 receiving the credit, and the date the contribution was made. The tax credit  
105 provided under this subsection shall be initially filed for the year in which the  
106 verified contribution is made.

107           8. The cumulative amount of the tax credits redeemed shall not exceed the  
108 unclaimed portion of the resident adoption category allocation as described in this  
109 section. The director of revenue shall determine the unclaimed portion  
110 available. The amount available shall be equally divided among the three  
111 qualified agencies: CASA, child advocacy centers, or crisis care centers to be used  
112 towards tax credits issued. In the event tax credits claimed under one agency do  
113 not total the allocated amount for that agency, the unused portion for that agency  
114 will be made available to the remaining agencies equally. In the event the total  
115 amount of tax credits claimed for any one agency exceeds the amount available  
116 for that agency, the amount redeemed shall and will be apportioned equally to all  
117 eligible taxpayers claiming the credit under that agency. After all children in  
118 crisis tax credits have been claimed, any remaining unclaimed portion of the  
119 reserved allocation for adoptions of special needs children who are residents or  
120 wards of residents of this state shall then be made available for adoption tax  
121 credit claims of special needs children who are not residents or wards of residents  
122 of this state at the time the adoption is initiated.

123           9. Prior to December thirty-first of each year, the entities listed under the  
124 definition of qualified agency shall apply to the department of social services in  
125 order to verify their qualified agency status. Upon a determination that the  
126 agency is eligible to be a qualified agency, the department of social services shall  
127 provide a letter of eligibility to such agency. No later than February first of each  
128 year, the department of social services shall provide a list of qualified agencies  
129 to the department of revenue. All tax credit applications to claim the children in  
130 crisis tax credit shall be filed between July first and April fifteenth of each fiscal  
131 year. A taxpayer shall apply for the children in crisis tax credit by attaching a  
132 copy of the contribution verification provided by a qualified agency to such  
133 taxpayer's income tax return.

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

136           11. (1) In the event a credit denial, due to lack of available funds, causes  
137 a balance-due notice to be generated by the department of revenue, or any other  
138 redeeming agency, the taxpayer will not be held liable for any penalty or interest,  
139 provided the balance is paid, or approved payment arrangements have been  
140 made, within sixty days from the notice of denial.

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

144           12. The director shall calculate the level of appropriation necessary to  
145 issue all tax credits for nonresident special needs adoptions applied for under this  
146 section and provide such calculation to the speaker of the house of  
147 representatives, the president pro tempore of the senate, and the director of the  
148 division of budget and planning in the office of administration by January  
149 thirty-first of each year.

150           13. The department may promulgate such rules or regulations as are  
151 necessary to administer the provisions of this section. Any rule or portion of a  
152 rule, as that term is defined in section 536.010, RSMo, that is created under the  
153 authority delegated in this section shall become effective only if it complies with  
154 and is subject to all of the provisions of chapter 536, RSMo, and, if applicable,  
155 section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable  
156 and if any of the powers vested with the general assembly pursuant to chapter  
157 536, RSMo, to review, to delay the effective date, or to disapprove and annul a  
158 rule are subsequently held unconstitutional, then the grant of rulemaking  
159 authority and any rule proposed or adopted after August 28, 2006, shall be  
160 invalid and void.

161           14. Pursuant to section 23.253, RSMo, of the Missouri sunset act:

162           (1) The provisions of the new program authorized under subsections 7 to  
163 12 of this section shall automatically sunset six years after August 28, 2006,  
164 unless reauthorized by an act of the general assembly; and

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

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

135.352. 1. A taxpayer owning an interest in a qualified Missouri project  
2 [shall] **may**, subject to the limitations provided under the provisions of  
3 subsection 3 of this section, be allowed a state tax credit, whether or not allowed

4 a federal tax credit, to be termed the Missouri low-income housing tax credit, if  
5 the commission 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 period, and such amount shall  
11 be subtracted from the amount of state tax otherwise due for the same tax period.

12           3. No more than six million dollars in tax credits shall be authorized each  
13 fiscal year for projects financed through tax-exempt bond issuance. **No tax**  
14 **credits shall be authorized under the provisions of sections 135.350 to**  
15 **135.363 after June 30, 2011, unless an allocation is made pursuant to the**  
16 **provisions of section 135.821. In any fiscal year for which an allocation**  
17 **is made pursuant to the provisions of section 135.821, no more than the**  
18 **amount of tax credits so allocated shall be authorized.**

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

25           5. All or any portion of Missouri tax credits issued in accordance with the  
26 provisions of sections 135.350 to 135.362 may be allocated to parties who are  
27 eligible pursuant to the provisions of subsection 1 of this section. Beginning  
28 January 1, 1995, for qualified projects which began on or after January 1, 1994,  
29 an owner of a qualified Missouri project shall certify to the director the amount  
30 of credit allocated to each taxpayer. The owner of the project shall provide to the  
31 director appropriate information so that the low-income housing tax credit can be  
32 properly allocated.

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

38           7. The director of the department may promulgate rules and regulations  
39 necessary to administer the provisions of this section. No rule or portion of a rule  
40 promulgated pursuant to the authority of this section shall become effective  
41 unless it has been promulgated pursuant to the provisions of section 536.024,

42 RSMo.

135.460. 1. This section and sections 620.1100 and 620.1103, RSMo, shall  
2 be known and may be cited as the "Youth Opportunities and Violence Prevention  
3 Act".

4 2. As used in this section, the term "taxpayer" shall include corporations  
5 as defined in section 143.441 or 143.471, RSMo, any charitable organization  
6 which is exempt from federal income tax and whose Missouri unrelated business  
7 taxable income, if any, would be subject to the state income tax imposed under  
8 chapter 143, RSMo, and individuals, individual proprietorships and partnerships.

9 3. A taxpayer [shall] **may, subject to the limitations provided under**  
10 **subsection 2 of section 32.115**, be allowed a tax credit against the tax  
11 otherwise due pursuant to chapter 143, RSMo, excluding withholding tax imposed  
12 by sections 143.191 to 143.265, RSMo, chapter 147, RSMo, chapter 148, RSMo, or  
13 chapter 153, RSMo, in an amount equal to thirty percent for property  
14 contributions and fifty percent for monetary contributions of the amount such  
15 taxpayer contributed to the programs described in subsection 5 of this section, not  
16 to exceed two hundred thousand dollars per taxable year, per taxpayer; except as  
17 otherwise provided in subdivision (5) of subsection 5 of this section. The  
18 department of economic development shall prescribe the method for claiming the  
19 tax credits allowed in this section. No rule or portion of a rule promulgated  
20 under the authority of this section shall become effective unless it has been  
21 promulgated pursuant to the provisions of chapter 536, RSMo. All rulemaking  
22 authority delegated prior to June 27, 1997, is of no force and effect and repealed;  
23 however, nothing in this section shall be interpreted to repeal or affect the  
24 validity of any rule filed or adopted prior to June 27, 1997, if such rule complied  
25 with the provisions of chapter 536, RSMo. The provisions of this section and  
26 chapter 536, RSMo, are nonseverable and if any of the powers vested with the  
27 general assembly pursuant to chapter 536, RSMo, including the ability to review,  
28 to delay the effective date, or to disapprove and annul a rule or portion of a rule,  
29 are subsequently held unconstitutional, then the purported grant of rulemaking  
30 authority and any rule so proposed and contained in the order of rulemaking  
31 shall be invalid and void.

32 4. The tax credits allowed by this section shall be claimed by the taxpayer  
33 to offset the taxes that become due in the taxpayer's tax period in which the  
34 contribution was made. Any tax credit not used in such tax period may be carried  
35 over the next five succeeding tax periods.

36 5. The tax credit allowed by this section may only be claimed for monetary  
37 or property contributions to public or private programs authorized to participate

38 pursuant to this section by the department of economic development and may be  
39 claimed for the development, establishment, implementation, operation, and  
40 expansion of the following activities and programs:

41 (1) An adopt-a-school program. Components of the adopt-a-school  
42 program shall include donations for school activities, seminars, and functions;  
43 school-business employment programs; and the donation of property and  
44 equipment of the corporation to the school;

45 (2) Expansion of programs to encourage school dropouts to reenter and  
46 complete high school or to complete a graduate equivalency degree program;

47 (3) Employment programs. Such programs shall initially, but not  
48 exclusively, target unemployed youth living in poverty and youth living in areas  
49 with a high incidence of crime;

50 (4) New or existing youth clubs or associations;

51 (5) Employment/internship/apprenticeship programs in business or trades  
52 for persons less than twenty years of age, in which case the tax credit claimed  
53 pursuant to this section shall be equal to one-half of the amount paid to the  
54 intern or apprentice in that tax year, except that such credit shall not exceed ten  
55 thousand dollars per person;

56 (6) Mentor and role model programs;

57 (7) Drug and alcohol abuse prevention training programs for youth;

58 (8) Donation of property or equipment of the taxpayer to schools, including  
59 schools which primarily educate children who have been expelled from other  
60 schools, or donation of the same to municipalities, or not-for-profit corporations  
61 or other not-for-profit organizations which offer programs dedicated to youth  
62 violence prevention as authorized by the department;

63 (9) Not-for-profit, private or public youth activity centers;

64 (10) Nonviolent conflict resolution and mediation programs;

65 (11) Youth outreach and counseling programs.

66 6. Any program authorized in subsection 5 of this section shall, at least  
67 annually, submit a report to the department of economic development outlining  
68 the purpose and objectives of such program, the number of youth served, the  
69 specific activities provided pursuant to such program, the duration of such  
70 program and recorded youth attendance where applicable.

71 7. The department of economic development shall, at least annually  
72 submit a report to the Missouri general assembly listing the organizations  
73 participating, services offered and the number of youth served as the result of the  
74 implementation of this section.

75 8. The tax credit allowed by this section shall apply to all taxable years



76 beginning after December 31, 1995.

77           9. For the purposes of the credits described in this section, in the case of  
78 a corporation described in section 143.471, RSMo, partnership, limited liability  
79 company described in section 347.015, RSMo, cooperative, marketing enterprise,  
80 or partnership, in computing Missouri's tax liability, such credits shall be allowed  
81 to the following:

82           (1) The shareholders of the corporation described in section 143.471,  
83 RSMo;

84           (2) The partners of the partnership;

85           (3) The members of the limited liability company; and

86           (4) Individual members of the cooperative or marketing enterprise. Such  
87 credits shall be apportioned to the entities described in subdivisions (1) and (2)  
88 of this subsection in proportion to their share of ownership on the last day of the  
89 taxpayer's tax period.

135.484. 1. Beginning January 1, 2000, tax credits shall be allowed  
2 pursuant to section 135.481 in an amount not to exceed sixteen million dollars  
3 per year. Of this total amount of tax credits in any given year, eight million  
4 dollars shall be set aside for projects in areas described in subdivision (6) of  
5 section 135.478 and eight million dollars for projects in areas described in  
6 subdivision (10) of section 135.478. The maximum tax credit for a project  
7 consisting of multiple-unit qualifying residences in a distressed community shall  
8 not exceed three million dollars. **Provisions of law to the contrary**  
9 **notwithstanding, no tax credits shall be authorized under the**  
10 **provisions of sections 135.475 to 135.487 after June 30, 2011, unless an**  
11 **allocation is made pursuant to the provisions of section 135.821. In any**  
12 **fiscal year for which an allocation is made pursuant to the provisions**  
13 **of section 135.821, no more than the amount of tax credits so allocated**  
14 **shall be authorized. Of the total amount of tax credits allocated for**  
15 **each fiscal year, fifty percent shall be set aside for projects in areas**  
16 **described in subdivision (6) of section 135.478 and fifty percent for**  
17 **projects in areas described in subdivision (10) of section 135.478.**

18           2. Any amount of credit which exceeds the tax liability of a taxpayer for  
19 the tax year in which the credit is first claimed may be carried back to any of the  
20 taxpayer's three prior tax years and carried forward to any of the taxpayer's five  
21 subsequent tax years. A certificate of tax credit issued to a taxpayer by the  
22 department may be assigned, transferred, sold or otherwise conveyed. Whenever  
23 a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a  
24 notarized endorsement shall be filed with the department specifying the name

25 and address of the new owner of the tax credit and the value of the credit.

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

135.490. 1. In order to encourage and foster community improvement, an  
2 eligible small business, as defined in Section 44 of the Internal Revenue Code,  
3 **[shall] may, subject to the limitations provided under subsection 5 of**  
4 **this section**, be allowed a credit not to exceed five thousand dollars against the  
5 tax otherwise due pursuant to chapter 143, RSMo, not including sections 143.191  
6 to 143.265, RSMo, in an amount equal to fifty percent of all eligible access  
7 expenditures exceeding the monetary cap provided by Section 44 of the Internal  
8 Revenue Code. For purposes of this section, "eligible access expenditures" means  
9 amounts paid or incurred by the taxpayer in order to comply with applicable  
10 access requirements provided by the Americans With Disabilities Act of 1990, as  
11 further defined in Section 44 of the Internal Revenue Code and federal rulings  
12 interpreting Section 44 of the Internal Revenue Code.

13 2. The tax credit allowed by this section shall be claimed by the taxpayer  
14 at the time such taxpayer files a return. Any amount of tax credit which exceeds  
15 the tax due shall be carried over to any subsequent taxable year, but shall not be  
16 refunded and shall not be transferable.

17 3. The director of the department of economic development and the  
18 director of the department of revenue shall jointly administer the tax credit  
19 authorized by this section. Both the director of the department of economic  
20 development and the director of the department of revenue are authorized to  
21 promulgate rules and regulations necessary to administer the provisions of this  
22 section. No rule or portion of a rule promulgated pursuant to the authority of  
23 this section shall become effective unless it has been promulgated pursuant to the  
24 provisions of chapter 536, RSMo.

25 4. The provisions of this section shall become effective on January 1, 2000,

26 and shall apply to all taxable years beginning after December 31, 1999.

27 **5. Provisions of law to the contrary notwithstanding, no tax**  
28 **credits shall be authorized under the provisions of this section after**  
29 **June 30, 2011, unless an allocation is made pursuant to the provisions**  
30 **of section 135.821. In any fiscal year for which an allocation is made**  
31 **pursuant to the provisions of section 135.821, no more than the amount**  
32 **of tax credits so allocated shall be authorized. Small businesses shall**  
33 **file, with the department of economic development, an application for**  
34 **tax credits authorized under this section on a form provided by the**  
35 **department. In the event the amount of claims exceed the amount of**  
36 **credits available under the provisions of this section, the department**  
37 **of economic development shall award the credits on a first-to-file, first-**  
38 **to-receive basis.**

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

26 to a company which commences operations within a distressed community. A  
27 taxpayer shall file an application for certification of the tax credits for the first  
28 year in which credits are claimed and for each of the two succeeding taxable years  
29 for which credits are claimed.

30         2. Employees of such facilities physically working and earning wages for  
31 that work within a distressed community whose employers have been approved  
32 for tax credits pursuant to subsection 1 of this section by the department of  
33 economic development for whom payroll taxes are paid shall also be eligible to  
34 receive a tax credit against individual income tax, imposed pursuant to chapter  
35 143, RSMo, equal to one and one-half percent of their gross salary paid at such  
36 facility earned for each of the three years that the facility receives the tax credit  
37 provided by this section, so long as they were qualified employees of such  
38 entity. The employer shall calculate the amount of such credit and shall report  
39 the amount to the employee and the department of revenue.

40         3. A tax credit against income taxes owed pursuant to chapter 143, 147  
41 or 148, RSMo, other than the taxes withheld pursuant to sections 143.191 to  
42 143.265, RSMo, in lieu of the credit against income taxes as provided in  
43 subsection 1 of this section, may be taken by such an entity in a distressed  
44 community in an amount of forty percent of the amount of funds expended for  
45 computer equipment and its maintenance, medical laboratories and equipment,  
46 research laboratory equipment, manufacturing equipment, fiber optic equipment,  
47 high speed telecommunications, wiring or software development expense up to a  
48 maximum of seventy-five thousand dollars in tax credits for such equipment or  
49 expense per year per entity and for each of three years after commencement in  
50 or moving operations into a distressed community.

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

61         5. An existing corporation, partnership or sole proprietorship that is  
62 located within a distressed community and that relocates employees from another  
63 facility outside of the distressed community to its facility within the distressed

64 community, and an existing business located within a distressed community that  
65 hires new employees for that facility may both be eligible for the tax credits  
66 allowed by subsections 1 and 3 of this section. To be eligible for such tax credits,  
67 such a business, during one of its tax years, shall employ within a distressed  
68 community at least twice as many employees as were employed at the beginning  
69 of that tax year. A business hiring employees shall have no more than one  
70 hundred employees before the addition of the new employees. This subsection  
71 shall only apply to a business which is a manufacturing, biomedical, medical  
72 devices, scientific research, animal research, computer software design or  
73 development, computer programming or telecommunications business, or a  
74 professional firm.

75         6. Tax credits shall be approved for applicants meeting the requirements  
76 of this section in the order that such applications are received. Certificates of tax  
77 credits issued in accordance with this section may be transferred, sold or assigned  
78 by notarized endorsement which names the transferee.

79         7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this  
80 section shall be for an amount of no more than ten million dollars for each year  
81 beginning in 1999. To the extent there are available tax credits remaining under  
82 the ten million dollar cap provided in this section, up to one hundred thousand  
83 dollars in the remaining credits shall first be used for tax credits authorized  
84 under section 135.562. The total maximum credit for all entities already located  
85 in distressed communities and claiming credits pursuant to subsection 4 of this  
86 section shall be seven hundred and fifty thousand dollars. The department of  
87 economic development in approving taxpayers for the credit as provided for in  
88 subsection 6 of this section shall use information provided by the department of  
89 revenue regarding taxes paid in the previous year, or projected taxes for those  
90 entities newly established in the state, as the method of determining when this  
91 maximum will be reached and shall maintain a record of the order of  
92 approval. Any tax credit not used in the period for which the credit was approved  
93 may be carried over until the full credit has been allowed. **Provisions of law  
94 to the contrary notwithstanding, no tax credits shall be authorized  
95 under the provisions of this section after June 30, 2011, unless an  
96 allocation is made pursuant to the provisions of section 135.821. In any  
97 fiscal year for which an allocation is made pursuant to the provisions  
98 of section 135.821, no more than the amount of tax credits so allocated  
99 shall be authorized.**

100         8. A Missouri employer relocating into a distressed community and having  
101 employees covered by a collective bargaining agreement at the facility from which

102 it is relocating shall not be eligible for the credits in subsection 1, 3, 4 or 5 of this  
103 section, and its employees shall not be eligible for the credit in subsection 2 of  
104 this section if the relocation violates or terminates a collective bargaining  
105 agreement covering employees at the facility, unless the affected collective  
106 bargaining unit concurs with the move.

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

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

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

4 (2) "Shelter for victims of domestic violence", a facility located in this state  
5 which meets the definition of a shelter for victims of domestic violence pursuant  
6 to section 455.200, RSMo, and which meets the requirements of section 455.220,  
7 RSMo;

8 (3) "State tax liability", in the case of a business taxpayer, any liability  
9 incurred by such taxpayer pursuant to the provisions of chapter 143, RSMo,  
10 chapter 147, RSMo, chapter 148, RSMo, and chapter 153, RSMo, exclusive of the  
11 provisions relating to the withholding of tax as provided for in sections 143.191  
12 to 143.265, RSMo, and related provisions, and in the case of an individual  
13 taxpayer, any liability incurred by such taxpayer pursuant to the provisions of  
14 chapter 143, RSMo;

15 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a  
16 shareholder in an S corporation doing business in the state of Missouri and  
17 subject to the state income tax imposed by the provisions of chapter 143, RSMo,  
18 or a corporation subject to the annual corporation franchise tax imposed by the  
19 provisions of chapter 147, RSMo, including any charitable organization which is  
20 exempt from federal income tax and whose Missouri unrelated business taxable  
21 income, if any, would be subject to the state income tax imposed under chapter  
22 143, RSMo, or an insurance company paying an annual tax on its gross premium  
23 receipts in this state, or other financial institution paying taxes to the state of  
24 Missouri or any political subdivision of this state pursuant to the provisions of  
25 chapter 148, RSMo, or an express company which pays an annual tax on its gross  
26 receipts in this state pursuant to chapter 153, RSMo, or an individual subject to  
27 the state income tax imposed by the provisions of chapter 143, RSMo.

28 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's

29 state tax liability, in an amount equal to fifty percent of the amount such  
30 taxpayer contributed to a shelter for victims of domestic violence.

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

37         4. Except for any excess credit which is carried over pursuant to  
38 subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit  
39 unless the total amount of such taxpayer's contribution or contributions to a  
40 shelter or shelters for victims of domestic violence in such taxpayer's taxable year  
41 has a value of at least one hundred dollars.

42         5. The director of the department of social services shall determine, at  
43 least annually, which facilities in this state may be classified as shelters for  
44 victims of domestic violence. The director of the department of social services  
45 may require of a facility seeking to be classified as a shelter for victims of  
46 domestic violence whatever information is reasonably necessary to make such a  
47 determination. The director of the department of social services shall classify a  
48 facility as a shelter for victims of domestic violence if such facility meets the  
49 definition set forth in subsection 1 of this section.

50         6. The director of the department of social services shall establish a  
51 procedure by which a taxpayer can determine if a facility has been classified as  
52 a shelter for victims of domestic violence, and by which such taxpayer can then  
53 contribute to such shelter for victims of domestic violence and claim a tax  
54 credit. Shelters for victims of domestic violence shall be permitted to decline a  
55 contribution from a taxpayer. The cumulative amount of tax credits which may  
56 be claimed by all the taxpayers contributing to shelters for victims of domestic  
57 violence in any one fiscal year shall not exceed two million dollars. **No tax**  
58 **credits shall be authorized under the provisions of this section after**  
59 **June 30, 2011, unless an allocation is made pursuant to the provisions**  
60 **of section 135.821. In any fiscal year for which an allocation is made**  
61 **pursuant to the provisions of section 135.821, no more than the amount**  
62 **of tax credits so allocated shall be authorized.**

63         7. The director of the department of social services shall establish a  
64 procedure by which, from the beginning of the fiscal year until some point in time  
65 later in the fiscal year to be determined by the director of the department of  
66 social services, the cumulative amount of tax credits are equally apportioned

67 among all facilities classified as shelters for victims of domestic violence. If a  
68 shelter for victims of domestic violence fails to use all, or some percentage to be  
69 determined by the director of the department of social services, of its apportioned  
70 tax credits during this predetermined period of time, the director of the  
71 department of social services may reapportion these unused tax credits to those  
72 shelters for victims of domestic violence that have used all, or some percentage  
73 to be determined by the director of the department of social services, of their  
74 apportioned tax credits during this predetermined period of time. The director  
75 of the department of social services may establish more than one period of time  
76 and reapportion more than once during each fiscal year. To the maximum extent  
77 possible, the director of the department of social services shall establish the  
78 procedure described in this subsection in such a manner as to ensure that  
79 taxpayers can claim all the tax credits possible up to the cumulative amount of  
80 tax credits available for the fiscal year.

81           8. This section shall become effective January 1, 2000, and shall apply to  
82 all tax years after December 31, 1999.

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] **may, subject to the limitations provided under**  
13 **subsection 10 of this section**, receive a tax credit against such taxpayer's  
14 Missouri income tax liability in an amount equal to the lesser of fifty percent of  
15 such costs or two thousand five hundred dollars per taxpayer per tax year. No  
16 taxpayer shall be eligible to receive tax credits under this section in any tax year  
17 immediately following a tax year in which such taxpayer received tax credits  
18 under the provisions of this section.

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

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

22           (1) Constructing entrance or exit ramps;



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

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

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

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

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

53 9. The provisions of this section shall expire December 31, 2013.

54 10. In no event shall the aggregate amount of all tax credits allowed  
55 pursuant to this section exceed one hundred thousand dollars in any given fiscal  
56 year. The tax credits issued pursuant to this section shall be on a first-come,  
57 first-served filing basis. **Notwithstanding provisions of section 135.535 to**  
58 **the contrary, no tax credits shall be authorized under the provisions of**  
59 **this section after June 30, 2011, unless an allocation is made pursuant**  
60 **to the provisions of section 135.821. In any fiscal year for which an**

61 **allocation is made pursuant to the provisions of section 135.821, no**  
62 **more than the amount of tax credits so allocated shall be authorized.**

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

2 (1) "Missouri health care access fund", the fund created in section  
3 191.1056, RSMo;

4 (2) "Tax credit", a credit against the tax otherwise due under chapter 143,  
5 RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo;

6 (3) "Taxpayer", any individual subject to the tax imposed in chapter 143,  
7 RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo.

8 2. The provisions of this section shall be subject to section 33.282,  
9 RSMo. For all taxable years beginning on or after January 1, 2007, a taxpayer  
10 shall be allowed a tax credit for donations in excess of one hundred dollars made  
11 to the Missouri health care access fund. The tax credit shall be subject to annual  
12 approval by the senate appropriations committee and the house budget  
13 committee. The tax credit amount shall be equal to one-half of the total donation  
14 made, but shall not exceed twenty-five thousand dollars per taxpayer claiming the  
15 credit. If the amount of the tax credit issued exceeds the amount of the  
16 taxpayer's state tax liability for the tax year for which the credit is claimed, the  
17 difference shall not be refundable but may be carried forward to any of the  
18 taxpayer's next four taxable years. No tax credit granted under this section shall  
19 be transferred, sold, or assigned. The cumulative amount of tax credits which  
20 may be issued under this section in any one fiscal year shall not exceed one  
21 million dollars. **No tax credits shall be authorized under the provisions**  
22 **of this section after June 30, 2011, unless an allocation is made**  
23 **pursuant to the provisions of section 135.821. In any fiscal year for**  
24 **which an allocation is made pursuant to the provisions of section**  
25 **135.821, no more than the amount of tax credits so allocated shall be**  
26 **authorized.**

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

37 4. Pursuant to section 23.253, RSMo, of the Missouri sunset act:

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

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

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

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

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

4 (2) "Maternity home", a residential facility located in this state  
5 established for the purpose of providing housing and assistance to pregnant  
6 women who are carrying their pregnancies to term, and which is exempt from  
7 income taxation under the United States Internal Revenue Code;

8 (3) "State tax liability", in the case of a business taxpayer, any liability  
9 incurred by such taxpayer pursuant to the provisions of chapter 143, RSMo,  
10 chapter 147, RSMo, chapter 148, RSMo, and chapter 153, RSMo, exclusive of the  
11 provisions relating to the withholding of tax as provided for in sections 143.191  
12 to 143.265, RSMo, and related provisions, and in the case of an individual  
13 taxpayer, any liability incurred by such taxpayer pursuant to the provisions of  
14 chapter 143, RSMo;

15 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a  
16 shareholder in an S corporation doing business in the state of Missouri and  
17 subject to the state income tax imposed by the provisions of chapter 143, RSMo,  
18 including any charitable organization which is exempt from federal income tax  
19 and whose Missouri unrelated business taxable income, if any, would be subject  
20 to the state income tax imposed under chapter 143, RSMo, or a corporation  
21 subject to the annual corporation franchise tax imposed by the provisions of  
22 chapter 147, RSMo, or an insurance company paying an annual tax on its gross  
23 premium receipts in this state, or other financial institution paying taxes to the  
24 state of Missouri or any political subdivision of this state pursuant to the  
25 provisions of chapter 148, RSMo, or an express company which pays an annual  
26 tax on its gross receipts in this state pursuant to chapter 153, RSMo, or an  
27 individual subject to the state income tax imposed by the provisions of chapter  
28 143, RSMo.

29           2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's  
30 state tax liability, in an amount equal to fifty percent of the amount such  
31 taxpayer contributed to a maternity home.

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

38           4. Except for any excess credit which is carried over pursuant to  
39 subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit  
40 unless the total amount of such taxpayer's contribution or contributions to a  
41 maternity home or homes in such taxpayer's taxable year has a value of at least  
42 one hundred dollars.

43           5. The director of the department of social services shall determine, at  
44 least annually, which facilities in this state may be classified as maternity  
45 homes. The director of the department of social services may require of a facility  
46 seeking to be classified as a maternity home whatever information is reasonably  
47 necessary to make such a determination. The director of the department of social  
48 services shall classify a facility as a maternity home if such facility meets the  
49 definition set forth in subsection 1 of this section.

50           6. The director of the department of social services shall establish a  
51 procedure by which a taxpayer can determine if a facility has been classified as  
52 a maternity home, and by which such taxpayer can then contribute to such  
53 maternity home and claim a tax credit. Maternity homes shall be permitted to  
54 decline a contribution from a taxpayer. The cumulative amount of tax credits  
55 which may be claimed by all the taxpayers contributing to maternity homes in  
56 any one fiscal year shall not exceed two million dollars. **No tax credits shall**  
57 **be authorized under the provisions of this section after June 30, 2011,**  
58 **unless an allocation is made pursuant to the provisions of section**  
59 **135.821. In any fiscal year for which an allocation is made pursuant to**  
60 **the provisions of section 135.821, no more than the amount of tax**  
61 **credits so allocated shall be authorized.**

62           7. The director of the department of social services shall establish a  
63 procedure by which, from the beginning of the fiscal year until some point in time  
64 later in the fiscal year to be determined by the director of the department of  
65 social services, the cumulative amount of tax credits are equally apportioned  
66 among all facilities classified as maternity homes. If a maternity home fails to

67 use all, or some percentage to be determined by the director of the department of  
68 social services, of its apportioned tax credits during this predetermined period of  
69 time, the director of the department of social services may reapportion these  
70 unused tax credits to those maternity homes that have used all, or some  
71 percentage to be determined by the director of the department of social services,  
72 of their apportioned tax credits during this predetermined period of time. The  
73 director of the department of social services may establish more than one period  
74 of time and reapportion more than once during each fiscal year. To the maximum  
75 extent possible, the director of the department of social services shall establish  
76 the procedure described in this subsection in such a manner as to ensure that  
77 taxpayers can claim all the tax credits possible up to the cumulative amount of  
78 tax credits available for the fiscal year.

79 8. This section shall become effective January 1, 2000, and shall apply to  
80 all tax years after December 31, 1999.

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, RSMo, excluding sections 143.191 to 143.265, RSMo, and related  
24 provisions, and in the case of an individual taxpayer, any liability incurred by

25 such taxpayer pursuant to the provisions of chapter 143, RSMo, excluding  
26 sections 143.191 to 143.265, RSMo, and 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, RSMo,  
30 or a corporation subject to the annual corporation franchise tax imposed by the  
31 provisions of chapter 147, RSMo, or an insurance company paying an annual tax  
32 on its gross premium receipts in this state, or other financial institution paying  
33 taxes to the state of Missouri or any political subdivision of this state pursuant  
34 to the provisions of chapter 148, RSMo, or an express company which pays an  
35 annual tax on its gross receipts in this state pursuant to chapter 153, RSMo, or  
36 an individual subject to the state income tax imposed by the provisions of chapter  
37 143, RSMo, or any charitable organization which is exempt from federal income  
38 tax and whose Missouri unrelated business taxable income, if any, would be  
39 subject to the state income tax imposed under chapter 143, RSMo.

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. **No tax credits shall be authorized under the**  
68 **provisions of this section after June 30, 2011, unless an allocation is**  
69 **made pursuant to the provisions of section 135.821. In any fiscal year**  
70 **for which an allocation is made pursuant to the provisions of section**  
71 **135.821, no more than the amount of tax credits so allocated shall be**  
72 **authorized.**

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

87 8. Each pregnancy resource center shall provide information to the  
88 director concerning the identity of each taxpayer making a contribution to the  
89 pregnancy resource center who is claiming a tax credit pursuant to this section  
90 and the amount of the contribution. The director shall provide the information  
91 to the director of revenue. The director shall be subject to the confidentiality and  
92 penalty provisions of section 32.057, RSMo, relating to the disclosure of tax  
93 information.

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

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

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

103 10. Pursuant to section 23.253, RSMo, of the Missouri sunset act:

104 (1) Any new program authorized under this section shall automatically  
105 sunset six years after August 28, 2006, unless reauthorized by an act of the  
106 general assembly; and

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

110 (3) This section shall terminate on September first of the calendar year  
111 immediately following the calendar year in which a program authorized under  
112 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, RSMo, excluding withholding tax  
11 imposed by sections 143.191 to 143.265, RSMo.

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, RSMo, excluding withholding tax imposed by sections  
16 143.191 to 143.265, RSMo, in an amount equal to fifty percent of the value of the  
17 donations made to the extent such amounts that have been subtracted from  
18 federal adjusted gross income or federal taxable income are added back in the  
19 determination of Missouri adjusted gross income or Missouri taxable income  
20 before the credit can be claimed. Each taxpayer claiming a tax credit under this  
21 section shall file an affidavit with the income tax return verifying the amount of  
22 their contributions. The amount of the tax credit claimed shall not exceed the  
23 amount of the taxpayer's state tax liability for the tax year that the credit is  
24 claimed, and shall not exceed two thousand five hundred dollars per taxpayer  
25 claiming the credit. Any amount of credit that the taxpayer is prohibited by this  
26 section from claiming in a tax year shall not be refundable, but may be carried



27 forward to any of the taxpayer's three subsequent taxable years. No tax credit  
28 granted under this section shall be transferred, sold, or assigned. No taxpayer  
29 shall be eligible to receive a credit pursuant to this section if such taxpayer  
30 employs persons who are not authorized to work in the United States under  
31 federal law.

32         3. The cumulative amount of tax credits under this section which may be  
33 allocated to all taxpayers contributing to a local food pantry in any one fiscal year  
34 shall not exceed two million dollars. The director of revenue shall establish a  
35 procedure by which the cumulative amount of tax credits is apportioned among  
36 all taxpayers claiming the credit by April fifteenth of the fiscal year in which the  
37 tax credit is claimed. To the maximum extent possible, the director of revenue  
38 shall establish the procedure described in this subsection in such a manner as to  
39 ensure that taxpayers can claim all the tax credits possible up to the cumulative  
40 amount of tax credits available for the fiscal year. **No tax credits shall be**  
41 **authorized under the provisions of this section after June 30, 2011,**  
42 **unless an allocation is made pursuant to the provisions of section**  
43 **135.821. In any fiscal year for which an allocation is made pursuant to**  
44 **the provisions of section 135.821, no more than the amount of tax**  
45 **credits so allocated shall be authorized.**

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

51         5. The department of revenue shall promulgate rules to implement the  
52 provisions of this section. Any rule or portion of a rule, as that term is defined  
53 in section 536.010, RSMo, that is created under the authority delegated in this  
54 section shall become effective only if it complies with and is subject to all of the  
55 provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This  
56 section and chapter 536, RSMo, are nonseverable and if any of the powers vested  
57 with the general assembly pursuant to chapter 536, RSMo, to review, to delay the  
58 effective date, or to disapprove and annul a rule are subsequently held  
59 unconstitutional, then the grant of rulemaking authority and any rule proposed  
60 or adopted after August 28, 2007, shall be invalid and void.

61         6. Under section 23.253, RSMo, of the Missouri sunset act:

62         (1) The provisions of the new program authorized under this section shall  
63 automatically sunset four years after August 28, 2007, unless reauthorized by an  
64 act of the general assembly; and

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

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

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

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

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

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

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

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

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

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

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

28 (6) "Qualifying beef animal", any beef animal that is certified by the  
29 authority, that was born in this state after August 28, 2008, that was raised and  
30 backgrounded or finished in this state by the taxpayer, excluding any beef animal  
31 more than thirty months of age as verified by certified written birth records;

32 (7) "Qualifying sale", the first time a qualifying beef animal is sold in this

33 state after the qualifying beef animal is backgrounded, and a subsequent sale if  
34 the weight of the qualifying beef animal at the time of the subsequent sale is  
35 greater than the weight of the qualifying beef animal at the time of the first  
36 qualifying sale of such beef animal;

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

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

41 (a) Is subject to the tax imposed in chapter 143, RSMo, excluding  
42 withholding tax imposed by sections 143.191 to 143.265, RSMo, or the tax  
43 imposed in chapter 147, RSMo;

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

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

48 3. For all taxable years beginning on or after January 1, 2009, but ending  
49 on or before December 31, 2016, a taxpayer shall be allowed a tax credit for the  
50 first qualifying sale and for a subsequent qualifying sale of all qualifying beef  
51 animals. The tax credit amount for the first qualifying sale shall be ten cents per  
52 pound, shall be based on the backgrounded weight of all qualifying beef animals  
53 at the time of the first qualifying sale, and shall be calculated as follows: the  
54 qualifying sale weight minus the baseline weight multiplied by ten cents, as long  
55 as the qualifying sale weight is equal to or greater than two hundred pounds  
56 above the baseline weight. The tax credit amount for each subsequent qualifying  
57 sale shall be ten cents per pound, shall be based on the backgrounded weight of  
58 all qualifying beef animals at the time of the subsequent qualifying sale, and  
59 shall be calculated as follows: the qualifying sale weight minus the baseline  
60 weight multiplied by ten cents, as long as the qualifying sale weight is equal to  
61 or greater than two hundred pounds above the baseline weight. The authority  
62 may waive no more than twenty-five percent of the two hundred pound weight  
63 gain requirement, but any such waiver shall be based on a disaster declaration  
64 issued by the U. S. Department of Agriculture.

65 4. The amount of the tax credit claimed shall not exceed the amount of the  
66 taxpayer's state tax liability for the taxable year for which the credit is claimed.  
67 No tax credit claimed under this section shall be refundable. The tax credit shall  
68 be claimed in the taxable year in which the qualifying sale of the qualifying beef  
69 occurred, but any amount of credit that the taxpayer is prohibited by this section  
70 from claiming in a taxable year may be carried forward to any of the taxpayer's

71 five subsequent taxable years and carried backward to any of the taxpayer's three  
72 previous taxable years. The amount of tax credits that may be issued to all  
73 eligible applicants claiming tax credits authorized in this section in a fiscal year  
74 shall not exceed three million dollars. Tax credits shall be issued on an  
75 as-received application basis until the fiscal year limit is reached. Any credits  
76 not issued in any fiscal year shall expire and shall not be issued in any  
77 subsequent years. **No tax credits shall be authorized under the provisions**  
78 **of this section after June 30, 2011, unless an allocation is made**  
79 **pursuant to the provisions of section 135.821. In any fiscal year for**  
80 **which an allocation is made pursuant to the provisions of section**  
81 **135.821, no more than the amount of tax credits so allocated shall be**  
82 **authorized.**

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

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

103           7. The authority may promulgate rules to implement the provisions of this  
104 section. Any rule or portion of a rule, as that term is defined in section 536.010,  
105 RSMo, that is created under the authority delegated in this section shall become  
106 effective only if it complies with and is subject to all of the provisions of chapter  
107 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter  
108 536, RSMo, are nonseverable and if any of the powers vested with the general

109 assembly pursuant to chapter 536, RSMo, to review, to delay the effective date,  
110 or to disapprove and annul a rule are subsequently held unconstitutional, then  
111 the grant of rulemaking authority and any rule proposed or adopted after August  
112 28, 2007, shall be invalid and void.

113 8. This section shall not be subject to the Missouri sunset act, sections  
114 23.250 to 23.298, RSMo.

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

2 (1) "Adjusted purchase price", the product of:

3 (a) The amount paid to the issuer of a qualified equity investment for such  
4 qualified equity investment; and

5 (b) The following fraction:

6 a. The numerator shall be the dollar amount of qualified low-income  
7 community investments held by the issuer in this state as of the credit allowance  
8 date during the applicable tax year; and

9 b. The denominator shall be the total dollar amount of qualified  
10 low-income community investments held by the issuer in all states as of the credit  
11 allowance date during the applicable tax year;

12 c. For purposes of calculating the amount of qualified low-income  
13 community investments held by an issuer, an investment shall be considered held  
14 by an issuer even if the investment has been sold or repaid; provided that the  
15 issuer reinvests an amount equal to the capital returned to or recovered by the  
16 issuer from the original investment, exclusive of any profits realized, in another  
17 qualified low-income community investment within twelve months of the receipt  
18 of such capital. An issuer shall not be required to reinvest capital returned from  
19 qualified low-income community investments after the sixth anniversary of the  
20 issuance of the qualified equity investment, the proceeds of which were used to  
21 make the qualified low-income community investment, and the qualified  
22 low-income community investment shall be considered held by the issuer through  
23 the seventh anniversary of the qualified equity investment's issuance;

24 (2) "Applicable percentage", zero percent for each of the first two credit  
25 allowance dates, seven percent for the third credit allowance date, and eight  
26 percent for the next four credit allowance dates;

27 (3) "Credit allowance date", with respect to any qualified equity  
28 investment:

29 (a) The date on which such investment is initially made; and

30 (b) Each of the six anniversary dates of such date thereafter;

31 (4) "Long-term debt security", any debt instrument issued by a qualified  
32 community development entity, at par value or a premium, with an original

33 maturity date of at least seven years from the date of its issuance, with no  
34 acceleration of repayment, amortization, or prepayment features prior to its  
35 original maturity date, and with no distribution, payment, or interest features  
36 related to the profitability of the qualified community development entity or the  
37 performance of the qualified community development entity's investment  
38 portfolio. The foregoing shall in no way limit the holder's ability to accelerate  
39 payments on the debt instrument in situations where the issuer has defaulted on  
40 covenants designed to ensure compliance with this section or Section 45D of the  
41 Internal Revenue Code of 1986, as amended;

42 (5) "Qualified active low-income community business", the meaning given  
43 such term in Section 45D of the Internal Revenue Code of 1986, as amended;  
44 provided that any business that derives or projects to derive fifteen percent or  
45 more of its annual revenue from the rental or sale of real estate shall not be  
46 considered to be a qualified active low-income community business;

47 (6) "Qualified community development entity", the meaning given such  
48 term in Section 45D of the Internal Revenue Code of 1986, as amended; provided  
49 that such entity has entered into an allocation agreement with the Community  
50 Development Financial Institutions Fund of the U.S. Treasury Department with  
51 respect to credits authorized by Section 45D of the Internal Revenue Code of  
52 1986, as amended, which includes the state of Missouri within the service area  
53 set forth in such allocation agreement;

54 (7) "Qualified equity investment", any equity investment in, or long-term  
55 debt security issued by, a qualified community development entity that:

56 (a) Is acquired after September 4, 2007, at its original issuance solely in  
57 exchange for cash;

58 (b) Has at least eighty-five percent of its cash purchase price used by the  
59 issuer to make qualified low-income community investments; and

60 (c) Is designated by the issuer as a qualified equity investment under this  
61 subdivision and is certified by the department of economic development as not  
62 exceeding the limitation contained in subsection 2 of this section. This term shall  
63 include any qualified equity investment that does not meet the provisions of  
64 paragraph (a) of this subdivision if such investment was a qualified equity  
65 investment in the hands of a prior holder;

66 (8) "Qualified low-income community investment", any capital or equity  
67 investment in, or loan to, any qualified active low-income community  
68 business. With respect to any one qualified active low-income community  
69 business, the maximum amount of qualified low-income community investments  
70 made in such business, on a collective basis with all of its affiliates, that may be

71 used from the calculation of any numerator described in subparagraph a. of  
72 paragraph (b) of subdivision (1) of this subsection shall be ten million dollars  
73 whether issued to one or several qualified community development entities;

74 (9) "Tax credit", a credit against the tax otherwise due under chapter 143,  
75 RSMo, excluding withholding tax imposed in sections 143.191 to 143.265, RSMo,  
76 or otherwise due under section 375.916, RSMo, or chapter 147, 148, or 153, RSMo;

77 (10) "Taxpayer", any individual or entity subject to the tax imposed in  
78 chapter 143, RSMo, excluding withholding tax imposed in sections 143.191 to  
79 143.265, RSMo, or the tax imposed in section 375.916, RSMo, or chapter 147, 148,  
80 or 153, RSMo.

81 2. A taxpayer that makes a qualified equity investment earns a vested  
82 right to tax credits under this section. On each credit allowance date of such  
83 qualified equity investment the taxpayer, or subsequent holder of the qualified  
84 equity investment, shall be entitled to a tax credit during the taxable year  
85 including such credit allowance date. The tax credit amount shall be equal to the  
86 applicable percentage of the adjusted purchase price paid to the issuer of such  
87 qualified equity investment. The amount of the tax credit claimed shall not  
88 exceed the amount of the taxpayer's state tax liability for the tax year for which  
89 the tax credit is claimed. No tax credit claimed under this section shall be  
90 refundable or transferable. Tax credits earned by a partnership, limited liability  
91 company, S-corporation, or other pass-through entity may be allocated to the  
92 partners, members, or shareholders of such entity for their direct use in  
93 accordance with the provisions of any agreement among such partners, members,  
94 or shareholders. Any amount of tax credit that the taxpayer is prohibited by this  
95 section from claiming in a taxable year may be carried forward to any of the  
96 taxpayer's five subsequent taxable years. The department of economic  
97 development shall limit the monetary amount of qualified equity investments  
98 permitted under this section to a level necessary to limit tax credit utilization at  
99 no more than twenty-five million dollars of tax credits in any fiscal year. Such  
100 limitation on qualified equity investments shall be based on the anticipated  
101 utilization of credits without regard to the potential for taxpayers to carry  
102 forward tax credits to later tax years. **Subject to any applicable**  
103 **reauthorization requirements provided under subsection 7 of this**  
104 **section, the department shall not certify any qualified equity**  
105 **investment after June 30, 2011, unless an allocation sufficient to**  
106 **provide tax credits for such qualified equity investment is made**  
107 **pursuant to the provisions of section 135.821. In any fiscal year for**  
108 **which an allocation is made pursuant to the provisions of section**

109 **135.821, no more than the amount of tax credits so allocated shall be**  
110 **authorized.**

111 3. The issuer of the qualified equity investment shall certify to the  
112 department of economic development the anticipated dollar amount of such  
113 investments to be made in this state during the first twelve-month period  
114 following the initial credit allowance date. If on the second credit allowance date,  
115 the actual dollar amount of such investments is different than the amount  
116 estimated, the department of economic development shall adjust the credits  
117 arising on the second allowance date to account for such difference.

118 4. The department of economic development shall recapture the tax credit  
119 allowed under this section with respect to such qualified equity investment under  
120 this section if:

121 (1) Any amount of the federal tax credit available with respect to a  
122 qualified equity investment that is eligible for a tax credit under this section is  
123 recaptured under Section 45D of the Internal Revenue Code of 1986, as amended;  
124 or

125 (2) The issuer redeems or makes principal repayment with respect to a  
126 qualified equity investment prior to the seventh anniversary of the issuance of  
127 such qualified equity investment. Any tax credit that is subject to recapture  
128 shall be recaptured from the taxpayer that claimed the tax credit on a return.

129 5. The department of economic development shall promulgate rules to  
130 implement the provisions of this section, including recapture provisions on a  
131 scaled proportional basis, and to administer the allocation of tax credits issued  
132 for qualified equity investments, which shall be conducted on a first-come,  
133 first-serve basis. Any rule or portion of a rule, as that term is defined in section  
134 536.010, RSMo, that is created under the authority delegated in this section shall  
135 become effective only if it complies with and is subject to all of the provisions of  
136 chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and  
137 chapter 536, RSMo, are nonseverable and if any of the powers vested with the  
138 general assembly pursuant to chapter 536, RSMo, to review, to delay the effective  
139 date, or to disapprove and annul a rule are subsequently held unconstitutional,  
140 then the grant of rulemaking authority and any rule proposed or adopted after  
141 September 4, 2007, shall be invalid and void.

142 6. For fiscal years following fiscal year 2010, qualified equity investments  
143 shall not be made under this section unless reauthorization is made pursuant to  
144 this subsection. For all fiscal years following fiscal year 2010, unless the general  
145 assembly adopts a concurrent resolution granting authority to the department of  
146 economic development to approve qualified equity investments for the Missouri



147 new markets development program and clearly describing the amount of tax  
148 credits available for the next fiscal year, or otherwise complies with the  
149 provisions of this subsection, no qualified equity investments may be permitted  
150 to be made under this section. The amount of available tax credits contained in  
151 such a resolution shall not exceed the limitation provided under subsection 2 of  
152 this section. In any year in which the provisions of this section shall sunset  
153 pursuant to subsection 7 of this section, reauthorization shall be made by general  
154 law and not by concurrent resolution. Nothing in this subsection shall preclude  
155 a taxpayer who makes a qualified equity investment prior to the expiration of  
156 authority to make qualified equity investments from claiming tax credits relating  
157 to such qualified equity investment for each applicable credit allowance date.

158 **7. The provisions of section 135.821 shall not apply nor have any**  
159 **effect on tax credits redeemed after June 30, 2011, as a result of a**  
160 **qualified equity investment that was certified by the department prior**  
161 **to July 1, 2011.**

162 **8. Under section 23.253, RSMo, of the Missouri sunset act:**

163 (1) The provisions of the new program authorized under this section shall  
164 automatically sunset six years after September 4, 2007, unless reauthorized by  
165 an act of the general assembly; and

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

169 (3) This section shall terminate on September first of the calendar year  
170 immediately following the calendar year in which the program authorized under  
171 this section is sunset. However, nothing in this subsection shall preclude a  
172 taxpayer who makes a qualified equity investment prior to sunset of this section  
173 under the provisions of section 23.253, RSMo, from claiming tax credits relating  
174 to such qualified equity investment for each credit allowance date.

135.700. **1. For all tax years beginning on or after January 1, 1999, a**  
2 **grape grower or wine producer [shall] may, subject to the limitations**  
3 **provided under subsection 2 of this section,** be allowed a tax credit against  
4 the state tax liability incurred pursuant to chapter 143, RSMo, exclusive of the  
5 provisions relating to the withholding of tax as provided in sections 143.191 to  
6 143.265, RSMo, in an amount equal to twenty-five percent of the purchase price  
7 of all new equipment and materials used directly in the growing of grapes or the  
8 production of wine in the state. Each grower or producer shall apply to the  
9 department of economic development and specify the total amount of such new  
10 equipment and materials purchased during the calendar year. The department

11 of economic development shall certify to the department of revenue the amount  
12 of such tax credit to which a grape grower or wine producer is entitled pursuant  
13 to this section. The provisions of this section notwithstanding, a grower or  
14 producer may only apply for and receive the credit authorized by this section for  
15 five tax periods.

16 **2. No tax credits shall be authorized under the provisions of this**  
17 **section after June 30, 2011, unless an allocation is made pursuant to the**  
18 **provisions of section 135.821. In any fiscal year for which an allocation**  
19 **is made pursuant to the provisions of section 135.821, no more than the**  
20 **amount of tax credits so allocated shall be authorized. Grape growers**  
21 **and wine producers shall file, with the department of economic**  
22 **development, an application for tax credits authorized under this**  
23 **section on a form provided by the department. In the event the amount**  
24 **of claims exceed the amount of credits available under the provisions**  
25 **of this section, the department of economic development shall award**  
26 **the credits on a first-to-file, first-to-receive basis.**

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

- 2 (1) "Alternative fuels", any motor fuel at least seventy percent of the  
3 volume of which consists of one or more of the following:  
4 (a) Ethanol;  
5 (b) Natural gas;  
6 (c) Compressed natural gas;  
7 (d) Liquified natural gas;  
8 (e) Liquified petroleum gas;  
9 (f) Any mixture of biodiesel and diesel fuel, without regard to any use of  
10 kerosene;  
11 (g) Hydrogen;  
12 (2) "Department", the department of natural resources;  
13 (3) "Eligible applicant", a business entity that is the owner of a qualified  
14 alternative fuel vehicle refueling property;  
15 (4) "Qualified alternative fuel vehicle refueling property", property in this  
16 state owned by an eligible applicant and used for storing alternative fuels and for  
17 dispensing such alternative fuels into fuel tanks of motor vehicles owned by such  
18 eligible applicant or private citizens which, if constructed after August 28, 2008,  
19 was constructed with at least fifty-one percent of the costs being paid to qualified  
20 Missouri contractors for the:  
21 (a) Fabrication of premanufactured equipment or process piping used in  
22 the construction of such facility;

23 (b) Construction of such facility; and

24 (c) General maintenance of such facility during the time period in which  
25 such facility receives any tax credit under this section. If no qualified Missouri  
26 contractor is located within seventy-five miles of the property, the requirement  
27 that fifty-one percent of the costs shall be paid to qualified Missouri contractors  
28 shall not apply;

29 (5) "Qualified Missouri contractor", a contractor whose principal place of  
30 business is located in Missouri and has been located in Missouri for a period of  
31 not less than five years.

32 2. For all tax years beginning on or after January 1, 2009, but before  
33 January 1, 2012, any eligible applicant who installs and operates a qualified  
34 alternative fuel vehicle refueling property shall be allowed a credit against the  
35 tax otherwise due under chapter 143, RSMo, excluding withholding tax imposed  
36 by sections 143.191 to 143.265, RSMo, or due under chapter 147, RSMo, or  
37 chapter 148, RSMo, for any tax year in which the applicant is constructing the  
38 refueling property. The credit allowed in this section per eligible applicant shall  
39 not exceed the lesser of twenty thousand dollars or twenty percent of the total  
40 costs directly associated with the purchase and installation of any alternative fuel  
41 storage and dispensing equipment on any qualified alternative fuel vehicle  
42 refueling property, which shall not include the following:

43 (1) Costs associated with the purchase of land upon which to place a  
44 qualified alternative fuel vehicle refueling property;

45 (2) Costs associated with the purchase of an existing qualified alternative  
46 fuel vehicle refueling property; or

47 (3) Costs for the construction or purchase of any structure.

48 3. Tax credits allowed by this section shall be claimed by the eligible  
49 applicant at the time such applicant files a return for the tax year in which the  
50 storage and dispensing facilities were placed in service at a qualified alternative  
51 fuel vehicle refueling property, and shall be applied against the income tax  
52 liability imposed by chapter 143, RSMo, chapter 147, RSMo, or chapter 148,  
53 RSMo, after all other credits provided by law have been applied. The cumulative  
54 amount of tax credits which may be claimed by eligible applicants claiming all  
55 credits authorized in this section shall not exceed the following amounts:

56 (1) In taxable year 2009, three million dollars;

57 (2) In taxable year 2010 **and all calendar months beginning on or**  
58 **after January 1, 2011, but ending on or before June 30, 2011**, two million  
59 dollars]; and

60 (3) In taxable year 2011, one million dollars]. **No tax credits provided**

61 **under this section shall be available for eligible applicants after June**  
62 **30, 2011, unless an allocation is made pursuant to the provisions of**  
63 **section 135.821. In any fiscal year for which an allocation is made**  
64 **pursuant to the provisions of section 135.821, no more than the amount**  
65 **of tax credits so allocated shall be authorized.**

66 4. If the amount of the tax credit exceeds the eligible applicant's tax  
67 liability, the difference shall not be refundable. Any amount of credit that an  
68 eligible applicant is prohibited by this section from claiming in a taxable year  
69 may be carried forward to any of such applicant's two subsequent taxable  
70 years. Tax credits allowed under this section may be assigned, transferred, sold,  
71 or otherwise conveyed.

72 5. An alternative fuel vehicle refueling property, for which an eligible  
73 applicant receives tax credits under this section, which ceases to sell alternative  
74 fuel shall cause the forfeiture of such eligible applicant's tax credits provided  
75 under this section for the taxable year in which the alternative fuel vehicle  
76 refueling property ceased to sell alternative fuel and for future taxable years with  
77 no recapture of tax credits obtained by an eligible applicant with respect to such  
78 applicant's tax years which ended before the sale of alternative fuel ceased.

79 6. The director of revenue shall establish the procedure by which the tax  
80 credits in this section may be claimed, and shall establish a procedure by which  
81 the cumulative amount of tax credits is apportioned equally among all eligible  
82 applicants claiming the credit. To the maximum extent possible, the director of  
83 revenue shall establish the procedure described in this subsection in such a  
84 manner as to ensure that eligible applicants can claim all the tax credits possible  
85 up to the cumulative amount of tax credits available for the taxable year. No  
86 eligible applicant claiming a tax credit under this section shall be liable for any  
87 interest or penalty for filing a tax return after the date fixed for filing such return  
88 as a result of the apportionment procedure under this subsection.

89 7. Any eligible applicant desiring to claim a tax credit under this section  
90 shall submit the appropriate application for such credit with the  
91 department. The application for a tax credit under this section shall include any  
92 information required by the department. The department shall review the  
93 applications and certify to the department of revenue each eligible applicant that  
94 qualifies for the tax credit.

95 8. The department and the department of revenue may promulgate rules  
96 to implement the provisions of this section. Any rule or portion of a rule, as that  
97 term is defined in section 536.010, RSMo, that is created under the authority  
98 delegated in this section shall become effective only if it complies with and is

99 subject to all of the provisions of chapter 536, RSMo, and, if applicable, section  
100 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any  
101 of the powers vested with the general assembly pursuant to chapter 536, RSMo,  
102 to review, to delay the effective date, or to disapprove and annul a rule are  
103 subsequently held unconstitutional, then the grant of rulemaking authority and  
104 any rule proposed or adopted after August 28, 2008, shall be invalid and void.

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

106 (1) The provisions of the new program authorized under this section shall  
107 automatically sunset six years after August 28, 2008, unless reauthorized by an  
108 act of the general assembly; and

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

112 (3) This section shall terminate on December thirty-first of the calendar  
113 year immediately following the calendar year in which the program authorized  
114 under this section is sunset.

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

2 (1) "Highly compensated individual", any individual who receives  
3 compensation in excess of one million dollars in connection with a single qualified  
4 film production project;

5 (2) "Qualified film production project", any film, video, commercial, or  
6 television production, as approved by the department of economic development  
7 and the office of the Missouri film commission, that is under thirty minutes in  
8 length with an expected in-state expenditure budget in excess of fifty thousand  
9 dollars, or that is over thirty minutes in length with an expected in-state  
10 expenditure budget in excess of one hundred thousand dollars. Regardless of the  
11 production costs, "qualified film production project" shall not include any:

12 (a) News or current events programming;

13 (b) Talk show;

14 (c) Production produced primarily for industrial, corporate, or institutional  
15 purposes, and for internal use;

16 (d) Sports event or sports program;

17 (e) Gala presentation or awards show;

18 (f) Infomercial or any production that directly solicits funds;

19 (g) Political ad;

20 (h) Production that is considered obscene, as defined in section 573.010,  
21 RSMo;

22 (3) "Qualifying expenses", the sum of the total amount spent in this state

23 for the following by a production company in connection with a qualified film  
24 production project:

25 (a) Goods and services leased or purchased by the production  
26 company. For goods with a purchase price of twenty-five thousand dollars or  
27 more, the amount included in qualifying expenses shall be the purchase price less  
28 the fair market value of the goods at the time the production is completed;

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

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

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

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

54 3. Taxpayers shall apply for the film production tax credit by submitting  
55 an application to the department of economic development, on a form provided by  
56 the department. As part of the application, the expected in-state expenditures  
57 of the qualified film production project shall be documented. In addition, the  
58 application shall include an economic impact statement, showing the economic  
59 impact from the activities of the film production project. Such economic impact  
60 statement shall indicate the impact on the region of the state in which the film

61 production or production-related activities are located and on the state as a  
62 whole.

63 4. For all taxable years ending on or before December 31, 2007, tax credits  
64 certified pursuant to subsection 2 of this section shall not exceed one million  
65 dollars per taxpayer per year, and shall not exceed a total for all tax credits  
66 certified of one million five hundred thousand dollars per year. For all taxable  
67 years beginning on or after January 1, 2008, tax credits certified under subsection  
68 1 of this section shall not exceed a total for all tax credits certified of four million  
69 five hundred thousand dollars per year. Taxpayers may carry forward unused  
70 credits for up to five tax periods, provided all such credits shall be claimed within  
71 ten tax periods following the tax period in which the film production or  
72 production-related activities for which the credits are certified by the department  
73 occurred. **No tax credits shall be authorized under the provisions of this**  
74 **section after June 30, 2011, unless an allocation is made pursuant to the**  
75 **provisions of section 135.821. In any fiscal year for which an allocation**  
76 **is made pursuant to the provisions of section 135.821, no more than the**  
77 **amount of tax credits so allocated shall be authorized.**

78 5. Notwithstanding any provision of law to the contrary, any taxpayer  
79 may sell, assign, exchange, convey or otherwise transfer tax credits allowed in  
80 subsection 2 of this section. The taxpayer acquiring the tax credits may use the  
81 acquired credits to offset the tax liabilities otherwise imposed by chapter 143,  
82 RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo,  
83 or chapter 148, RSMo. Unused acquired credits may be carried forward for up to  
84 five tax periods, provided all such credits shall be claimed within ten tax periods  
85 following the tax period in which the film production or production-related  
86 activities for which the credits are certified by the department occurred.

87 6. Under section 23.253, RSMo, of the Missouri sunset act:

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

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

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

**135.821. 1. Provisions of law to the contrary notwithstanding, no**  
**2 tax credit, now or hereafter provided under any program by law, shall**

3 be authorized after June 30, 2011, for issuance to a recipient, unless  
4 sufficient credits have been allocated for such program. No later than  
5 October 1, 2010, and the first day of October each year thereafter, each  
6 administering agency shall provide to the budget committee of the  
7 house of representatives and the appropriations committee of the  
8 senate a request for an allocation for the tax credit programs  
9 administered by such agency. Allocations made pursuant to the  
10 provisions of this section shall provide the amount of tax credits which  
11 may be authorized during the fiscal year immediately following the  
12 fiscal year in which such allocation is made. Other provisions of law  
13 to the contrary notwithstanding, allocations for tax credits made  
14 pursuant to the provisions of this section may exceed annual  
15 limitations on tax credit authorization provided by law. In the case of  
16 allocations for authorizations of tax credits for programs under which  
17 such credits may be issued over a period of fiscal years for a single  
18 project or projects, such allocation shall be made for the total amount  
19 of tax credits to be issued in the aggregate over the entire term of fiscal  
20 years, and the subsequent issuance of tax credits so authorized shall  
21 not be taken into account in subsequent fiscal years for purposes of  
22 determining compliance with statutory limitations on tax credit  
23 authorization. For purposes of this section, "streaming credit issuance"  
24 shall mean any instance where an administering agency is allowed, by  
25 law, to issue tax credits over a period of years to a recipient for a  
26 single project or series of projects.

27 2. The allocations provided under this section shall only be made  
28 in the annual appropriation bill relating to public debt and shall  
29 specify:

30 (1) The program under which such tax credits may be  
31 authorized;

32 (2) The fiscal year allocation being made;

33 (3) The administering agency for such program; and

34 (4) Whether the amount authorized is for streaming credit  
35 issuance and the amount so designated.

36 3. Allocations for any tax credit program which remain  
37 unauthorized at the end of the fiscal year shall expire on the thirtieth  
38 day of June of such fiscal year. The provisions of this section shall not  
39 be construed to limit or in any way impair a recipient's ability to  
40 redeem tax credits or an administering agency's ability to issue tax



41 **credits authorized prior to July 1, 2011.**

42 **4. The provisions of this section shall not apply to the senior**  
43 **citizen property tax credit created pursuant to sections 135.010 to**  
44 **135.030, the homestead preservation tax credit program created**  
45 **pursuant to section 137.106, financial and insurance tax credits, the**  
46 **residential treatment agency tax credit program created pursuant to**  
47 **section 135.1150, and the community college new job training and job**  
48 **retention tax credit program created pursuant to sections 178.760 to**  
49 **178.764.**

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, RSMo, excluding withholding tax imposed by sections  
5 143.191 to 143.265, RSMo. No taxpayer shall receive multiple ten-year periods  
6 for subsequent 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, RSMo,  
12 at the 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. **No tax credits shall be authorized under the**  
40 **provisions of this section after June 30, 2011, unless an allocation is**  
41 **made pursuant to the provisions of section 135.821. In any fiscal year**  
42 **for which an allocation is made pursuant to the provisions of section**  
43 **135.821, no more than the amount of tax credits so allocated shall be**  
44 **authorized.**

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

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

55 (2) The taxpayer's investment in the expansion and in the original facility  
56 prior to expansion shall be determined in the manner provided in subdivision (19)  
57 of section 135.950.

58 7. The number of new business facility employees during any taxable year  
59 shall be determined by dividing by twelve the sum of the number of individuals  
60 employed on the last business day of each month of such taxable year. If the new  
61 business facility is in operation for less than the entire taxable year, the number  
62 of new business facility employees shall be determined by dividing the sum of the  
63 number of individuals employed on the last business day of each full calendar  
64 month during the portion of such taxable year during which the new business  
65 facility was in operation by the number of full calendar months during such  
66 period. For the purpose of computing the credit allowed by this section in the  
67 case of a facility which qualifies as a new business facility under subsection 6 of

68 this section, and in the case of a new business facility which satisfies the  
69 requirements of paragraph (c) of subdivision (17) of section 135.950, or  
70 subdivision (25) of section 135.950, the number of new business facility employees  
71 at such facility shall be reduced by the average number of individuals employed,  
72 computed as provided in this subsection, at the facility during the taxable year  
73 immediately preceding the taxable year in which such expansion, acquisition, or  
74 replacement occurred and shall further be reduced by the number of individuals  
75 employed by the taxpayer or related taxpayer that was subsequently transferred  
76 to the new business facility from another Missouri facility and for which credits  
77 authorized in this section are not being earned, whether such credits are earned  
78 because of an expansion, acquisition, relocation, or the establishment of a new  
79 facility.

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

88         9. For the purpose of computing the credit allowed by this section in the  
89 case of a facility which qualifies as a new business facility pursuant to subsection  
90 6 of this section, and in the case of a new business facility which satisfies the  
91 requirements of paragraph (c) of subdivision (17) of section 135.950 or subdivision  
92 (25) of section 135.950, the amount of the taxpayer's new business facility  
93 investment in such facility shall be reduced by the average amount, computed as  
94 provided in subdivision (19) of section 135.950 for new business facility  
95 investment, of the investment of the taxpayer, or related taxpayer immediately  
96 preceding such expansion or replacement or at the time of  
97 acquisition. Furthermore, the amount of the taxpayer's new business facility  
98 investment shall also be reduced by the amount of investment employed by the  
99 taxpayer or related taxpayer which was subsequently transferred to the new  
100 business facility from another Missouri facility and for which credits authorized  
101 in this section are not being earned, whether such credits are earned because of  
102 an expansion, acquisition, relocation, or the establishment of a new facility.

103         10. For a taxpayer with flow-through tax treatment to its members,  
104 partners, or shareholders, the credit shall be allowed to members, partners, or  
105 shareholders in proportion to their share of ownership on the last day of the

106 taxpayer's tax period.

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

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

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

120           14. Prior to the issuance of tax credits, the department shall verify  
121 through the department of revenue, or any other state department, that the tax  
122 credit applicant does not owe any delinquent income, sales, or use tax or interest  
123 or penalties on such taxes, or any delinquent fees or assessments levied by any  
124 state department and through the department of insurance, financial institutions  
125 and professional registration that the applicant does not owe any delinquent  
126 insurance taxes. Such delinquency shall not affect the authorization of the  
127 application for such tax credits, except that the amount of credits issued shall be  
128 reduced by the applicant's tax delinquency. If the department of revenue or the  
129 department of insurance, financial institutions and professional registration, or  
130 any other state department, concludes that a taxpayer is delinquent after June  
131 fifteenth but before July first of any year and the application of tax credits to  
132 such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then  
133 the taxpayer shall be granted thirty days to satisfy the deficiency in which  
134 interest, penalties, and additions to tax shall be tolled. After applying all  
135 available credits toward a tax delinquency, the administering agency shall notify  
136 the appropriate department, and that department shall update the amount of  
137 outstanding delinquent tax owed by the applicant. If any credits remain after  
138 satisfying all insurance, income, sales, and use tax delinquencies, the remaining  
139 credits shall be issued to the applicant, subject to the restrictions of other  
140 provisions of law.

          208.770. 1. Moneys deposited in or withdrawn pursuant to subsection 1  
2 of section 208.760 from a family development account by an account holder are  
3 exempted from taxation pursuant to chapter 143, RSMo, excluding withholding

4 tax imposed by sections 143.191 to 143.265, RSMo, and chapter 147, 148 or 153,  
5 RSMo, provided, however, that any money withdrawn for an unapproved use  
6 should be subject to tax as required by law.

7         2. Interest earned by a family development account is exempted from  
8 taxation pursuant to chapter 143, RSMo.

9         3. Any funds in a family development account, including accrued interest,  
10 shall be disregarded when determining eligibility to receive, or the amount of, any  
11 public assistance or benefits.

12         4. A program contributor shall be allowed a credit against the tax imposed  
13 by chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to  
14 143.265, RSMo, and chapter 147, 148 or 153, RSMo, pursuant to sections 208.750  
15 to 208.775. Contributions up to fifty thousand dollars per program contributor  
16 are eligible for the tax credit which shall not exceed fifty percent of the  
17 contribution amount.

18         5. The department of economic development shall verify all tax credit  
19 claims by contributors. The administrator of the community-based organization,  
20 with the cooperation of the participating financial institutions, shall submit the  
21 names of contributors and the total amount each contributor contributes to a  
22 family development account reserve fund for the calendar year. The director  
23 shall determine the date by which such information shall be submitted to the  
24 department by the local administrator. The department shall submit verification  
25 of qualified tax credits pursuant to sections 208.750 to 208.775 to the department  
26 of revenue.

27         6. For all fiscal years ending on or before June 30, 2010, the total tax  
28 credits authorized pursuant to sections 208.750 to 208.775 shall not exceed four  
29 million dollars in any fiscal year. For all fiscal years beginning on or after July  
30 1, 2010, the total tax credits authorized under sections 208.750 to 208.775 shall  
31 not exceed three hundred thousand dollars in any fiscal year. **No tax credits**  
32 **shall be authorized under the provisions of this section after June 30,**  
33 **2011, unless an allocation is made pursuant to the provisions of section**  
34 **135.821. In any fiscal year for which an allocation is made pursuant to**  
35 **the provisions of section 135.821, no more than the amount of tax**  
36 **credits so allocated shall be authorized.**

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, RSMo, except for sections 143.191 to 143.265, RSMo, on

6 such taxpayer in an amount equal to twenty-five percent of the total costs and  
7 expenses of rehabilitation incurred after January 1, 1998, which shall include,  
8 but not be limited to, qualified rehabilitation expenditures as defined under  
9 section 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended, and the  
10 related 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] **the** fiscal year [beginning on or after July 1, 2010]  
22 **ending on or before June 30, 2011**, 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. **For all fiscal years**  
27 **ending on or before June 30, 2011**, the limitations provided under this  
28 subsection shall not apply to applications approved under the provisions of  
29 subsection 3 of section 253.559 for projects to receive less than two hundred  
30 seventy-five thousand dollars in tax credits.

31           3. For all applications for tax credits approved on or [after January 1,  
32 2010] **before June 30, 2011**, no more than two hundred fifty thousand dollars  
33 in tax credits may be issued for eligible costs and expenses incurred in the  
34 rehabilitation of an eligible property which is a nonincome producing  
35 single-family, owner-occupied residential property and is either a certified historic  
36 structure or a structure in a certified historic district.

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

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

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

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

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

53 **5. No tax credits shall be authorized under the provisions of**  
54 **sections 253.545 to 253.559 after June 30, 2011, unless an allocation is**  
55 **made pursuant to the provisions of section 135.821. In any fiscal year**  
56 **for which an allocation is made pursuant to the provisions of section**  
57 **135.821, no more than the amount of tax credits so allocated shall be**  
58 **authorized.**

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 bankruptcy.

59 5. In the event that the department of economic development grants  
60 approval for tax credits equal to the total amount available under subsection 2  
61 of section 253.550, or sufficient that when totaled with all other approvals, the



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

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

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

97 For financial institutions credits authorized pursuant to sections 253.550 to  
98 253.561 shall be deemed to be economic development credits for purposes of  
99 section 148.064, RSMo. The approval of all applications and the issuing of

100 certificates of eligible credits to taxpayers shall be performed by the department  
101 of economic development. The department of economic development shall inform  
102 a taxpayer of final approval by letter and shall issue, to the taxpayer, tax credit  
103 certificates. The taxpayer shall attach the certificate to all Missouri income tax  
104 returns on which the credit is claimed.

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

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

120           **10. The provisions of this section shall expire June 30, 2011.**

348.430. 1. The tax credit created in this section shall be known as the  
2 "Agricultural Product Utilization Contributor Tax Credit".

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

4           (1) "Authority", the agriculture and small business development authority  
5 as provided in this chapter;

6           (2) "Contributor", an individual, partnership, corporation, trust, limited  
7 liability company, entity or person that contributes cash funds to the authority;

8           (3) "Development facility", a facility producing either a good derived from  
9 an agricultural commodity or using a process to produce a good derived from an  
10 agricultural product;

11           (4) "Eligible new generation cooperative", a nonprofit cooperative  
12 association formed pursuant to chapter 274, RSMo, or incorporated pursuant to  
13 chapter 357, RSMo, for the purpose of operating within this state a development  
14 facility or a renewable fuel production facility;

15           (5) "Eligible new generation processing entity", a partnership, corporation,  
16 cooperative, or limited liability company organized or incorporated pursuant to  
17 the laws of this state consisting of not less than twelve members, approved by the

18 authority, for the purpose of owning or operating within this state a development  
19 facility or a renewable fuel production facility in which producer members:

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

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

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

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

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

44 4. A contributor shall submit to the authority an application for the tax  
45 credit authorized by this section on a form provided by the authority. If the  
46 contributor meets all criteria prescribed by this section and the authority, the  
47 authority shall issue a tax credit certificate in the appropriate amount. Tax  
48 credits issued pursuant to this section may be claimed in the taxable year in  
49 which the contributor contributes funds to the authority. For all fiscal years  
50 beginning on or after July 1, 2004, tax credits allowed pursuant to this section  
51 may be carried back to any of the contributor's three prior tax years and may be  
52 carried forward to any of the contributor's five subsequent taxable years. Tax  
53 credits issued pursuant to this section may be assigned, transferred or sold and  
54 the new owner of the tax credit shall have the same rights in the credit as the  
55 contributor. Whenever a certificate of tax credit is assigned, transferred, sold or

56 otherwise conveyed, a notarized endorsement shall be filed with the authority  
57 specifying the name and address of the new owner of the tax credit or the value  
58 of the credit.

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

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

77           **7. No tax credits shall be authorized under the provisions of this**  
78 **section after June 30, 2011, unless an allocation is made pursuant to the**  
79 **provisions of section 135.821. In any fiscal year for which an allocation**  
80 **is made pursuant to the provisions of section 135.821, no more than the**  
81 **amount of tax credits so allocated shall be authorized.**

          348.432. 1. The tax credit created in this section shall be known as the  
2 "New Generation Cooperative Incentive Tax Credit".

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

4           (1) "Authority", the agriculture and small business development authority  
5 as provided in this chapter;

6           (2) "Development facility", a facility producing either a good derived from  
7 an agricultural commodity or using a process to produce a good derived from an  
8 agricultural product;

9           (3) "Eligible new generation cooperative", a nonprofit cooperative  
10 association formed pursuant to chapter 274, RSMo, or incorporated pursuant to  
11 chapter 357, RSMo, for the purpose of operating within this state a development  
12 facility or a renewable fuel production facility and approved by the authority;

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

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

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

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

23 (5) "Employee-qualified capital project", an eligible new generation  
24 cooperative with capital costs greater than fifteen million dollars which will  
25 employ at least sixty employees;

26 (6) "Large capital project", an eligible new generation cooperative with  
27 capital costs greater than one million dollars;

28 (7) "Producer member", a person, partnership, corporation, trust or limited  
29 liability company whose main purpose is agricultural production that invests cash  
30 funds to an eligible new generation cooperative or eligible new generation  
31 processing entity;

32 (8) "Renewable fuel production facility", a facility producing an energy  
33 source which is derived from a renewable, domestically grown, organic compound  
34 capable of powering machinery, including an engine or power plant, and any  
35 by-product derived from such energy source;

36 (9) "Small capital project", an eligible new generation cooperative with  
37 capital costs of no more than one million dollars.

38 3. Beginning tax year 1999, and ending December 31, 2002, any producer  
39 member who invests cash funds in an eligible new generation cooperative or  
40 eligible new generation processing entity may receive a credit against the tax or  
41 estimated quarterly tax otherwise due pursuant to chapter 143, RSMo, other than  
42 taxes withheld pursuant to sections 143.191 to 143.265, RSMo, or chapter 148,  
43 RSMo, chapter 147, RSMo, in an amount equal to the lesser of fifty percent of  
44 such producer member's investment or fifteen thousand dollars.

45 4. For all tax years beginning on or after January 1, 2003, any producer  
46 member who invests cash funds in an eligible new generation cooperative or  
47 eligible new generation processing entity may receive a credit against the tax or  
48 estimated quarterly tax otherwise due pursuant to chapter 143, RSMo, other than  
49 taxes withheld pursuant to sections 143.191 to 143.265, RSMo, chapter 147,  
50 RSMo, or chapter 148, RSMo, in an amount equal to the lesser of fifty percent of

51 such producer member's investment or fifteen thousand dollars. Tax credits  
52 claimed in a taxable year may be done so on a quarterly basis and applied to the  
53 estimated quarterly tax pursuant to subsection 3 of this section. If a quarterly  
54 tax credit claim or series of claims contributes to causing an overpayment of taxes  
55 for a taxable year, such overpayment shall not be refunded but shall be applied  
56 to the next taxable year.

57         5. A producer member shall submit to the authority an application for the  
58 tax credit authorized by this section on a form provided by the authority. If the  
59 producer member meets all criteria prescribed by this section and is approved by  
60 the authority, the authority shall issue a tax credit certificate in the appropriate  
61 amount. Tax credits issued pursuant to this section may be carried back to any  
62 of the producer member's three prior taxable years and carried forward to any of  
63 the producer member's five subsequent taxable years regardless of the type of tax  
64 liability to which such credits are applied as authorized pursuant to subsection  
65 3 of this section. Tax credits issued pursuant to this section may be assigned,  
66 transferred, sold or otherwise conveyed and the new owner of the tax credit shall  
67 have the same rights in the credit as the producer member. Whenever a  
68 certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a  
69 notarized endorsement shall be filed with the authority specifying the name and  
70 address of the new owner of the tax credit or the value of the credit.

71         6. Ten percent of the tax credits authorized pursuant to this section  
72 initially shall be offered in any fiscal year to small capital projects. If any portion  
73 of the ten percent of tax credits offered to small capital costs projects is unused  
74 in any calendar year, then the unused portion of tax credits may be offered to  
75 employee-qualified capital projects and large capital projects. If the authority  
76 receives more applications for tax credits for small capital projects than tax  
77 credits are authorized therefor, then the authority, by rule, shall determine the  
78 method of distribution of tax credits authorized for small capital projects.

79         7. Ninety percent of the tax credits authorized pursuant to this section  
80 initially shall be offered in any fiscal year to employee-qualified capital projects  
81 and large capital projects. If any portion of the ninety percent of tax credits  
82 offered to employee-qualified capital projects and large capital costs projects is  
83 unused in any fiscal year, then the unused portion of tax credits may be offered  
84 to small capital projects. The maximum tax credit allowed per employee-qualified  
85 capital project is three million dollars and the maximum tax credit allowed per  
86 large capital project is one million five hundred thousand dollars. If the  
87 authority approves the maximum tax credit allowed for any employee-qualified  
88 capital project or any large capital project, then the authority, by rule, shall

89 determine the method of distribution of such maximum tax credit. In addition,  
90 if the authority receives more tax credit applications for employee-qualified  
91 capital projects and large capital projects than the amount of tax credits  
92 authorized therefor, then the authority, by rule, shall determine the method of  
93 distribution of tax credits authorized for employee-qualified capital projects and  
94 large capital projects.

95 **8. No tax credits shall be authorized under the provisions of this**  
96 **section after June 30, 2011, unless an allocation is made pursuant to the**  
97 **provisions of section 135.821. In any fiscal year for which an allocation**  
98 **is made pursuant to the provisions of section 135.821, no more than the**  
99 **amount of tax credits so allocated shall be authorized.**

348.434. 1. The aggregate of tax credits issued per fiscal year pursuant  
2 to sections 348.430 and 348.432 shall not exceed six million dollars.

3 2. Upon July 2, 1999, and ending June 30, 2000, tax credits shall be  
4 issued pursuant to section 348.430, except that, the authority shall allocate no  
5 more than three million dollars to fund section 348.432 in fiscal year  
6 2000. Beginning in fiscal year 2001 and each subsequent year, tax credits shall  
7 be issued pursuant to section 348.432.

8 3. Beginning the first day of May of each fiscal year following  
9 implementation of section 348.432, the authority may determine the extent of tax  
10 credits, pursuant to section 348.432, that will be utilized in each fiscal year. If  
11 the authority determines that:

12 (1) Less than six million dollars for a fiscal year is to be utilized in tax  
13 credits pursuant to section 348.432; and

14 (2) The assets available to the authority, pursuant to section 348.430, do  
15 not exceed twelve million dollars; then, the authority may offer the remaining  
16 authorized tax credits be issued pursuant to section 348.430.

17 **4. The provisions of this section shall expire June 30, 2011.**

348.505. 1. As used in this section, "state tax liability", any state tax  
2 liability incurred by a taxpayer under the provisions of chapters 143, 147, and  
3 148, RSMo, exclusive of the provisions relating to the withholding of tax as  
4 provided for in sections 143.191 to 143.265, RSMo, and related provisions.

5 2. Any eligible lender under the family farm livestock loan program under  
6 section 348.500 shall be entitled to receive a tax credit equal to one hundred  
7 percent of the amount of interest waived by the lender under section 348.500 on  
8 a qualifying loan for the first year of the loan only. The tax credit shall be  
9 evidenced by a tax credit certificate issued by the agricultural and small business  
10 development authority and may be used to satisfy the state tax liability of the

11 owner of such certificate that becomes due in the tax year in which the interest  
12 on a qualified loan is waived by the lender under section 348.500. No lender may  
13 receive a tax credit under this section unless such person presents a tax credit  
14 certificate to the department of revenue for payment of such state tax  
15 liability. The amount of the tax credits that may be issued to all eligible lenders  
16 claiming tax credits authorized in this section in a fiscal year shall not exceed  
17 three hundred thousand dollars. **No tax credits shall be authorized under**  
18 **the provisions of this section after June 30, 2011, unless an allocation**  
19 **is made pursuant to the provisions of section 135.821. In any fiscal year**  
20 **for which an allocation is made pursuant to the provisions of section**  
21 **135.821, no more than the amount of tax credits so allocated shall be**  
22 **authorized.**

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

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

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

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

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

46 (3) Notwithstanding any provision of law to the contrary, a lender may  
47 assign, transfer or sell tax credits authorized under this section, with the new  
48 owner of the tax credit receiving the same rights in the tax credit as the



49 lender. For any tax credits assigned, transferred, sold, or otherwise conveyed, a  
50 notarized endorsement shall be filed by the lender with the authority specifying  
51 the name and address of the new owner of the tax credit and the value of such  
52 tax credit; and

53 (4) Notwithstanding any other provision of this section to the contrary,  
54 any commercial bank may use tax credits created under this section as provided  
55 in section 148.064, RSMo, and receive a net tax credit against taxes actually paid  
56 in the amount of the first year's interest on loans made under this section. If  
57 such first year tax credits reduce taxes due as provided in section 148.064, RSMo,  
58 to zero, the remaining tax credits may be carried over as otherwise provided in  
59 this section and utilized as provided in section 148.064, RSMo, in subsequent  
60 years.

447.708. 1. For eligible projects, the director of the department of  
2 economic development, with notice to the directors of the departments of natural  
3 resources and revenue, and subject to the other provisions of sections 447.700 to  
4 447.718, may not create a new enterprise zone but may decide that a prospective  
5 operator of a facility being remedied and renovated pursuant to sections 447.700  
6 to 447.718 may receive the tax credits and exemptions pursuant to sections  
7 135.100 to 135.150, RSMo, and sections 135.200 to 135.257, RSMo. The tax  
8 credits allowed pursuant to this subsection shall be used to offset the tax imposed  
9 by chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to  
10 143.265, RSMo, or the tax otherwise imposed by chapter 147, RSMo, or the tax  
11 otherwise imposed by chapter 148, RSMo. For purposes of this subsection:

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

18 (2) For receipt of the income tax exemption pursuant to section 135.220,  
19 RSMo, and tax credit for new or expanded business facilities pursuant to sections  
20 135.100 to 135.150, and 135.225, RSMo, the eligible project must create at least  
21 ten new jobs or retain businesses which supply at least twenty-five existing jobs,  
22 or combination thereof. For purposes of sections 447.700 to 447.718, the tax  
23 credits described in section 135.225, RSMo, are modified as follows: the tax credit  
24 shall be four hundred dollars per employee per year, an additional four hundred  
25 dollars per year for each employee exceeding the minimum employment  
26 thresholds of ten and twenty-five jobs for new and existing businesses,

27 respectively, an additional four hundred dollars per year for each person who is  
28 a person difficult to employ as defined by section 135.240, RSMo, and investment  
29 tax credits at the same amounts and levels as provided in subdivision (4) of  
30 subsection 1 of section 135.225, RSMo;

31 (3) For eligibility to receive the income tax refund pursuant to section  
32 135.245, RSMo, the eligible project must create at least ten new jobs or retain  
33 businesses which supply at least twenty-five existing jobs, or combination thereof,  
34 and otherwise comply with the provisions of section 135.245, RSMo, for  
35 application and use of the refund and the eligibility requirements of this section;

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

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

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

49 (7) For the purpose of meeting the new job requirement prescribed in  
50 subdivisions (1), (2) and (3) of this subsection, it shall be required that at least  
51 ten new jobs be created and maintained during the taxpayer's tax period for  
52 which the credits are earned, in the case of an eligible project that does not  
53 replace a similar facility in Missouri. "New job" means a person who was not  
54 previously employed by the taxpayer or related taxpayer within the twelve-month  
55 period immediately preceding the time the person was employed by that taxpayer  
56 to work at, or in connection with, the eligible project on a full-time basis.  
57 "Full-time basis" means the employee works an average of at least thirty-five  
58 hours per week during the taxpayer's tax period for which the tax credits are  
59 earned. For the purposes of this section, related taxpayer has the same meaning  
60 as defined in subdivision (9) of section 135.100, RSMo;

61 (8) For the purpose of meeting the existing job retention requirement, if  
62 the eligible project replaces a similar facility that closed elsewhere in Missouri  
63 prior to the end of the taxpayer's tax period in which the tax credits are earned,  
64 it shall be required that at least twenty-five existing jobs be retained at, and in

65 connection with the eligible project, on a full-time basis during the taxpayer's tax  
66 period for which the credits are earned. "Retained job" means a person who was  
67 previously employed by the taxpayer or related taxpayer, at a facility similar to  
68 the eligible project that closed elsewhere in Missouri prior to the end of the  
69 taxpayer's tax period in which the tax credits are earned, within the tax period  
70 immediately preceding the time the person was employed by the taxpayer to work  
71 at, or in connection with, the eligible project on a full-time basis. "Full-time  
72 basis" means the employee works an average of at least thirty-five hours per week  
73 during the taxpayer's tax period for which the tax credits are earned;

74 (9) In the case where an eligible project replaces a similar facility that  
75 closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which  
76 the tax credits are earned, the owner and operator of the eligible project shall  
77 provide the director with a written statement explaining the reason for  
78 discontinuing operations at the closed facility. The statement shall include a  
79 comparison of the activities performed at the closed facility prior to the date the  
80 facility ceased operating, to the activities performed at the eligible project, and  
81 a detailed account describing the need and rationale for relocating to the eligible  
82 project. If the director finds the relocation to the eligible project significantly  
83 impaired the economic stability of the area in which the closed facility was  
84 located, and that such move was detrimental to the overall economic development  
85 efforts of the state, the director may deny the taxpayer's request to claim tax  
86 benefits;

87 (10) Notwithstanding any provision of law to the contrary, for the purpose  
88 of this section, the number of new jobs created and maintained, the number of  
89 existing jobs retained, and the value of new qualified investment used at the  
90 eligible project during any tax year shall be determined by dividing by twelve, in  
91 the case of jobs, the sum of the number of individuals employed at the eligible  
92 project, or in the case of new qualified investment, the value of new qualified  
93 investment used at the eligible project, on the last business day of each full  
94 calendar month of the tax year. If the eligible project is in operation for less than  
95 the entire tax year, the number of new jobs created and maintained, the number  
96 of existing jobs retained, and the value of new qualified investment created at the  
97 eligible project during any tax year shall be determined by dividing the sum of  
98 the number of individuals employed at the eligible project, or in the case of new  
99 qualified investment, the value of new qualified investment used at the eligible  
100 project, on the last business day of each full calendar month during the portion  
101 of the tax year during which the eligible project was in operation, by the number  
102 of full calendar months during such period;

103 (11) For the purpose of this section, "new qualified investment" means  
104 new business facility investment as defined and as determined in subdivision (7)  
105 of section 135.100, RSMo, which is used at and in connection with the eligible  
106 project. "New qualified investment" shall not include small tools, supplies and  
107 inventory. "Small tools" means tools that are portable and can be hand held.

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

112 3. (1) The director of the department of economic development, with the  
113 approval of the director of the department of natural resources, may, in addition  
114 to the tax credits allowed in subsection 1 of this section, grant a remediation tax  
115 credit to the applicant for up to one hundred percent of the costs of materials,  
116 supplies, equipment, labor, professional engineering, consulting and architectural  
117 fees, permitting fees and expenses, demolition, asbestos abatement, and direct  
118 utility charges for performing the voluntary remediation activities for the  
119 preexisting hazardous substance contamination and releases, including, but not  
120 limited to, the costs of performing operation and maintenance of the remediation  
121 equipment at the property beyond the year in which the systems and equipment  
122 are built and installed at the eligible project and the costs of performing the  
123 voluntary remediation activities over a period not in excess of four tax years  
124 following the taxpayer's tax year in which the system and equipment were first  
125 put into use at the eligible project, provided the remediation activities are the  
126 subject of a plan submitted to, and approved by, the director of natural resources  
127 pursuant to sections 260.565 to 260.575, RSMo. The tax credit may also include  
128 up to one hundred percent of the costs of demolition that are not directly part of  
129 the remediation activities, provided that the demolition is on the property where  
130 the voluntary remediation activities are occurring, the demolition is necessary to  
131 accomplish the planned use of the facility where the remediation activities are  
132 occurring, and the demolition is part of a redevelopment plan approved by the  
133 municipal or county government and the department of economic  
134 development. The demolition may occur on an adjacent property if the project is  
135 located in a municipality which has a population less than twenty thousand and  
136 the above conditions are otherwise met. The adjacent property shall  
137 independently qualify as abandoned or underutilized. The amount of the credit  
138 available for demolition not associated with remediation cannot exceed the total  
139 amount of credits approved for remediation including demolition required for  
140 remediation.

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

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

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

157           (5) No more than seventy-five percent of earned remediation tax credits  
158 may be issued when the remediation costs were paid, and the remaining  
159 percentage may be issued when the department of natural resources issues a  
160 letter of completion letter or covenant not to sue following completion of the  
161 voluntary remediation activities. It shall not include any costs associated with  
162 ongoing operational environmental compliance of the facility or remediation costs  
163 arising out of spills, leaks, or other releases arising out of the ongoing business  
164 operations of the facility. In the event the department of natural resources issues  
165 a letter of completion for a portion of a property, an impacted media such as soil  
166 or groundwater, or for a site or a portion of a site improvement, a prorated  
167 amount of the remaining percentage may be released based on the percentage of  
168 the total site receiving a letter of completion.

169           4. In the exercise of the sound discretion of the director of the department  
170 of economic development or the director's designee, the tax credits and  
171 exemptions described in this section may be terminated, suspended or revoked,  
172 if the eligible project fails to continue to meet the conditions set forth in this  
173 section. In making such a determination, the director shall consider the severity  
174 of the condition violation, actions taken to correct the violation, the frequency of  
175 any condition violations and whether the actions exhibit a pattern of conduct by  
176 the eligible facility owner and operator. The director shall also consider changes  
177 in general economic conditions and the recommendation of the director of the  
178 department of natural resources, or his or her designee, concerning the severity,

179 scope, nature, frequency and extent of any violations of the environmental  
180 compliance conditions. The taxpayer or person claiming the tax credits or  
181 exemptions may appeal the decision regarding termination, suspension or  
182 revocation of any tax credit or exemption in accordance with the procedures  
183 outlined in subsections 4 to 6 of section 135.250, RSMo. The director of the  
184 department of economic development shall notify the directors of the departments  
185 of natural resources and revenue of the termination, suspension or revocation of  
186 any tax credits as determined in this section or pursuant to the provisions of  
187 section 447.716.

188           5. Notwithstanding any provision of law to the contrary, no taxpayer shall  
189 earn the tax credits, exemptions or refund otherwise allowed in subdivisions (2),  
190 (3) and (4) of subsection 1 of this section and the tax credits otherwise allowed in  
191 section 135.110, RSMo, or the tax credits, exemptions and refund otherwise  
192 allowed in sections 135.215, 135.220, 135.225 and 135.245, RSMo, respectively,  
193 for the same facility for the same tax period.

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

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

198           (2) One hundred percent of the total business' income tax if the eligible  
199 facility does not replace a similar facility that closed elsewhere in Missouri prior  
200 to the end of the taxpayer's tax period in which the tax credits are earned, and  
201 further provided the taxpayer does not operate any other facilities besides the  
202 eligible project in Missouri; fifty percent of the total business' income tax if the  
203 eligible facility replaces a similar facility that closed elsewhere in Missouri prior  
204 to the end of the taxpayer's tax period in which the credits are earned, and  
205 further provided the taxpayer does not operate any other facilities besides the  
206 eligible project in Missouri; or twenty-five percent of the total business income if  
207 the taxpayer operates, in addition to the eligible facility, any other facilities in  
208 Missouri. In no case shall a taxpayer operating more than one eligible project in  
209 Missouri be allowed to offset more than twenty-five percent of the taxpayer's  
210 business income in any tax period. That portion of the taxpayer's income  
211 attributed to the eligible project as referenced in subdivision (1) of this  
212 subsection, for which the credits allowed in sections 135.110 and 135.225, RSMo,  
213 and subsection 3 of this section, may apply, shall be determined in the same  
214 manner as prescribed in subdivision (6) of section 135.100, RSMo. That portion  
215 of the taxpayer's franchise tax attributed to the eligible project for which the  
216 remediation tax credit may offset, shall be determined in the same manner as

217 prescribed in paragraph (a) of subdivision (6) of section 135.100, RSMo.

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

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

233           9. The recipient of remediation tax credits, for the purpose of this  
234 subsection referred to as assignor, may assign, sell or transfer, in whole or in  
235 part, the remediation tax credit allowed in subsection 3 of this section to any  
236 other person, for the purpose of this subsection referred to as assignee. To perfect  
237 the transfer, the assignor shall provide written notice to the director of the  
238 assignor's intent to transfer the tax credits to the assignee, the date the transfer  
239 is effective, the assignee's name, address and the assignee's tax period and the  
240 amount of tax credits to be transferred. The number of tax periods during which  
241 the assignee may subsequently claim the tax credits shall not exceed twenty tax  
242 periods, less the number of tax periods the assignor previously claimed the credits  
243 before the transfer occurred.

244           10. In the case where an operator and assignor of an eligible project has  
245 been certified to claim state tax benefits allowed in subdivisions (2) and (3) of  
246 subsection 1 of this section, and sells or otherwise transfers title of the eligible  
247 project to another taxpayer or assignee who continues the same or substantially  
248 similar operations at the eligible project, the director shall allow the assignee to  
249 claim the credits for a period of time to be determined by the director; except  
250 that, the total number of tax periods the tax credits may be earned by the  
251 assignor and the assignee shall not exceed ten. To perfect the transfer, the  
252 assignor shall provide written notice to the director of the assignor's intent to  
253 transfer the tax credits to the assignee, the date the transfer is effective, the  
254 assignee's name, address, and the assignee's tax period, and the amount of tax

255 credits to be transferred.

256           11. For the purpose of the state tax benefits described in this section, in  
257 the case of a corporation described in section 143.471, RSMo, or partnership, in  
258 computing Missouri's tax liability, such state benefits shall be allowed to the  
259 following:

260           (1) The shareholders of the corporation described in section 143.471,  
261 RSMo;

262           (2) The partners of the partnership. The credit provided in this  
263 subsection shall be apportioned to the entities described in subdivisions (1) and  
264 (2) of this subsection in proportion to their share of ownership on the last day of  
265 the taxpayer's tax period.

266           **12. No tax credits shall be authorized under the provisions of**  
267 **this section after June 30, 2011, unless an allocation is made pursuant**  
268 **to the provisions of section 135.821. In any fiscal year for which an**  
269 **allocation is made pursuant to the provisions of section 135.821, no**  
270 **more than the amount of tax credits so allocated shall be authorized.**

620.495. 1. This section shall be known as the "Small Business  
2 Incubators Act".

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

5           (1) "Department", the department of economic development;

6           (2) "Incubator", a program in which small units of space may be leased by  
7 a tenant and in which management maintains or provides access to business  
8 development services for use by tenants or a program without infrastructure in  
9 which participants avail themselves of business development services to assist in  
10 the growth of their start-up small businesses;

11           (3) "Local sponsor" or "sponsor", an organization which enters into a  
12 written agreement with the department to establish, operate and administer a  
13 small business incubator program or to provide funding to an organization which  
14 operates such a program;

15           (4) "Participant", a sole proprietorship, business partnership or  
16 corporation operating a business for profit through which the owner avails  
17 himself or herself of business development services in an incubator program;

18           (5) "Tenant", a sole proprietorship, business partnership or corporation  
19 operating a business for profit and leasing or otherwise occupying space in an  
20 incubator.

21           3. There is hereby established under the direction of the department a  
22 loan, loan guarantee and grant program for the establishment, operation and



23 administration of small business incubators, to be known as the "Small Business  
24 Incubator Program". A local sponsor may submit an application to the  
25 department to obtain a loan, loan guarantee or grant to establish an  
26 incubator. Each application shall:

27 (1) Demonstrate that a program exists that can be transformed into an  
28 incubator at a specified cost;

29 (2) Demonstrate the ability to directly provide or arrange for the provision  
30 of business development services for tenants and participants of the  
31 incubator. These services shall include, but need not be limited to, financial  
32 consulting assistance, management and marketing assistance, business education,  
33 and physical services;

34 (3) Demonstrate a potential for sustained use of the incubator program by  
35 eligible tenants and participants, through a market study or other means;

36 (4) Demonstrate the ability to manage and operate the incubator program;

37 (5) Include such other information as the department may require through  
38 its guidelines.

39 4. The department shall review and accept applications based on the  
40 following criteria:

41 (1) Ability of the local sponsor to carry out the provisions of this section;

42 (2) Economic impact of the incubator on the community;

43 (3) Conformance with areawide and local economic development plans, if  
44 such exist;

45 (4) Location of the incubator, in order to encourage geographic  
46 distribution of incubators across the state.

47 5. Loans, loan guarantees and grants shall be administered in the  
48 following manner:

49 (1) Loans awarded or guaranteed and grants awarded shall be used only  
50 for the acquisition and leasing of land and existing buildings, the rehabilitation  
51 of buildings or other facilities, construction of new facilities, the purchase of  
52 equipment and furnishings which are necessary for the creation and operation of  
53 the incubator, and business development services including, but not limited to,  
54 business management advising and business education;

55 (2) Loans, loan guarantees and grants may not exceed fifty percent of total  
56 eligible project costs;

57 (3) Payment of interest and principal on loans may be deferred at the  
58 discretion of the department.

59 6. A local sponsor, or the organization receiving assistance through the  
60 local sponsor, shall have the following responsibilities and duties in establishing

61 and operating an incubator with assistance from the small business incubator  
62 program:

63 (1) Secure title on a facility for the program or a lease of a facility for the  
64 program;

65 (2) Manage the physical development of the incubator program, including  
66 the provision of common conference or meeting space;

67 (3) Furnish and equip the program to provide business services to the  
68 tenants and participants;

69 (4) Market the program and secure eligible tenants and participants;

70 (5) Provide financial consulting, marketing and management assistance  
71 services or arrange for the provision of these services for tenants and participants  
72 of the incubator, including assistance in accessing private financial markets;

73 (6) Set rental and service fees;

74 (7) Encourage the sharing of ideas between tenants and participants and  
75 otherwise aid the tenants and participants in an innovative manner while they  
76 are within the incubator;

77 (8) Establish policies and criteria for the acceptance of tenants and  
78 participants into the incubator and for the termination of occupancy of tenants  
79 so as to maximize the opportunity to succeed for the greatest number of tenants,  
80 consistent with those specified in this section.

81 7. The department:

82 (1) May adopt such rules, statements of policy, procedures, forms and  
83 guidelines as may be necessary for the implementation of this section;

84 (2) May make loans, loan guarantees and grants to local sponsors for  
85 incubators;

86 (3) Shall ensure that local sponsors receiving loans, loan guarantees or  
87 grants meet the conditions of this section;

88 (4) Shall receive and evaluate annual reports from local sponsors. Such  
89 annual reports shall include, but need not be limited to, a financial statement for  
90 the incubator, evidence that all tenants and participants in the program are  
91 eligible under the terms of this section, and a list of companies in the incubator.

92 8. The department of economic development is also hereby authorized to  
93 review any previous loans made under this program and, where appropriate in  
94 the department's judgment, convert such loans to grant status.

95 9. On or before January first of each year, the department shall provide  
96 a report to the governor, the chief clerk of the house of representatives and the  
97 secretary of the senate which shall include, but need not be limited to:

98 (1) The number of applications for incubators submitted to the

99 department;

100 (2) The number of applications for incubators approved by the  
101 department;

102 (3) The number of incubators created through the small business  
103 incubator program;

104 (4) The number of tenants and participants engaged in each incubator;

105 (5) The number of jobs provided by each incubator and tenants and  
106 participant of each incubator;

107 (6) The occupancy rate of each incubator;

108 (7) The number of firms still operating in the state after leaving  
109 incubators and the number of jobs they have provided.

110 10. There is hereby established in the state treasury a special fund to be  
111 known as the "Missouri Small Business Incubators Fund", which shall consist of  
112 all moneys which may be appropriated to it by the general assembly, and also any  
113 gifts, contributions, grants or bequests received from federal, private or other  
114 sources. Moneys for loans, loan guarantees and grants under the small business  
115 incubator program may be obtained from appropriations made by the general  
116 assembly from the Missouri small business incubators fund. Any moneys  
117 remaining in the Missouri small business incubators fund at the end of any fiscal  
118 year shall not lapse to the general revenue fund, as provided in section 33.080,  
119 RSMo, but shall remain in the Missouri small business incubators fund.

120 11. For any taxable year beginning after December 31, 1989, a taxpayer,  
121 including any charitable organization which is exempt from federal income tax  
122 and whose Missouri unrelated business taxable income, if any, would be subject  
123 to the state income tax imposed under chapter 143, RSMo, shall be entitled to a  
124 tax credit against any tax otherwise due under the provisions of chapter 143,  
125 RSMo, or chapter 147, RSMo, or chapter 148, RSMo, excluding withholding tax  
126 imposed by sections 143.191 to 143.265, RSMo, in the amount of fifty percent of  
127 any amount contributed by the taxpayer to the Missouri small business  
128 incubators fund during the taxpayer's tax year or any contribution by the  
129 taxpayer to a local sponsor after the local sponsor's application has been accepted  
130 and approved by the department. The tax credit allowed by this subsection shall  
131 be claimed by the taxpayer at the time he files his return and shall be applied  
132 against the income tax liability imposed by chapter 143, RSMo, or chapter 147,  
133 RSMo, or chapter 148, RSMo, after all other credits provided by law have been  
134 applied. That portion of earned tax credits which exceeds the taxpayer's tax  
135 liability may be carried forward for up to five years. The aggregate of all tax  
136 credits authorized under this section shall not exceed five hundred thousand

137 dollars in any taxable year. **No tax credits shall be authorized under the**  
138 **provisions of this section after June 30, 2011, unless an allocation is**  
139 **made pursuant to the provisions of section 135.821. In any fiscal year**  
140 **for which an allocation is made pursuant to the provisions of section**  
141 **135.821, no more than the amount of tax credits so allocated shall be**  
142 **authorized.**

143           12. Notwithstanding any provision of Missouri law to the contrary, any  
144 taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits  
145 allowed in subsection 11 of this section under the terms and conditions prescribed  
146 in subdivisions (1) and (2) of this subsection. Such taxpayer, hereinafter the  
147 assignor for the purpose of this subsection, may sell, assign, exchange or  
148 otherwise transfer earned tax credits:

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

151           (2) In an amount not to exceed one hundred percent of annual earned  
152 credits. The taxpayer acquiring earned credits, hereinafter the assignee for the  
153 purpose of this subsection, may use the acquired credits to offset up to one  
154 hundred percent of the tax liabilities otherwise imposed by chapter 143, RSMo,  
155 or chapter 147, RSMo, or chapter 148, RSMo, excluding withholding tax imposed  
156 by sections 143.191 to 143.265, RSMo. Unused credits in the hands of the  
157 assignee may be carried forward for up to five years. The assignor shall enter  
158 into a written agreement with the assignee establishing the terms and conditions  
159 of the agreement and shall perfect such transfer by notifying the department of  
160 economic development in writing within thirty calendar days following the  
161 effective day of the transfer and shall provide any information as may be required  
162 by the department of economic development to administer and carry out the  
163 provisions of this section. The director of the department of economic  
164 development shall prescribe the method for submitting applications for claiming  
165 the tax credit allowed under subsection 11 of this section and shall, if the  
166 application is approved, certify to the director of revenue that the taxpayer  
167 claiming the credit has satisfied all the requirements specified in this section and  
168 is eligible to claim the credit.

620.1881. 1. The department of economic development shall respond  
2 within thirty days to a company who provides a notice of intent with either an  
3 approval or a rejection of the notice of intent. The department shall give  
4 preference to qualified companies and projects targeted at an area of the state  
5 which has recently been classified as a disaster area by the federal  
6 government. Failure to respond on behalf of the department of economic

7 development shall result in the notice of intent being deemed an approval for the  
8 purposes of this section. A qualified company who is provided an approval for a  
9 project shall be allowed a benefit as provided in this program in the amount and  
10 duration provided in this section. A qualified company may receive additional  
11 periods for subsequent new jobs at the same facility after the full initial period  
12 if the minimum thresholds are met as set forth in sections 620.1875 to  
13 620.1890. There is no limit on the number of periods a qualified company may  
14 participate in the program, as long as the minimum thresholds are achieved and  
15 the qualified company provides the department with the required reporting and  
16 is in proper compliance for this program or other state programs. A qualified  
17 company may elect to file a notice of intent to start a new project period  
18 concurrent with an existing project period if the minimum thresholds are  
19 achieved and the qualified company provides the department with the required  
20 reporting and is in proper compliance for this program and other state programs;  
21 however, the qualified company may not receive any further benefit under the  
22 original approval for jobs created after the date of the new notice of intent, and  
23 any jobs created before the new notice of intent may not be included as new jobs  
24 for the purpose of benefit calculation in relation to the new approval. When a  
25 qualified company has filed and received approval of a notice of intent and  
26 subsequently files another notice of intent, the department shall apply the  
27 definition of project facility under subdivision (19) of section 620.1878 to the new  
28 notice of intent as well as all previously approved notices of intent and shall  
29 determine the application of the definitions of new job, new payroll, project  
30 facility base employment, and project facility base payroll accordingly.

31 2. Notwithstanding any provision of law to the contrary, any qualified  
32 company that is awarded benefits under this program may not simultaneously  
33 receive tax credits or exemptions under sections 135.100 to 135.150, sections  
34 135.200 to 135.286, section 135.535, or sections 135.900 to 135.906, RSMo, at the  
35 same project facility. The benefits available to the company under any other  
36 state programs for which the company is eligible and which utilize withholding  
37 tax from the new jobs of the company must first be credited to the other state  
38 program before the withholding retention level applicable under the Missouri  
39 quality jobs act will begin to accrue. These other state programs include, but are  
40 not limited to, the new jobs training program under sections 178.892 to 178.896,  
41 RSMo, the job retention program under sections 178.760 to 178.764, RSMo, the  
42 real property tax increment allocation redevelopment act, sections 99.800 to  
43 99.865, RSMo, or the Missouri downtown and rural economic stimulus act under  
44 sections 99.915 to 99.980, RSMo. If any qualified company also participates in

45 the new jobs training program in sections 178.892 to 178.896, RSMo, the company  
46 shall retain no withholding tax, but the department shall issue a refundable tax  
47 credit for the full amount of benefit allowed under this subdivision. The calendar  
48 year annual maximum amount of tax credits which may be issued to a qualifying  
49 company that also participates in the new job training program shall be increased  
50 by an amount equivalent to the withholding tax retained by that company under  
51 the new jobs training program. However, if the combined benefits of the quality  
52 jobs program and the new jobs training program exceed the projected state  
53 benefit of the project, as determined by the department of economic development  
54 through a cost-benefit analysis, the increase in the maximum tax credits shall be  
55 limited to the amount that would not cause the combined benefits to exceed the  
56 projected state benefit. Any taxpayer who is awarded benefits under this  
57 program who knowingly hires individuals who are not allowed to work legally in  
58 the United States shall immediately forfeit such benefits and shall repay the  
59 state an amount equal to any state tax credits already redeemed and any  
60 withholding taxes already retained.

61 3. The types of projects and the amount of benefits to be provided are:

62 (1) Small and expanding business projects: in exchange for the  
63 consideration provided by the new tax revenues and other economic stimuli that  
64 will be generated by the new jobs created by the program, a qualified company  
65 may retain an amount equal to the withholding tax as calculated under  
66 subdivision (33) of section 620.1878 from the new jobs that would otherwise be  
67 withheld and remitted by the qualified company under the provisions of sections  
68 143.191 to 143.265, RSMo, for a period of three years from the date the required  
69 number of new jobs were created if the average wage of the new payroll equals  
70 or exceeds the county average wage or for a period of five years from the date the  
71 required number of new jobs were created if the average wage of the new payroll  
72 equals or exceeds one hundred twenty percent of the county average wage;

73 (2) Technology business projects: in exchange for the consideration  
74 provided by the new tax revenues and other economic stimuli that will be  
75 generated by the new jobs created by the program, a qualified company may  
76 retain an amount equal to a maximum of five percent of new payroll for a period  
77 of five years from the date the required number of jobs were created from the  
78 withholding tax of the new jobs that would otherwise be withheld and remitted  
79 by the qualified company under the provisions of sections 143.191 to 143.265,  
80 RSMo, if the average wage of the new payroll equals or exceeds the county  
81 average wage. An additional one-half percent of new payroll may be added to the  
82 five percent maximum if the average wage of the new payroll in any year exceeds

83 one hundred twenty percent of the county average wage in the county in which  
84 the project facility is located, plus an additional one-half percent of new payroll  
85 may be added if the average wage of the new payroll in any year exceeds one  
86 hundred forty percent of the average wage in the county in which the project  
87 facility is located. The department shall issue a refundable tax credit for any  
88 difference between the amount of benefit allowed under this subdivision and the  
89 amount of withholding tax retained by the company, in the event the withholding  
90 tax is not sufficient to provide the entire amount of benefit due to the qualified  
91 company under this subdivision;

92 (3) High impact projects: in exchange for the consideration provided by  
93 the new tax revenues and other economic stimuli that will be generated by the  
94 new jobs created by the program, a qualified company may retain an amount from  
95 the withholding tax of the new jobs that would otherwise be withheld and  
96 remitted by the qualified company under the provisions of sections 143.191 to  
97 143.265, RSMo, equal to three percent of new payroll for a period of five years  
98 from the date the required number of jobs were created if the average wage of the  
99 new payroll equals or exceeds the county average wage of the county in which the  
100 project facility is located. For high-impact projects in a facility located within two  
101 adjacent counties, the new payroll shall equal or exceed the higher county  
102 average wage of the adjacent counties. The percentage of payroll allowed under  
103 this subdivision shall be three and one-half percent of new payroll if the average  
104 wage of the new payroll in any year exceeds one hundred twenty percent of the  
105 county average wage in the county in which the project facility is located. The  
106 percentage of payroll allowed under this subdivision shall be four percent of new  
107 payroll if the average wage of the new payroll in any year exceeds one hundred  
108 forty percent of the county average wage in the county in which the project  
109 facility is located. An additional one percent of new payroll may be added to  
110 these percentages if local incentives equal between ten percent and twenty-four  
111 percent of the new direct local revenue; an additional two percent of new payroll  
112 is added to these percentages if the local incentives equal between twenty-five  
113 percent and forty-nine percent of the new direct local revenue; or an additional  
114 three percent of payroll is added to these percentages if the local incentives equal  
115 fifty percent or more of the new direct local revenue. The department shall issue  
116 a refundable tax credit for any difference between the amount of benefit allowed  
117 under this subdivision and the amount of withholding tax retained by the  
118 company, in the event the withholding tax is not sufficient to provide the entire  
119 amount of benefit due to the qualified company under this subdivision;

120 (4) Job retention projects: a qualified company may receive a tax credit

121 for the retention of jobs in this state, provided the qualified company and the  
122 project meets all of the following conditions:

123 (a) For each of the twenty-four months preceding the year in which  
124 application for the program is made the qualified company must have maintained  
125 at least one thousand full-time employees at the employer's site in the state at  
126 which the jobs are based, and the average wage of such employees must meet or  
127 exceed the county average wage;

128 (b) The qualified company retained at the project facility the level of  
129 full-time employees that existed in the taxable year immediately preceding the  
130 year in which application for the program is made;

131 (c) The qualified company is considered to have a significant statewide  
132 effect on the economy, and has been determined to represent a substantial risk  
133 of relocation from the state by the quality jobs advisory task force established in  
134 section 620.1887; provided, however, until such time as the initial at-large  
135 members of the quality jobs advisory task force are appointed, this determination  
136 shall be made by the director of the department of economic development;

137 (d) The qualified company in the project facility will cause to be invested  
138 a minimum of seventy million dollars in new investment prior to the end of two  
139 years or will cause to be invested a minimum of thirty million dollars in new  
140 investment prior to the end of two years and maintain an annual payroll of at  
141 least seventy million dollars during each of the years for which a credit is  
142 claimed; and

143 (e) The local taxing entities shall provide local incentives of at least fifty  
144 percent of the new direct local revenues created by the project over a ten-year  
145 period. The quality jobs advisory task force may recommend to the department  
146 of economic development that appropriate penalties be applied to the company for  
147 violating the agreement. The amount of the job retention credit granted may be  
148 equal to up to fifty percent of the amount of withholding tax generated by the  
149 full-time jobs at the project facility for a period of five years. The calendar year  
150 annual maximum amount of tax credit that may be issued to any qualified  
151 company for a job retention project or combination of job retention projects shall  
152 be seven hundred fifty thousand dollars per year, but the maximum amount may  
153 be increased up to one million dollars if such action is proposed by the  
154 department and approved by the quality jobs advisory task force established in  
155 section 620.1887; provided, however, until such time as the initial at-large  
156 members of the quality jobs advisory task force are appointed, this determination  
157 shall be made by the director of the department of economic development. In  
158 considering such a request, the task force shall rely on economic modeling and



159 other information supplied by the department when requesting the increased  
160 limit on behalf of the job retention project. In no event shall the total amount of  
161 all tax credits issued for the entire job retention program under this subdivision  
162 exceed three million dollars annually. Notwithstanding the above, no tax credits  
163 shall be issued for job retention projects approved by the department after August  
164 30, 2013;

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

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

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

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

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

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

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

183 (g) For each year it receives tax credits under sections 620.1875 to  
184 620.1890, the qualified company and related companies retained, at the  
185 company's facilities in this state, at least the level of full-time, year-round  
186 employees that existed in the taxable year immediately preceding the year in  
187 which application for the program is made; and

188 (h) In the years it receives tax credits under sections 620.1875 to  
189 620.1890, the company cumulatively invests at least two million dollars in capital  
190 improvements in facilities and equipment located at such facilities that are not  
191 located within a five hundred year flood plain as designated by the Federal  
192 Emergency Management Agency, and amended from time to time. The amount  
193 of the small business job retention and flood survivor relief credit granted may  
194 be equal to up to one hundred percent of the amount of withholding tax generated  
195 by the full-time jobs at the project facility for a period of three years. The  
196 calendar year annual maximum amount of tax credit that may be issued to any

197 qualified company for a small business job retention and survivor relief project  
198 shall be two hundred fifty thousand dollars per year, but the maximum amount  
199 may be increased up to five hundred thousand dollars if such action is proposed  
200 by the department and approved by the quality jobs advisory task force  
201 established in section 620.1887. In considering such a request, the task force  
202 shall rely on economic modeling and other information supplied by the  
203 department when requesting an increase in the limit on behalf of the small  
204 business job retention and flood survivor relief project. In no event shall the total  
205 amount of all tax credits issued for the entire small business job retention and  
206 flood survivor relief program under this subdivision exceed five hundred thousand  
207 dollars annually. Notwithstanding the provisions of this subdivision to the  
208 contrary, no tax credits shall be issued for small business job retention and flood  
209 survivor relief projects approved by the department after August 30, 2010.

210           4. The qualified company shall provide an annual report of the number  
211 of jobs and such other information as may be required by the department to  
212 document the basis for the benefits of this program. The department may  
213 withhold the approval of any benefits until it is satisfied that proper  
214 documentation has been provided, and shall reduce the benefits to reflect any  
215 reduction in full-time employees or new payroll. Upon approval by the  
216 department, the qualified company may begin the retention of the withholding  
217 taxes when it reaches the minimum number of new jobs and the average wage  
218 exceeds the county average wage. Tax credits, if any, may be issued upon  
219 satisfaction by the department that the qualified company has exceeded the  
220 county average wage and the minimum number of new jobs. In such annual  
221 report, if the average wage is below the county average wage, the qualified  
222 company has not maintained the employee insurance as required, or if the  
223 number of new jobs is below the minimum, the qualified company shall not  
224 receive tax credits or retain the withholding tax for the balance of the benefit  
225 period. In the case of a qualified company that initially filed a notice of intent  
226 and received an approval from the department for high-impact benefits and the  
227 minimum number of new jobs in an annual report is below the minimum for  
228 high-impact projects, the company shall not receive tax credits for the balance of  
229 the benefit period but may continue to retain the withholding taxes if it otherwise  
230 meets the requirements of a small and expanding business under this program.

231           5. The maximum calendar year annual tax credits issued for the entire  
232 program shall not exceed eighty million dollars. Notwithstanding any provision  
233 of law to the contrary, the maximum annual tax credits authorized under section  
234 135.535, RSMo, are hereby reduced from ten million dollars to eight million

235 dollars, with the balance of two million dollars transferred to this  
236 program. There shall be no limit on the amount of withholding taxes that may  
237 be retained by approved companies under this program. **No tax credits shall**  
238 **be authorized under the provisions of this program after June 30, 2011,**  
239 **unless an allocation is made pursuant to the provisions of section**  
240 **135.821. In any fiscal year for which an allocation is made pursuant to**  
241 **the provisions of section 135.821, no more than the amount of tax**  
242 **credits so allocated shall be authorized.**

243         6. The department shall allocate the annual tax credits based on the date  
244 of the approval, reserving such tax credits based on the department's best  
245 estimate of new jobs and new payroll of the project, and the other factors in the  
246 determination of benefits of this program. However, the annual issuance of tax  
247 credits is subject to the annual verification of the actual new payroll. The  
248 allocation of tax credits for the period assigned to a project shall expire if, within  
249 two years from the date of commencement of operations, or approval if applicable,  
250 the minimum thresholds have not been achieved. The qualified company may  
251 retain authorized amounts from the withholding tax under this section once the  
252 minimum new jobs thresholds are met for the duration of the project period. No  
253 benefits shall be provided under this program until the qualified company meets  
254 the minimum new jobs thresholds. In the event the qualified company does not  
255 meet the minimum new job threshold, the qualified company may submit a new  
256 notice of intent or the department may provide a new approval for a new project  
257 of the qualified company at the project facility or other facilities.

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

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

266         9. Tax credits authorized by this section may be transferred, sold, or  
267 assigned by filing a notarized endorsement thereof with the department that  
268 names the transferee, the amount of tax credit transferred, and the value received  
269 for the credit, as well as any other information reasonably requested by the  
270 department.

271         10. Prior to the issuance of tax credits, the department shall verify  
272 through the department of revenue, or any other state department, that the tax

273 credit applicant does not owe any delinquent income, sales, or use tax or interest  
274 or penalties on such taxes, or any delinquent fees or assessments levied by any  
275 state department and through the department of insurance, financial institutions  
276 and professional registration that the applicant does not owe any delinquent  
277 insurance taxes. Such delinquency shall not affect the authorization of the  
278 application for such tax credits, except that at issuance credits shall be first  
279 applied to the delinquency and any amount issued shall be reduced by the  
280 applicant's tax delinquency. If the department of revenue or the department of  
281 insurance, financial institutions and professional registration, or any other state  
282 department, concludes that a taxpayer is delinquent after June fifteenth but  
283 before July first of any year and the application of tax credits to such delinquency  
284 causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall  
285 be granted thirty days to satisfy the deficiency in which interest, penalties, and  
286 additions to tax shall be tolled. After applying all available credits toward a tax  
287 delinquency, the administering agency shall notify the appropriate department  
288 and that department shall update the amount of outstanding delinquent tax owed  
289 by the applicant. If any credits remain after satisfying all insurance, income,  
290 sales, and use tax delinquencies, the remaining credits shall be issued to the  
291 applicant, subject to the restrictions of other provisions of law.

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

296 12. An employee of a qualified company will receive full credit for the  
297 amount of tax withheld as provided in section 143.211, RSMo.

298 13. If any provision of sections 620.1875 to 620.1890 or application thereof  
299 to any person or circumstance is held invalid, the invalidity shall not affect other  
300 provisions or application of these sections which can be given effect without the  
301 invalid provisions or application, and to this end, the provisions of sections  
302 620.1875 to 620.1890 are hereby declared severable.

660.055. 1. Any registered caregiver who meets the requirements of this  
2 section shall be eligible for a shared care tax credit in an amount not to exceed  
3 five hundred dollars to defray the cost of caring for an elderly person. In order  
4 to be eligible for a shared care tax credit, a registered caregiver shall:

5 (1) Care for an elderly person, age sixty or older, who:

6 (a) Is physically or mentally incapable of living alone, as determined and  
7 certified by his or her physician licensed pursuant to chapter 334, RSMo, or by  
8 the division of aging staff when an assessment has been completed for the

9 purpose of qualification for other services; and

10 (b) Requires assistance with activities of daily living to the extent that  
11 without care and oversight at home would require placement in a facility licensed  
12 pursuant to chapter 198, RSMo; and

13 (c) Under no circumstances, is able or allowed to operate a motor vehicle;  
14 and

15 (d) Does not receive funding or services through Medicaid or social  
16 services block grant funding;

17 (2) Live in the same residence to give protective oversight for the elderly  
18 person meeting the requirements described in subdivision (1) of this subsection  
19 for an aggregate of more than six months per tax year;

20 (3) Not receive monetary compensation for providing care for the elderly  
21 person meeting the requirements described in subdivision (1) of this subsection;  
22 and

23 (4) File the original completed and signed physician certification for  
24 shared care tax credit form or the original completed and signed division of aging  
25 certification for shared care tax credit form provided for in subsection 2 of section  
26 660.054 along with such caregiver's Missouri individual income tax return to the  
27 department of revenue.

28 2. The tax credit allowed by this section shall apply to any year beginning  
29 after December 31, 1999.

30 3. **No tax credits shall be authorized under the provisions of this**  
31 **section after June 30, 2011, unless an allocation is made pursuant to the**  
32 **provisions of section 135.821. In any fiscal year for which an allocation**  
33 **is made pursuant to the provisions of section 135.821, no more than the**  
34 **amount of tax credits so allocated shall be authorized.**

35 4. Any rule or portion of a rule, as that term is defined in section 536.010,  
36 RSMo, that is created under the authority delegated in sections 660.050 to  
37 660.057 shall become effective only if it complies with and is subject to all of the  
38 provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. All  
39 rulemaking authority delegated prior to August 28, 1999, is of no force and effect  
40 and repealed. Nothing in this section shall be interpreted to repeal or affect the  
41 validity of any rule filed or adopted prior to August 28, 1999, if it fully complied  
42 with all applicable provisions of law. This section and chapter 536, RSMo, are  
43 nonseverable and if any of the powers vested with the general assembly pursuant  
44 to chapter 536, RSMo, to review, to delay the effective date or to disapprove and  
45 annul a rule are subsequently held unconstitutional, then the grant of  
46 rulemaking authority and any rule proposed or adopted after August 28, 1999,

47 shall be invalid and void.

48 [4.] 5. Any person who knowingly falsifies any document required for the  
49 shared care tax credit shall be subject to the same penalties for falsifying other  
50 tax documents as provided in chapter 143, RSMo.

[135.545. A taxpayer shall be allowed a credit for taxes paid  
2 pursuant to chapter 143, 147 or 148, RSMo, in an amount equal to  
3 fifty percent of a qualified investment in transportation  
4 development for aviation, mass transportation, including parking  
5 facilities for users of mass transportation, railroads, ports,  
6 including parking facilities and limited access roads within ports,  
7 waterborne transportation, bicycle and pedestrian paths, or rolling  
8 stock located in a distressed community as defined in section  
9 135.530, and which are part of a development plan approved by the  
10 appropriate local agency. If the department of economic  
11 development determines the investment has been so approved, the  
12 department shall grant the tax credit in order of date received. A  
13 taxpayer may carry forward any unused tax credit for up to ten  
14 years and may carry it back for the previous three years until such  
15 credit has been fully claimed. Certificates of tax credit issued in  
16 accordance with this section may be transferred, sold or assigned  
17 by notarized endorsement which names the transferee. The tax  
18 credits allowed pursuant to this section shall be for an amount of  
19 no more than ten million dollars for each year. This credit shall  
20 apply to returns filed for all taxable years beginning on or after  
21 January 1, 1999. Any unused portion of the tax credit authorized  
22 pursuant to this section shall be available for use in the future by  
23 those entities until fully claimed. For purposes of this section, a  
24 "taxpayer" shall include any charitable organization that is exempt  
25 from federal income tax and whose Missouri unrelated business  
26 taxable income, if any, would be subject to the state income tax  
27 imposed under chapter 143, RSMo.]

[135.546. For all tax years beginning on or after January  
2 1, 2005, no tax credits shall be approved, awarded, or issued to any  
3 person or entity claiming any tax credit under section 135.545; if  
4 an organization has been allocated credits for contribution-based  
5 credits prior to January 1, 2005, the organization may issue such  
6 credits prior to January 1, 2007, for qualified contributions.]

[135.766. An eligible small business, as defined in Section

2 44 of the Internal Revenue Code, shall be allowed a credit against  
3 the tax otherwise due pursuant to chapter 143, RSMo, not  
4 including sections 143.191 to 143.265, RSMo, in an amount equal  
5 to any amount paid by the eligible small business to the United  
6 States Small Business Administration as a guaranty fee pursuant  
7 to obtaining Small Business Administration guaranteed financing  
8 and to programs administered by the United States Department of  
9 Agriculture for rural development or farm service agencies. No tax  
10 credits provided under this section shall be authorized on or after  
11 the thirtieth day following the effective date of this act. The  
12 provisions of this subsection shall not be construed to limit or in  
13 any way impair the department's ability to issue tax credits  
14 authorized prior to the thirtieth day following the effective date of  
15 this act, or a taxpayer's ability to redeem such tax credits.]

[320.093. 1. Any person, firm or corporation who purchases  
2 a dry fire hydrant, as defined in section 320.273, or provides an  
3 acceptable means of water storage for such dry fire hydrant  
4 including a pond, tank or other storage facility with the primary  
5 purpose of fire protection within the state of Missouri, shall be  
6 eligible for a credit on income taxes otherwise due pursuant to  
7 chapter 143, RSMo, except sections 143.191 to 143.261, RSMo, as  
8 an incentive to implement safe and efficient fire protection  
9 controls. The tax credit, not to exceed five thousand dollars, shall  
10 be equal to fifty percent of the cost in actual expenditure for any  
11 new water storage construction, equipment, development and  
12 installation of the dry hydrant, including pipes, valves, hydrants  
13 and labor for each such installation of a dry hydrant or new water  
14 storage facility. The amount of the tax credit claimed for in-kind  
15 contributions shall not exceed twenty-five percent of the total  
16 amount of the contribution for which the tax credit is claimed.

17 2. Any amount of credit which exceeds the tax due shall not  
18 be refunded but may be carried over to any subsequent taxable  
19 year, not to exceed seven years. The person, firm or corporation  
20 may elect to assign to a third party the approved tax credit. The  
21 certificate of assignment and other appropriate forms shall be filed  
22 with the Missouri department of revenue and the department of  
23 economic development.

24 3. The person, firm or corporation shall make application

25 for the credit to the department of economic development after  
26 receiving approval of the state fire marshal. The fire marshal shall  
27 establish by rule promulgated pursuant to chapter 536, RSMo, the  
28 requirements to be met based on the National Resources  
29 Conservation Service's Dry Hydrant Standard. The state fire  
30 marshal or designated local representative shall review and  
31 authorize the construction and installation of any dry fire hydrant  
32 site. Only approved dry fire hydrant sites shall be eligible for tax  
33 credits as indicated in this section. Under no circumstance shall  
34 such authority deny any entity the ability to provide a dry fire  
35 hydrant site when tax credits are not requested.

36 4. The department of public safety shall certify to the  
37 department of revenue that the dry hydrant system meets the  
38 requirements to obtain a tax credit as specified in subsection 5 of  
39 this section.

40 5. In order to qualify for a tax credit under this section, a  
41 dry hydrant or new water storage facility shall meet the following  
42 minimum requirements:

43 (1) Each body of water or water storage structure shall be  
44 able to provide two hundred fifty gallons per minute for a  
45 continuous two-hour period during a fifty-year drought or freeze at  
46 a vertical lift of eighteen feet;

47 (2) Each dry hydrant shall be located within twenty-five  
48 feet of an all-weather roadway and shall be accessible to fire  
49 protection equipment;

50 (3) Dry hydrants shall be located a reasonable distance  
51 from other dry or pressurized hydrants; and

52 (4) The site shall provide a measurable economic  
53 improvement potential for rural development.

54 6. New credits shall not be awarded under this section after  
55 August 28, 2010. The total amount of all tax credits allowed  
56 pursuant to this section is five hundred thousand dollars in any  
57 one fiscal year as approved by the director of the department of  
58 economic development.

59 7. Any rule or portion of a rule, as that term is defined in  
60 section 536.010, RSMo, that is created under the authority  
61 delegated in this section shall become effective only if it complies  
62 with and is subject to all of the provisions of chapter 536, RSMo,



63 and, if applicable, section 536.028, RSMo. This section and chapter  
64 536, RSMo, are nonseverable and if any of the powers vested with  
65 the general assembly pursuant to chapter 536, RSMo, to review, to  
66 delay the effective date or to disapprove and annul a rule are  
67 subsequently held unconstitutional, then the grant of rulemaking  
68 authority and any rule proposed or adopted after August 28, 2007,  
69 shall be invalid and void.]

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

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

25 3. The director of economic development shall prescribe the  
26 manner in which the tax credit may be applied for. The tax credit  
27 authorized by this section may be claimed by the taxpayer to offset  
28 the tax liability imposed by chapter 143, RSMo, or chapter 148,  
29 RSMo, that becomes due in the tax year during which such  
30 qualified research expenses were incurred. Where the amount of  
31 the credit exceeds the tax liability, the difference between the

32 credit and the tax liability may only be carried forward for the next  
33 five succeeding taxable years or until the full credit has been  
34 claimed, whichever first occurs. The application for tax credits  
35 authorized by the director pursuant to subsection 2 of this section  
36 shall be made no later than the end of the taxpayer's tax period  
37 immediately following the tax period for which the credits are  
38 being claimed.

39 4. Certificates of tax credit issued pursuant to this section  
40 may be transferred, sold or assigned by filing a notarized  
41 endorsement thereof with the department which names the  
42 transferee and the amount of tax credit transferred. The director  
43 of economic development may allow a taxpayer to transfer, sell or  
44 assign up to forty percent of the amount of the certificates of tax  
45 credit issued to and not claimed by such taxpayer pursuant to this  
46 section during any tax year commencing on or after January 1,  
47 1996, and ending not later than December 31, 1999. Such taxpayer  
48 shall file, by December 31, 2001, an application with the  
49 department which names the transferee, the amount of tax credit  
50 desired to be transferred, and a certification that the funds  
51 received by the applicant as a result of the transfer, sale or  
52 assignment of the tax credit shall be expended within three years  
53 at the state university for the sole purpose of conducting research  
54 activities agreed upon by the department, the taxpayer and the  
55 state university. Failure to expend such funds in the manner  
56 prescribed pursuant to this section shall cause the applicant to be  
57 subject to the provisions of section 620.017.

58 5. No rule or portion of a rule promulgated under the  
59 authority of this section shall become effective unless it has been  
60 promulgated pursuant to the provisions of chapter 536, RSMo. All  
61 rulemaking authority delegated prior to June 27, 1997, is of no  
62 force and effect and repealed; however, nothing in this section shall  
63 be interpreted to repeal or affect the validity of any rule filed or  
64 adopted prior to June 27, 1997, if such rule complied with the  
65 provisions of chapter 536, RSMo. The provisions of this section and  
66 chapter 536, RSMo, are nonseverable and if any of the powers  
67 vested with the general assembly pursuant to chapter 536, RSMo,  
68 including the ability to review, to delay the effective date, or to  
69 disapprove and annul a rule or portion of a rule, are subsequently

70 held unconstitutional, then the purported grant of rulemaking  
71 authority and any rule so proposed and contained in the order of  
72 rulemaking shall be invalid and void.

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

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

Unofficial ✓

Bill

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