

FIRST REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 280
96TH GENERAL ASSEMBLY

Reported from the Committee on Ways and Means and Fiscal Oversight, March 10, 2011, with recommendation that the Senate Committee Substitute do pass.

1537S.02C

TERRY L. SPIELER, Secretary.

AN ACT

To repeal sections 32.105, 32.110, 32.115, 32.117, 32.120, 99.1205, 100.286, 100.297, 135.010, 135.025, 135.030, 135.090, 135.313, 135.326, 135.327, 135.352, 135.460, 135.481, 135.484, 135.487, 135.490, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.700, 135.802, 135.815, 135.825, 135.1150, 137.1018, 143.119, 144.062, 147.010, 178.760, 178.761, 178.762, 178.763, 178.764, 178.892, 178.893, 178.894, 178.895, 178.896, 208.770, 253.545, 253.550, 253.557, 253.559, 348.430, 348.432, 348.434, 348.500, 348.505, 447.708, 620.470, 620.472, 620.474, 620.475, 620.476, 620.478, 620.479, 620.480, 620.481, 620.482, 620.495, and 660.055, RSMo, and to enact in lieu thereof fifty-seven new sections relating to tax credits, with an emergency clause.

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

Section A. Sections 32.105, 32.110, 32.115, 32.117, 32.120, 99.1205, 100.286, 100.297, 135.010, 135.025, 135.030, 135.090, 135.313, 135.326, 135.327, 135.352, 135.460, 135.481, 135.484, 135.487, 135.490, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.700, 135.802, 135.815, 135.825, 135.1150, 137.1018, 143.119, 144.062, 147.010, 178.760, 178.761, 178.762, 178.763, 178.764, 178.892, 178.893, 178.894, 178.895, 178.896, 208.770, 253.545, 253.550, 253.557, 253.559, 348.430, 348.432, 348.434, 348.500, 348.505, 447.708, 620.470, 620.472, 620.474, 620.475, 620.476, 620.478, 620.479, 620.480, 620.481, 620.482, 620.495, and 660.055, RSMo, are repealed and fifty-seven new sections enacted in lieu thereof, to be known as sections 32.105, 32.110, 32.115, 32.117, 32.120, 99.1205, 100.286, 100.297, 135.010, 135.025, 135.030, 135.090, 135.326,

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

12 135.327, 135.352, 135.460, 135.481, 135.484, 135.487, 135.490, 135.535, 135.550,
 13 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.802, 135.815, 135.825,
 14 135.1150, 137.1018, 144.062, 144.540, 147.010, 208.770, 253.545, 253.550,
 15 253.557, 253.559, 348.430, 348.432, 348.434, 348.500, 447.708, 620.495, 620.800,
 16 620.803, 620.806, 620.809, 620.2000, 620.2005, 620.2010, 620.2015, 620.2020, and
 17 660.055, 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
 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):

	Percent of State or Geographic Area Family Median Income
25	
26	
27 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:	
41		Percent of State or
42		Geographic Area Family
43	Size of Household	Median Income
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,
 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, or an
 59 insurance company paying an annual tax on its gross premium receipts in this
 60 state, or other financial institution paying taxes to the state of Missouri or any
 61 political subdivision of this state pursuant to the provisions of chapter 148, or an
 62 express company which pays an annual tax on its gross receipts in this state;

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

64 [(5)] (4) "Community services", any type of counseling and advice,
 65 emergency assistance or medical care furnished to individuals or groups in the
 66 state of Missouri or transportation services at below-cost rates as provided in

67 sections 208.250 to 208.275;

68 [(6)] (5) "Crime prevention", any activity which aids in the reduction of
69 crime in the state of Missouri;

70 [(7)] (6) "Defense industry contractor", a person, corporation or other
71 entity which will be or has been negatively impacted as a result of its status as
72 a prime contractor of the Department of Defense or as a second or third tier
73 contractor. A "second tier contractor" means a person, corporation or other entity
74 which contracts to perform manufacturing, maintenance or repair services for a
75 prime contractor of the Department of Defense, and a "third tier contractor"
76 means a person, corporation or other entity which contracts with a person,
77 corporation or other entity which contracts with a prime contractor of the
78 Department of Defense;

79 [(8)] (7) "Doing business", among other methods of doing business in the
80 state of Missouri, a partner in a firm or a shareholder in an S corporation shall
81 be deemed to be doing business in the state of Missouri if such firm or S
82 corporation, as the case may be, is doing business in the state of Missouri;

83 [(9)] (8) "Economic development", the acquisition, renovation,
84 improvement, or the furnishing or equipping of existing buildings and real estate
85 in distressed or blighted areas of the state when such acquisition, renovation,
86 improvement, or the furnishing or equipping of the business development projects
87 will result in the creation or retention of jobs within the state. Only
88 neighborhood organizations, as defined in subdivision [(13)] (12) of this section,
89 may apply to conduct economic development projects. Prior to the approval of an
90 economic development project, the neighborhood organization shall enter into a
91 contractual agreement with the department of economic development. Credits
92 approved for economic development projects may not exceed six million dollars
93 from within any one fiscal year's allocation. Neighborhood assistance program
94 tax credits for economic development projects and affordable housing assistance
95 as defined in section 32.111 may be transferred, sold or assigned by a notarized
96 endorsement thereof naming the transferee;

97 [(10)] (9) "Education", any type of scholastic instruction or scholarship
98 assistance to an individual who resides in the state of Missouri that enables the
99 individual to prepare himself or herself for better opportunities or community
100 awareness activities rendered by a statewide organization established for the
101 purpose of archeological education and preservation;

102 [(11)] (10) "Homeless assistance pilot project", the program established

103 pursuant to section 32.117;

104 [(12)] (11) "Job training", any type of instruction to an individual who
105 resides in the state of Missouri that enables the individual to acquire vocational
106 skills so that the individual can become employable or be able to seek a higher
107 grade of employment;

108 [(13)] (12) "Neighborhood organization", any organization performing
109 community services or economic development activities in the state of Missouri
110 and:

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

114 (b) Incorporated in the state of Missouri as a not-for-profit corporation
115 pursuant to the provisions of chapter 355; or

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

119 [(14)] (13) "Physical revitalization", furnishing financial assistance,
120 labor, material, or technical advice to aid in the physical improvement or
121 rehabilitation of any part or all of a neighborhood area;

122 [(15)] (14) "S corporation", a corporation described in Section 1361(a)(1)
123 of the United States Internal Revenue Code and not subject to the taxes imposed
124 by section 143.071 by reason of section 143.471;

125 **(15) "Taxpayer", an individual, a firm, a partner in a firm, sole**
126 **proprietorship, partner in a limited or general partnership, member of**
127 **a limited liability company, corporation as defined under sections**
128 **143.441 or 143.471, a shareholder in an S corporation doing business in**
129 **this state and subject to the state income tax imposed by chapter 143,**
130 **excluding withholding tax imposed by sections 143.191 to 143.265, or a**
131 **charitable organization, trust, or public or private foundation which is**
132 **exempt from federal income tax and whose Missouri unrelated business**
133 **taxable income, if any, would be subject to state income tax imposed**
134 **under chapter 143;**

135 (16) "Workfare renovation project", any project initiated pursuant to
136 sections 215.340 to 215.355.

 32.110. Any [business firm] **taxpayer** which engages in the activities of
2 providing physical revitalization, economic development, job training or education

3 for 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] **taxpayer**; except that, no proposal shall be approved which does
7 not have the endorsement of the agency of local government within the area in
8 which the [business firm] **taxpayer** is engaging in such activities which has
9 adopted an overall community or neighborhood development plan that the
10 proposal is consistent with such plan. The proposal shall set forth the program
11 to be conducted, the neighborhood area to be served, why the program is needed,
12 the estimated amount to be contributed to the program and the plans for
13 implementing the program. If, in the opinion of the director of the department
14 of economic development, a [business firm's] **taxpayer's** contribution can more
15 consistently with the purposes of sections 32.100 to 32.125 be made through
16 contributions to a neighborhood organization as defined in subdivision (13) of
17 section 32.105, tax credits may be allowed as provided in section 32.115. The
18 director of the department of economic development is hereby authorized to
19 promulgate rules and regulations for establishing criteria for evaluating such
20 proposals by [business firms] **taxpayers** for approval or disapproval and for
21 establishing priorities for approval or disapproval of such proposals by [business
22 firms] **taxpayers** with the assistance and approval of the director of the
23 department of revenue. The total amount of tax credit granted for programs
24 approved pursuant to sections 32.100 to 32.125 shall not exceed fourteen million
25 dollars in fiscal year 1999 and twenty-six million dollars in fiscal year 2000, and
26 any subsequent fiscal year, except as otherwise provided for proposals approved
27 pursuant to section 32.111, 32.112 or 32.117. All tax credits authorized pursuant
28 to the provisions of sections 32.100 to 32.125 may be used as a state match to
29 secure additional federal funding. **Tax credits provided under this section**
30 **may be transferred, sold, or assigned. Any tax credit issued pursuant**
31 **to this section that is subsequently transferred, sold or assigned, shall**
32 **be reduced by ten percent of the amount of the tax credit as originally**
33 **issued.**

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;
- 5 (2) The tax on banks determined pursuant to subdivision (2) of subsection

6 2 of section 148.030;

7 (3) The tax on banks determined in subdivision (1) of subsection 2 of
8 section 148.030;

9 (4) The tax on other financial institutions in chapter 148;

10 (5) The corporation franchise tax in chapter 147;

11 (6) The state income tax in chapter 143; and

12 (7) The annual tax on gross receipts of express companies in chapter 153.

13 2. For proposals approved pursuant to section 32.110:

14 (1) **For all taxable years ending on or before December 31, 2011,**
15 the amount of the tax credit shall not exceed fifty percent of the total amount
16 contributed during the taxable year by the [business firm] taxpayer or, in the
17 case of a financial institution, where applicable, during the relevant income
18 period in programs approved pursuant to section 32.110. **For all taxable years**
19 **beginning on or after January 1, 2012, the amount of the tax credit**
20 **shall not exceed thirty-five percent of the total amount contributed**
21 **during the taxable year by the taxpayer or, in the case of a financial**
22 **institution, where applicable, during the relevant income period in**
23 **programs approved pursuant to section 32.110;**

24 (2) Except as provided in subsection 2 or 5 of this section, **for all taxable**
25 **years ending on or before December 31, 2011,** a tax credit of up to seventy
26 percent may be allowed for contributions to programs where activities fall within
27 the scope of special program priorities as defined with the approval of the
28 governor in regulations promulgated by the director of the department of
29 economic development. **For all taxable years beginning on or after**
30 **January 1, 2012, except as provided in subsection 2 or 5 of this section,**
31 **a tax credit of up to fifty percent may be allowed for contributions to**
32 **programs where activities fall within the scope of special program**
33 **priorities as defined with the approval of the governor in regulations**
34 **promulgated by the director of the department of economic**
35 **development;**

36 (3) Except as provided in subsection 2 or 5 of this section, **for all**
37 **taxable years ending on or before December 31, 2011,** the tax credit
38 allowed for contributions to programs located in any community shall be equal to
39 seventy percent of the total amount contributed where such community is a city,
40 town or village which has fifteen thousand or less inhabitants as of the last
41 decennial census and is located in a county which is either located in:

- 42 (a) An area that is not part of a standard metropolitan statistical area;
- 43 (b) A standard metropolitan statistical area but such county has only one
44 city, town or village which has more than fifteen thousand inhabitants; or
- 45 (c) A standard metropolitan statistical area and a substantial number of
46 persons in such county derive their income from agriculture. Such community
47 may also be in an unincorporated area in such county as provided in subdivision
48 (1), (2) or (3) of this subsection. Except in no case shall the total economic benefit
49 of the combined federal and state tax savings to the taxpayer exceed the amount
50 contributed by the taxpayer during the tax year;
- 51 (4) **Except as provided in subsection 2 or 5 of this section, for all**
52 **taxable years beginning on or after January 1, 2012, the tax credit**
53 **allowed for contributions to programs located in any community shall**
54 **be equal to fifty percent of the total amount contributed where such**
55 **community is a city, town, or village which has fifteen thousand or less**
56 **inhabitants as of the last decennial census and is located in a county**
57 **which is either located in:**
- 58 (a) **An area that is not part of a standard metropolitan statistical**
59 **area;**
- 60 (b) **A standard metropolitan statistical area but such county has**
61 **only one city, town, or village which has more than fifteen thousand**
62 **inhabitants; or**
- 63 (c) **A standard metropolitan statistical area and a substantial**
64 **number of persons in such county derive their income from**
65 **agriculture. Such community may also be in an unincorporated area**
66 **in such county as provided in subdivision (1), (2), (3), or (4) of this**
67 **subsection. Except in no case shall the total economic benefit of the**
68 **combined federal and state tax savings to the taxpayer exceed the**
69 **amount contributed by the taxpayer during the tax year;**
- 70 (5) Such tax credit allocation, equal to seventy percent of the total amount
71 contributed, shall not exceed four million dollars in fiscal year 1999 and six
72 million dollars in fiscal year 2000 and any subsequent fiscal year **ending on or**
73 **before June 30, 2011.** When the maximum dollar limit on the seventy percent
74 tax credit allocation is committed, the tax credit allocation for such programs
75 shall then be equal to fifty percent credit of the total amount contributed. **For**
76 **all fiscal years beginning on or after July 1, 2011, such tax credit**
77 **allocation, equal to fifty percent of the total amount contributed, shall**

78 **not exceed four million dollars. When the maximum dollar limit on the**
79 **fifty percent tax credit allocation is committed, the tax credit allocation**
80 **for such programs shall then be equal to thirty-five percent credit of**
81 **the total amount contributed.** Regulations establishing special program
82 priorities are to be promulgated during the first month of each fiscal year and at
83 such times during the year as the public interest dictates. Such credit shall not
84 exceed two hundred and fifty thousand dollars annually except as provided in
85 subdivision [(5)] (6) of this subsection. No tax credit shall be approved for any
86 bank, bank and trust company, insurance company, trust company, national
87 bank, savings association, or building and loan association for activities that are
88 a part of its normal course of business. Any tax credit not used in the period the
89 contribution was made may be carried over the next five succeeding calendar or
90 fiscal years until the full credit has been claimed. Except as otherwise provided
91 for proposals approved pursuant to section 32.111, 32.112 or 32.117, in no event
92 shall the total amount of all other tax credits allowed pursuant to sections 32.100
93 to 32.125 exceed thirty-two million dollars in any one fiscal year, of which six
94 million shall be credits allowed pursuant to section 135.460. If six million dollars
95 in credits are not approved, then the remaining credits may be used for programs
96 approved pursuant to sections 32.100 to 32.125;

97 [(5)] (6) The credit may exceed two hundred fifty thousand dollars
98 annually and shall not be limited if community services, crime prevention,
99 education, job training, physical revitalization or economic development, as
100 defined by section 32.105, is rendered in an area defined by federal or state law
101 as an impoverished, economically distressed, or blighted area or as a
102 neighborhood experiencing problems endangering its existence as a viable and
103 stable neighborhood, or if the community services, crime prevention, education,
104 job training, physical revitalization or economic development is limited to
105 impoverished persons.

106 3. For proposals approved pursuant to section 32.111:

107 (1) **For all taxable years ending on or before December 31, 2011,**
108 the amount of the tax credit shall not exceed fifty-five percent of the total amount
109 invested in affordable housing assistance activities or market rate housing in
110 distressed communities as defined in section 135.530 by a [business firm]
111 **taxpayer. For all taxable years beginning on or after January 1, 2012,**
112 **the amount of the tax credit shall not exceed forty percent of the total**
113 **amount invested in affordable housing assistance activities or market**

114 **rate housing in distressed communities as defined in section 135.530 by**
115 **a taxpayer.** Whenever such investment is made in the form of an equity
116 investment or a loan, as opposed to a donation alone, tax credits may be claimed
117 only where the loan or equity investment is accompanied by a donation which is
118 eligible for federal income tax charitable deduction, and where the total value of
119 the tax credits herein plus the value of the federal income tax charitable
120 deduction is less than or equal to the value of the donation. Any tax credit not
121 used in the period for which the credit was approved may be carried over the next
122 ten succeeding calendar or fiscal years until the full credit has been allowed. If
123 the affordable housing units or market rate housing units in distressed
124 communities for which a tax is claimed are within a larger structure, parts of
125 which are not the subject of a tax credit claim, then expenditures applicable to
126 the entire structure shall be reduced on a prorated basis in proportion to the ratio
127 of the number of square feet devoted to the affordable housing units or market
128 rate housing units in distressed communities, for purposes of determining the
129 amount of the tax credit. The total amount of tax credit granted for programs
130 approved pursuant to section 32.111 for the fiscal year beginning July 1, 1991,
131 shall not exceed two million dollars, to be increased by no more than two million
132 dollars each succeeding fiscal year, until the total tax credits that may be
133 approved reaches ten million dollars in any fiscal year **but before June 30,**
134 **2011. For all fiscal years beginning on or after July 1, 2011, the total**
135 **amount of tax credits authorized for programs approved pursuant to**
136 **section 32.111 shall not exceed eight million five hundred thousand**
137 **dollars;**

138 (2) For any year during the compliance period indicated in the land use
139 restriction agreement, the owner of the affordable housing rental units for which
140 a credit is being claimed shall certify to the commission that all tenants renting
141 claimed units are income eligible for affordable housing units and that the rentals
142 for each claimed unit are in compliance with the provisions of sections 32.100 to
143 32.125. The commission is authorized, in its discretion, to audit the records and
144 accounts of the owner to verify such certification;

145 (3) In the case of owner-occupied affordable housing units, the qualifying
146 owner occupant shall, before the end of the first year in which credits are
147 claimed, certify to the commission that the occupant is income eligible during the
148 preceding two years, and at the time of the initial purchase contract, but not
149 thereafter. The qualifying owner occupant shall further certify to the commission,

150 before the end of the first year in which credits are claimed, that during the
151 compliance period indicated in the land use restriction agreement, the cost of the
152 affordable housing unit to the occupant for the claimed unit can reasonably be
153 projected to be in compliance with the provisions of sections 32.100 to
154 32.125. Any succeeding owner occupant acquiring the affordable housing unit
155 during the compliance period indicated in the land use restriction agreement
156 shall make the same certification;

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

170 4. For proposals approved pursuant to section 32.112, the amount of the
171 tax credit shall not exceed fifty-five percent of the total amount contributed to a
172 neighborhood organization by [business firms] **taxpayers**. Any tax credit not
173 used in the period for which the credit was approved may be carried over the next
174 ten succeeding calendar or fiscal years until the full credit has been allowed. The
175 total amount of tax credit granted for programs approved pursuant to section
176 32.112 shall not exceed one million dollars for each fiscal year **ending on or**
177 **before June 30, 2011. For all fiscal years beginning on or after July 1,**
178 **2011, the total amount of tax credits authorized for programs approved**
179 **pursuant to section 32.112 shall not exceed two million five hundred**
180 **thousand dollars.**

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

185 6. **Notwithstanding any provision of law to the contrary, no tax**

186 **credits provided under sections 32.100 to 32.125 shall be authorized on**
187 **or after August 28, 2015. The provisions of this subsection shall not be**
188 **construed to limit or in any way impair the department's ability to**
189 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
190 **ability to redeem such tax credits.**

32.117. 1. Any [business firm] **taxpayer** which engages in the activity
2 of providing a homeless assistance project for low-income persons in the state of
3 Missouri shall receive a tax credit as provided in section 32.115, if the division
4 of community development within the department of economic development
5 annually approves the proposal of the [business firm] **taxpayer**. The proposal
6 shall only be approved if the project is located in a city with a population of four
7 hundred thousand or more inhabitants which is located in more than one county
8 and which serves a mix of rural and urban counties.

9 2. For purposes of this section "low-income persons" shall mean families
10 or persons with incomes of fifty percent or less of median income adjusted for
11 family size as allowed by the Department of Housing and Urban Development
12 (HUD) under section 8.

13 3. The purpose of a homeless assistance project shall be to serve
14 low-income families or persons who are experiencing economic crisis caused by
15 one or more of the following:

- 16 (1) Loss of employment;
- 17 (2) Medical disability or emergency;
- 18 (3) Loss or delay of some form of public assistance benefits;
- 19 (4) Natural disaster;
- 20 (5) Substantial change in household composition;
- 21 (6) Victimization by criminal activity;
- 22 (7) Illegal action by a landlord;
- 23 (8) Displacement by government or private action; or
- 24 (9) Some other condition which constitutes a hardship.

25 4. The amount of the tax credit shall not exceed fifty-five percent of the
26 value of the proposal benefits, which shall include one or more of the following
27 types of benefits to low-income persons in order to be eligible:

- 28 (1) Payment of rent or mortgage for not more than three months during
29 any twelve-month period;
- 30 (2) Payment to a landlord of a rent deposit or a security deposit for not
31 more than two months during any twelve-month period;

32 (3) Case management services which shall include support services such
33 as child care, education resource assistance, job resource assistance, counseling,
34 and resource and referral;

35 (4) Outreach services to low-income persons to prevent homelessness;

36 (5) Transitional housing facilities with support services.

37 5. The homeless assistance program shall give priority to the following
38 types of low-income families or individuals:

39 (1) Families with minor children who are in imminent danger of removal
40 from the family because of a lack of suitable housing accommodation;

41 (2) Single parent household;

42 (3) Other households with children;

43 (4) Households with a disabled household member or a household member
44 who is at least sixty-five years of age;

45 (5) All other households.

46 6. The organization implementing a homeless assistance program
47 pursuant to this section shall make annual reports identifying the goal of the
48 program, the number of recipients served, the type of services rendered, and
49 moneys expended to provide the program. The program report shall be submitted
50 to the governor, speaker of the house of representatives and the president pro tem
51 of the senate. These reports shall also be available to the general public upon
52 request.

53 7. For each of the fiscal years beginning on July 1, 1991, and July 1, 1992,
54 one million dollars in tax credits may be allowed to be used for the homeless
55 assistance pilot project, pursuant to this section.

32.120. The decision of the director of the department of economic
2 development to approve or disapprove a proposal pursuant to section 32.110 shall
3 be in writing, and if he approves the proposal, he shall state the maximum credit
4 allowable to the [business firm] **taxpayer**. A copy of the decision of the director
5 of the department of economic development shall be transmitted to the director
6 of revenue and to the governor.

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;

- 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;
- 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.

114 3. Any applicant shall be entitled to a tax credit against the taxes

115 imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265,
116 in an amount equal to fifty percent of the acquisition costs, and one hundred
117 percent of the interest costs incurred for a period of five years after the
118 acquisition of an eligible parcel. No tax credits shall be issued under this section
119 until after January 1, 2008. **No new applicant shall be approved after**
120 **August 28, 2011.**

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

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

141 6. To claim tax credits authorized under this section, an applicant shall
142 submit to the department an application for a certificate. An applicant shall
143 identify the boundaries of the eligible project area in the application. The
144 department shall verify that the applicant has submitted a valid application in
145 the form and format required by the department. The department shall verify
146 that the municipal authority held the requisite hearings and gave the requisite
147 notices for such hearings in accordance with the applicable economic incentive
148 act, and municipal ordinances. On an annual basis, an applicant may file for the
149 tax credit for the acquisition costs, and for the tax credit for the interest costs,
150 subject to the limitations of this section. If an applicant applying for the tax

151 credit meets the criteria required under this section, the department shall issue
152 a certificate in the appropriate amount. If an applicant receives a tax credit for
153 maintenance costs as a part of the applicant's acquisition costs, the department
154 shall post on its Internet website the amount and type of maintenance costs and
155 a description of the redevelopment project for which the applicant received a tax
156 credit within thirty days after the department issues the certificate to the
157 applicant.

158 7. The total aggregate amount of tax credits authorized under this section
159 shall not exceed ninety-five million dollars. At no time shall the annual amount
160 of the tax credits issued under this section exceed twenty million dollars. If the
161 tax credits that are to be issued under this section exceed, in any year, the twenty
162 million dollar limitation, the department shall either:

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

166 (2) Issue the tax credits on a pro rata basis to all applicants entitled to
167 receive tax credits in that year. Any amount of tax credits, which an applicant
168 is, or applicants are, entitled to receive on an annual basis and are not issued due
169 to the twenty million dollar limitation, shall be carried forward for the benefit of
170 the applicant or applicants to subsequent years. No tax credits provided under
171 this section shall be authorized after August 28, 2013. Any tax credits which
172 have been authorized on or before August 28, 2013, but not issued, may be issued,
173 subject to the limitations provided under this subsection, until all such
174 authorized tax credits have been issued.

175 8. Upon issuance of any tax credits pursuant to this section, the
176 department shall report to the municipal authority the applicant's name and
177 address, the parcel numbers of the eligible parcels for which the tax credits were
178 issued, the itemized acquisition costs and interest costs for which tax credits were
179 issued, and the total value of the tax credits issued. The municipal authority and
180 the state shall not consider the amount of the tax credits as an applicant's cost,
181 but shall include the tax credits in any sources and uses and cost benefit analysis
182 reviewed or created for the purpose of awarding other economic incentives. The
183 amount of the tax credits shall not be considered an applicant's cost in the
184 evaluation of the amount of any award of any other economic incentives, but shall
185 be considered in measuring the reasonableness of the rate of return to the
186 applicant with respect to such award of other economic incentives. The municipal

187 authority shall provide the report to any relevant commission, board, or entity
188 responsible for the evaluation and recommendation or approval of other economic
189 incentives to assist in the redevelopment of the eligible project area. Tax credits
190 authorized under this section shall constitute redevelopment tax credits, as such
191 term is defined under section 135.800, and shall be subject to all provisions
192 applicable to redevelopment tax credits provided under sections 135.800 to
193 135.830.

194 9. The department may promulgate rules to implement the provisions of
195 this section. Any rule or portion of a rule, as that term is defined in section
196 536.010, that is created under the authority delegated in this section shall
197 become effective only if it complies with and is subject to all of the provisions of
198 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
199 nonseverable and if any of the powers vested with the general assembly pursuant
200 to chapter 536 to review, to delay the effective date, or to disapprove and annul
201 a rule are subsequently held unconstitutional, then the grant of rulemaking
202 authority and any rule proposed or adopted after August 28, 2007, shall be
203 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. **For any taxable year ending on or before December 31, 2011,**
45 any taxpayer, including any charitable organization that is exempt from federal
46 income tax and whose Missouri unrelated business taxable income, if any, would
47 be subject to the state income tax imposed under chapter 143, may, subject to the
48 limitations provided under subsection 8 of this section, receive a tax credit
49 against any tax otherwise due under the provisions of chapter 143, excluding
50 withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter
51 148, in the amount of fifty percent of any amount contributed in money or
52 property by the taxpayer to the development and reserve fund, the infrastructure
53 development fund or the export finance fund during the taxpayer's tax year,
54 provided, however, the total tax credits awarded in any calendar year beginning
55 after January 1, 1994, shall not be the greater of ten million dollars or five

56 percent of the average growth in general revenue receipts in the preceding three
57 fiscal years. **For taxable years beginning on or after January 1, 2012, any**
58 **taxpayer, including any charitable organization that is exempt from**
59 **federal income tax and whose Missouri unrelated business taxable**
60 **income, if any, would be subject to the state income tax imposed under**
61 **chapter 143, may, subject to the limitations provided under subsection**
62 **8 of this section, receive a tax credit against any tax otherwise due**
63 **under the provisions of chapter 143, excluding withholding tax imposed**
64 **by sections 143.191 to 143.261, chapter 147, or chapter 148, in the**
65 **amount of thirty-five percent of any amount contributed in money or**
66 **property by the taxpayer to the development and reserve fund, the**
67 **infrastructure development fund or the export finance fund during the**
68 **taxpayer's tax year, provided, however, the total tax credits awarded**
69 **in any calendar year shall not be the greater of ten million dollars or**
70 **five percent of the average growth in general revenue receipts in the**
71 **preceding three fiscal years.** This limit may be exceeded only upon joint
72 agreement by the commissioner of administration, the director of the department
73 of economic development, and the director of the department of revenue that such
74 action is essential to ensure retention or attraction of investment in Missouri. If
75 the board receives, as a contribution, real property, the contributor at such
76 contributor's own expense shall have two independent appraisals conducted by
77 appraisers certified by the Master Appraisal Institute. Both appraisals shall be
78 submitted to the board, and the tax credit certified by the board to the
79 contributor shall be based upon the value of the lower of the two appraisals.

80 The board shall not certify the tax credit until the property is deeded to the
81 board. Such credit shall not apply to reserve participation fees paid by borrowers
82 under sections 100.250 to 100.297. The portion of earned tax credits which
83 exceeds the taxpayer's tax liability may be carried forward for up to five years.

84 7. Notwithstanding any provision of law to the contrary, any taxpayer
85 may sell, assign, exchange, convey or otherwise transfer tax credits allowed in
86 subsection 6 of this section under the terms and conditions prescribed in
87 subdivisions (1) and (2) of this subsection. Such taxpayer, hereinafter the
88 assignor for the purpose of this subsection, may sell, assign, exchange or
89 otherwise transfer earned tax credits:

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

92 (2) In an amount not to exceed one hundred percent of annual earned
93 credits. The taxpayer acquiring earned credits, hereinafter the assignee for the
94 purpose of this subsection, may use the acquired credits to offset up to one
95 hundred percent of the tax liabilities otherwise imposed by chapter 143, excluding
96 withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter
97 148. Unused credits in the hands of the assignee may be carried forward for up
98 to five years, provided all such credits shall be claimed within ten years following
99 the tax years in which the contribution was made. The assignor shall enter into
100 a written agreement with the assignee establishing the terms and conditions of
101 the agreement and shall perfect such transfer by notifying the board in writing
102 within thirty calendar days following the effective day of the transfer and shall
103 provide any information as may be required by the board to administer and carry
104 out the provisions of this section. Notwithstanding any other provision of law to
105 the contrary, the amount received by the assignor of such tax credit shall be
106 taxable as income of the assignor, and the excess of the par value of such credit
107 over the amount paid by the assignee for such credit shall be taxable as income
108 of the assignee.

109 8. Provisions of subsections 1 to 7 of this section to the contrary
110 notwithstanding, no more than ten million dollars in tax credits provided under
111 this section, may be authorized or approved annually. The limitation on tax
112 credit authorization and approval provided under this subsection may be exceeded
113 only upon mutual agreement, evidenced by a signed and properly notarized letter,
114 by the commissioner of the office of administration, the director of the department
115 of economic development, and the director of the department of revenue that such
116 action is essential to ensure retention or attraction of investment in Missouri
117 provided, however, that in no case shall more than twenty-five million dollars in
118 tax credits be authorized or approved during such year. Taxpayers shall file,
119 with the board, an application for tax credits authorized under this section on a
120 form provided by the board. The provisions of this subsection shall not be
121 construed to limit or in any way impair the ability of the board to authorize tax
122 credits for issuance for projects authorized or approved, by a vote of the board,
123 on or before the thirtieth day following the effective date of this act, or a
124 taxpayer's ability to redeem such tax credits.

125 **9. Notwithstanding any provision of law to the contrary, no tax**
126 **credits provided under this section shall be authorized on or after**
127 **August 28, 2014. The provisions of this subsection shall not be**

128 **construed to limit or in any way impair the department's ability to**
129 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's**
130 **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, excluding withholding tax imposed by sections
17 143.191 to 143.261, chapter 147, or chapter 148, in the amount of one hundred
18 percent of the unpaid principal of and unpaid interest on such bonds or notes
19 held by such owner in the taxable year of such owner following the calendar year
20 of the default of the loan by the borrower with respect to the project. The
21 occurrence of a default shall be governed by documents authorizing the issuance
22 of the bonds. The tax credit allowed pursuant to this section shall be available
23 to the original owners of the bonds or notes or any subsequent owner or owners
24 thereof. Once an owner is entitled to a claim, any such tax credits shall be
25 transferable as provided in subsection 7 of section 100.286. Notwithstanding any
26 provision of Missouri law to the contrary, any portion of the tax credit to which
27 any owner of a revenue bond or note is entitled pursuant to this section which
28 exceeds the total income tax liability of such owner of a revenue bond or note
29 shall be carried forward and allowed as a credit against any future taxes imposed
30 on such owner within the next ten years pursuant to the provisions of chapter
31 143, excluding withholding tax imposed by sections 143.191 to 143.261, chapter
32 147, or chapter 148. The eligibility of the owner of any revenue bond or note
33 issued pursuant to the provisions of sections 100.250 to 100.297 for the tax credit

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

48 **4. Notwithstanding any provision of law to the contrary, no tax**
49 **credits provided under this section shall be authorized on or after**
50 **August 28, 2014. The provisions of this subsection shall not be**
51 **construed to limit or in any way impair the department's ability to**
52 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's**
53 **ability to redeem such tax credits.**

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

3 (1) "Claimant", a person or persons claiming a credit under sections
4 135.010 to 135.030. If the persons are eligible to file a joint federal income tax
5 return and reside at the same address at any time during the taxable year, then
6 the credit may only be allowed if claimed on a combined Missouri income tax
7 return or a combined claim return reporting their combined incomes and property
8 taxes. A claimant shall not be allowed a property tax credit unless the claimant
9 or spouse has attained the age of sixty-five on or before the last day of the
10 calendar year and the claimant or spouse was a resident of Missouri for the entire
11 year, or the claimant or spouse is a veteran of any branch of the armed forces of
12 the United States or this state who became one hundred percent disabled as a
13 result of such service, or the claimant or spouse is disabled as defined in
14 subdivision (2) of this section, and such claimant or spouse provides proof of such
15 disability in such form and manner, and at such times, as the director of revenue
16 may require, or if the claimant has reached the age of sixty on or before the last

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

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

38 (3) ["Gross rent", amount paid by a claimant to a landlord for the rental,
39 at arm's length, of a homestead during the calendar year, exclusive of charges for
40 health and personal care services and food furnished as part of the rental
41 agreement, whether or not expressly set out in the rental agreement. If the
42 director of revenue determines that the landlord and tenant have not dealt at
43 arm's length, and that the gross rent is excessive, then he shall determine the
44 gross rent based upon a reasonable amount of rent. Gross rent shall be deemed
45 to be paid only if actually paid prior to the date a return is filed. The director of
46 revenue may prescribe regulations requiring a return of information by a landlord
47 receiving rent, certifying for a calendar year the amount of gross rent received
48 from a tenant claiming a property tax credit and shall, by regulation, provide a
49 method for certification by the claimant of the amount of gross rent paid for any
50 calendar year for which a claim is made. The regulations authorized by this
51 subdivision may require a landlord or a tenant or both to provide data relating
52 to health and personal care services and to food. Neither a landlord nor a tenant

53 may be required to provide data relating to utilities, furniture, home furnishings
54 or appliances;

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

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

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

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

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

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

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

82 [(6)] (5) "Property taxes accrued", property taxes paid, exclusive of
83 special assessments, penalties, interest, and charges for service levied on a
84 claimant's homestead in any calendar year. Property taxes shall qualify for the
85 credit only if actually paid prior to the date a return is filed. The director of
86 revenue shall require a tax receipt or other proof of property tax payment. If a
87 homestead is owned only partially by claimant, then "property taxes accrued" is
88 that part of property taxes levied on the homestead which was actually paid by

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

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

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

135.030. 1. As used in this section:

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

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

12 minimum base shall be the sum of fourteen thousand three hundred dollars.

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

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

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

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

40 **4. Notwithstanding any provision of law to the contrary, no tax**
41 **credits provided under sections 135.010 to 135.030 shall be authorized**
42 **on or after August 28, 2015. The provisions of this subsection shall not**
43 **be construed to limit or in any way impair the department's ability to**
44 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
45 **ability to redeem such tax credits.**

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

2 (1) "Homestead", the dwelling in Missouri owned by the surviving spouse

3 and not exceeding five acres of land surrounding it as is reasonably necessary for
4 use of the dwelling as a home. As used in this section, "homestead" shall not
5 include any dwelling which is occupied by more than two families;

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

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

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

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

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

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

37 (1) The provisions of the new program authorized under this section shall
38 automatically sunset six years after August 28, 2007, unless reauthorized by an

39 act of the general assembly; and

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

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

135.326. As used in sections 135.325 to 135.339, the following terms shall
2 mean:

3 (1) "Business entity", person, firm, a partner in a firm, corporation or a
4 shareholder in an S corporation doing business in the state of Missouri and
5 subject to the state income tax imposed by the provisions of chapter 143, or a
6 corporation subject to the annual corporation franchise tax imposed by the
7 provisions of chapter 147, or an insurance company paying an annual tax on its
8 gross premium receipts in this state, or other financial institution paying taxes
9 to the state of Missouri or any political subdivision of this state under the
10 provisions of chapter 148, or an express company which pays an annual tax on
11 its gross receipts in this state pursuant to chapter 153;

12 (2) "Handicap", a mental, physical, or emotional impairment that
13 substantially limits one or more major life activities, whether the impairment is
14 congenital or acquired by accident, injury or disease, and where the impairment
15 is verified by medical findings;

16 (3) "Nonrecurring adoption expenses", reasonable and necessary adoption
17 fees, court costs, attorney fees, and other expenses which are directly related to
18 the legal adoption of a special needs child and which are not incurred in violation
19 of federal, state, or local law. **Nonrecurring adoption expenses shall not**
20 **include expenses incurred as a result of an international adoption;**

21 (4) "Special needs child", a child for whom it has been determined by the
22 division of family services, or by a child-placing agency licensed by the state, or
23 by a court of competent jurisdiction to be a child:

24 (a) That cannot or should not be returned to the home of his or her
25 parents; and

26 (b) Who has a specific factor or condition such as ethnic background, age,
27 membership in a minority or sibling group, medical condition, or handicap

28 because of which it is reasonable to conclude that such child cannot be easily
29 placed with adoptive parents;

30 (5) "State tax liability", any liability incurred by a taxpayer under the
31 provisions of chapter 143, chapter 147, chapter 148, and chapter 153, exclusive
32 of the provisions relating to the withholding of tax as provided for in sections
33 143.191 to 143.265 and related provisions.

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

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

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

9 (3) "Contribution", 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 other than taxes
21 withheld under sections 143.191 to 143.265;

22 (9) "Taxpayer", **an individual, a firm, a partner in a firm, sole**
23 **proprietorship, partner in a limited or general partnership, member of**
24 **a limited liability company, corporation as defined under sections**
25 **143.441 or 143.471, a shareholder in an S corporation doing business in**
26 **this state and subject to the state income tax imposed by chapter 143,**
27 **excluding withholding tax imposed by sections 143.191 to 143.265, or a**
28 **charitable organization, trust, or public or private foundation which is**
29 **exempt from federal income tax and whose Missouri unrelated business**
30 **taxable income, if any, would be subject to state income tax imposed**

31 under chapter 143.

32 2. Any person residing in this state who legally adopts a special needs
33 child on or after January 1, 1988, and before 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 adopted that may be applied to taxes due under chapter
36 143. Any business entity providing funds to an employee to enable that employee
37 to legally adopt a special needs child shall be eligible to receive a tax credit of up
38 to ten thousand dollars for nonrecurring adoption expenses for each child adopted
39 that may be applied to taxes due under such business entity's state tax liability,
40 except that only one ten thousand dollar credit is available for each special needs
41 child that is adopted.

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

55 4. Individuals and business entities may claim a tax credit for their total
56 nonrecurring adoption expenses in each year that the expenses are incurred. A
57 claim for fifty percent of the credit shall be allowed when the child is placed in
58 the home. A claim for the remaining fifty percent shall be allowed when the
59 adoption is final. The total of these tax credits shall not exceed the maximum
60 limit of ten thousand dollars per child. The cumulative amount of tax credits
61 which may be claimed by taxpayers claiming the credit for nonrecurring adoption
62 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million
63 dollars. The cumulative amount of tax credits that may be claimed by taxpayers
64 claiming the credit for nonrecurring adoption expenses shall not be more than
65 four million dollars but may be increased by appropriation in any fiscal year
66 beginning on or after July 1, 2004; provided, however, that by December

67 thirty-first following each July, if less than two million dollars in credits have
68 been issued for adoption of special needs children who are not residents or wards
69 of residents of this state at the time the adoption is initiated, the remaining
70 amount of the cap shall be available for the adoption of special needs children
71 who are residents or wards of residents of this state at the time the adoption is
72 initiated. For all fiscal years beginning on or after July 1, 2006, applications to
73 claim the adoption tax credit for special needs children who are residents or
74 wards of residents of this state at the time the adoption is initiated shall be filed
75 between July first and April fifteenth of each fiscal year. For all fiscal years
76 beginning on or after July 1, 2006, applications to claim the adoption tax credit
77 for special needs children who are not residents or wards of residents of this state
78 at the time the adoption is initiated shall be filed between July first and
79 December thirty-first of each fiscal year.

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

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

92 7. For all tax years beginning on or after January 1, 2006, **but ending**
93 **on or before December 31, 2011**, a tax credit may be claimed in an amount
94 equal to up to fifty percent of a verified contribution to a qualified agency and
95 shall be named the children in crisis tax credit. **For all tax years beginning**
96 **on or after January 1, 2012, a tax credit may be claimed in an amount**
97 **equal to up to thirty-five percent of a verified contribution to a**
98 **qualified agency and shall be named the children in crisis tax**
99 **credit.** The minimum amount of any tax credit issued shall not be less than fifty
100 dollars and shall be applied to taxes due under chapter 143, excluding sections
101 143.191 to 143.265. A contribution verification shall be issued to the taxpayer by
102 the agency receiving the contribution. Such contribution verification shall include

103 the taxpayer's name, Social Security number, amount of tax credit, amount of
104 contribution, the name and address of the agency receiving the credit, and the
105 date the contribution was made. The tax credit provided under this subsection
106 shall be initially filed for the year in which the 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.

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, 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 and, if applicable, section
155 536.028. This section and chapter 536 are nonseverable and if any of the powers
156 vested with the general assembly pursuant to chapter 536 to review, to delay the
157 effective date, or to disapprove and annul a rule are subsequently held
158 unconstitutional, then the grant of rulemaking authority and any rule proposed
159 or adopted after August 28, 2006, shall be invalid and void.

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

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

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

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

135.352. 1. A taxpayer owning an interest in a qualified Missouri project
2 shall, subject to the limitations provided under the provisions of [subsection 3]
3 **subsections 2, 3, and 7** of this section, be allowed a state tax credit, whether

4 or not allowed a federal tax credit, to be termed the Missouri low-income housing
5 tax credit, if the commission issues an eligibility statement for that project.

6 2. For qualified Missouri projects **authorized on or before June 30,**
7 **2011, and** placed in service after January 1, 1997, the Missouri low-income
8 housing tax credit available to a project shall be such amount as the commission
9 shall determine is necessary to ensure the feasibility of the project, up to an
10 amount equal to the federal low-income housing tax credit for a qualified Missouri
11 project, for a federal tax period, and such amount shall be subtracted from the
12 amount of state tax otherwise due for the same tax period. **For qualified**
13 **Missouri projects authorized on or after July 1, 2011, the Missouri**
14 **low-income housing tax credits available to a project shall be such**
15 **amount as the commission shall determine is necessary to ensure the**
16 **feasibility of the project, for a five-year tax period, and such amount**
17 **shall be subtracted from the amount of state tax otherwise due for the**
18 **same tax period. No more than eighty million dollars in tax credits**
19 **provided under sections 135.350 to 135.363 shall be authorized in any**
20 **fiscal year beginning on or after July 1, 2011.**

21 3. For qualified Missouri projects authorized on or after July 1,
22 2011, the Missouri low-income housing tax credits approved by the
23 commission under the eligibility statement issued pursuant to
24 subsection 1 of this section shall be claimed subject to the following
25 requirements and restrictions:

26 (1) The full amount of the annual tax credits issued on the
27 eligibility statement may be claimed in the calendar year in which the
28 first low-income unit in the property is occupied by a qualified tenant;

29 (2) The owner of the qualified Missouri project shall, within
30 thirty calendar days of the end of the calendar year in which the first
31 low-income unit is occupied by a qualified tenant, submit to the
32 commission a notification indicating:

33 (a) The number of low-income units in the project, or in each
34 building or a multi-building project, that were occupied by qualified
35 tenants as of the end of the calendar year in which the first low-income
36 unit was occupied by a qualified tenant; and

37 (b) The amount of tax credits that will be claimed for the project
38 for that tax year;

39 (3) If the Missouri qualified project has satisfied the
40 requirements necessary to claim the full amount of tax credits issued

41 on the eligibility statement, but has not yet rented all of the low-income
42 units to qualified tenants on or before the end of the calendar year in
43 which the first low-income unit was occupied by a qualified tenant, the
44 owner of the project shall submit a second notification to the
45 commission when all of the low-income units have been occupied by
46 qualified tenants. If some of the low-income units are not occupied by
47 qualified tenants by the end of the second calendar year after the year
48 in which the first low-income unit was occupied by a qualified tenant,
49 the amount of tax credits associated with those units which are not
50 occupied by qualified tenants shall be reduced from the tax credits
51 approved for that year and all future credit years until all of the low-
52 income units have been rented to qualified tenants.

53 4. To the extent the amount of tax credits allocated to a qualified
54 Missouri project are reduced pursuant to subsection 3 of this section,
55 the taxpayer claiming the tax credits with respect to such project shall
56 be required to recapture the same amount of tax credits from the initial
57 tax year in which the tax credits were claimed.

58 5. No more than six million dollars in tax credits shall be authorized each
59 fiscal year for projects financed through tax-exempt bond issuance. No tax
60 credits shall be authorized after June 30, 2011, for projects financed
61 through tax-exempt bond issuance.

62 [4.] 6. The Missouri low-income housing tax credit shall be taken against
63 the taxes and in the order specified pursuant to section 32.115. The credit
64 authorized by this section shall not be refundable. Any amount of credit that
65 exceeds the tax due for a taxpayer's taxable year may be carried back to any of
66 the taxpayer's three prior taxable years or carried forward to any of the
67 taxpayer's five subsequent taxable years. For projects authorized on or after
68 July 1, 2011, any amount of credit that exceeds the tax due for a
69 taxpayer's taxable year may be carried back to any of the taxpayer's
70 two previous taxable years or carried forward to any of the taxpayer's
71 five subsequent taxable years.

72 [5.] 7. All or any portion of Missouri tax credits issued in accordance with
73 the provisions of sections 135.350 to 135.362 may be allocated to parties who are
74 eligible pursuant to the provisions of subsection 1 of this section. Beginning
75 January 1, 1995, for qualified projects which began on or after January 1, 1994,
76 an owner of a qualified Missouri project shall certify to the director the amount

77 of credit allocated to each taxpayer. The owner of the project shall provide to the
78 director appropriate information so that the low-income housing tax credit can be
79 properly allocated.

80 **[6.] 8. In the event that recapture of Missouri low-income housing tax**
81 **credits is required pursuant to subsection 2 of section 135.355, any statement**
82 **submitted to the director as provided in this section shall include the proportion**
83 **of the state credit required to be recaptured, the identity of each taxpayer subject**
84 **to the recapture and the amount of credit previously allocated to such taxpayer.**

85 **[7.] 9. A taxpayer that receives tax credits under the provisions**
86 **of sections 253.545 to 253.559 shall be ineligible to receive tax credits**
87 **under the provisions of sections 135.350 to 135.363 for the same project.**

88 **10. The director of the department may promulgate rules and regulations**
89 **necessary to administer the provisions of this section. No rule or portion of a rule**
90 **promulgated pursuant to the authority of this section shall become effective**
91 **unless it has been promulgated pursuant to the provisions of section 536.024.**

92 **11. Notwithstanding provisions of subsection 9 of this section to**
93 **the contrary, the commission shall have sole authority to promulgate**
94 **rules and regulations necessary to administer the provisions of**
95 **subsection 3 of this section. No rule or portion of a rule promulgated**
96 **pursuant to the authority of this section shall become effective unless**
97 **it has been promulgated pursuant to the provisions of section 536.024.**

98 **12. Notwithstanding any provision of law to the contrary, no tax**
99 **credits provided under this section shall be authorized on or after**
100 **August 28, 2015. The provisions of this subsection shall not be**
101 **construed to limit or in any way impair the department's ability to**
102 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
103 **ability to redeem such tax credits.**

135.460. 1. This section and sections 620.1100 and 620.1103 shall be
2 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 an
5 individual, a firm, a partner in a firm, sole proprietorship, partner in
6 a limited or general partnership, member of a limited liability
7 company, corporations as defined in section 143.441 or 143.471, a shareholder
8 in an S corporation doing business in this state and subject to the state
9 income tax imposed by chapter 143, excluding withholding tax imposed

10 **by sections 143.191 to 143.265**, any charitable organization which is exempt
11 from federal income tax and whose Missouri unrelated business taxable income,
12 if any, would be subject to the state income tax imposed under chapter 143[, and
13 individuals, individual proprietorships and partnerships].

14 **3. For all taxable years ending on or before December 31, 2011,**
15 a taxpayer shall be allowed a tax credit against the tax otherwise due pursuant
16 to chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265,
17 chapter 147, chapter 148, or chapter 153 in an amount equal to thirty percent for
18 property contributions and fifty percent for monetary contributions of the amount
19 such taxpayer contributed to the programs described in subsection 5 of this
20 section, not to exceed two hundred thousand dollars per taxable year, per
21 taxpayer; except as otherwise provided in subdivision (5) of subsection 5 of this
22 section. **For all taxable years beginning on or after January 1, 2012, a**
23 **taxpayer shall be allowed a tax credit against the tax otherwise due**
24 **pursuant to chapter 143, excluding withholding tax imposed by sections**
25 **143.191 to 143.265, chapter 147, chapter 148, or chapter 153 in an**
26 **amount equal to thirty percent for property contributions and thirty-**
27 **five percent for monetary contributions of the amount such taxpayer**
28 **contributed to the programs described in subsection 5 of this section,**
29 **not to exceed two hundred thousand dollars per taxable year, per**
30 **taxpayer; except as otherwise provided in subdivision (5) of subsection**
31 **5 of this section.** The department of economic development shall prescribe the
32 method for claiming the tax credits allowed in this section. No rule or portion of
33 a rule promulgated under the authority of this section shall become effective
34 unless it has been promulgated pursuant to the provisions of chapter 536. All
35 rulemaking authority delegated prior to June 27, 1997, is of no force and effect
36 and repealed; however, nothing in this section shall be interpreted to repeal or
37 affect the validity of any rule filed or adopted prior to June 27, 1997, if such rule
38 complied with the provisions of chapter 536. The provisions of this section and
39 chapter 536 are nonseverable and if any of the powers vested with the general
40 assembly pursuant to chapter 536, including the ability to review, to delay the
41 effective date, or to disapprove and annul a rule or portion of a rule, are
42 subsequently held unconstitutional, then the purported grant of rulemaking
43 authority and any rule so proposed and contained in the order of rulemaking
44 shall be invalid and void.

45 **4. The tax credits allowed by this section shall be claimed by the taxpayer**

46 to offset the taxes that become due in the taxpayer's tax period in which the
47 contribution was made. Any tax credit not used in such tax period may be carried
48 over the next five succeeding tax periods. **Tax credits provided under this**
49 **section may be transferred, sold, or assigned. Any tax credit issued**
50 **pursuant to this section that is subsequently transferred, sold, or**
51 **assigned shall be reduced by ten percent of the amount of the tax credit**
52 **as originally issued.**

53 5. The tax credit allowed by this section may only be claimed for monetary
54 or property contributions to public or private programs authorized to participate
55 pursuant to this section by the department of economic development and may be
56 claimed for the development, establishment, implementation, operation, and
57 expansion of the following activities and programs:

58 (1) An adopt-a-school program. Components of the adopt-a-school
59 program shall include donations for school activities, seminars, and functions;
60 school-business employment programs; and the donation of property and
61 equipment of the corporation to the school;

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

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

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

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

73 (6) Mentor and role model programs;

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

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

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

81 (10) Nonviolent conflict resolution and mediation programs;

82 (11) Youth outreach and counseling programs.

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

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

92 8. The tax credit allowed by this section shall apply to all taxable years
93 beginning after December 31, 1995.

94 9. For the purposes of the credits described in this section, in the case of
95 a corporation described in section 143.471, partnership, limited liability company
96 described in section 347.015, cooperative, marketing enterprise, or partnership,
97 in computing Missouri's tax liability, such credits shall be allowed to the
98 following:

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

100 (2) The partners of the partnership;

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

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

106 **10. Notwithstanding any provision of law to the contrary, no tax**
107 **credits provided under this section shall be authorized on or after**
108 **August 28, 2015. The provisions of this subsection shall not be**
109 **construed to limit or in any way impair the department's ability to**
110 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
111 **ability to redeem such tax credits.**

135.481. 1. (1) Any taxpayer who incurs eligible costs for a new residence
2 located in a distressed community or within a census block group as described in
3 subdivision (10) of section 135.478, or for a multiple unit condominium described
4 in subdivision (2) of this subsection, [shall] **may, upon final approval**, receive
5 a tax credit equal to fifteen percent of such costs [against his or her tax
6 liability]. The tax credit shall not exceed forty thousand dollars per new

7 residence in any ten-year period.

8 (2) For the purposes of this section, a "multiple unit condominium" is one
9 that is intended to be owner occupied, which is constructed on property subject
10 to an industrial development contract as defined in section 100.310 and which lies
11 within an area with a city zoning classification of urban redevelopment district
12 established after January 1, 2000, and before December 31, 2001, and which is
13 constructed in connection with the qualified rehabilitation of a structure more
14 than ninety years old eligible for the historic structures rehabilitation tax credit
15 described in sections 253.545 to 253.559, and is under way by January 1, 2000,
16 and completed by January 1, 2002.

17 2. Any taxpayer who incurs eligible costs for a new residence located
18 within a census block as described in subdivision (6) of section 135.478 [shall]
19 **may, upon final approval**, receive a tax credit equal to fifteen percent of such
20 costs [against his or her tax liability]. The tax credit shall not exceed twenty-five
21 thousand dollars per new residence in any ten-year period.

22 3. Any taxpayer who is not performing substantial rehabilitation and who
23 incurs eligible costs for rehabilitation of an eligible residence or a qualifying
24 residence [shall] **may, upon final approval**, receive a tax credit equal to
25 twenty-five percent of such costs [against his or her tax liability]. The minimum
26 eligible costs for rehabilitation of an eligible residence shall be ten thousand
27 dollars. The minimum eligible costs for rehabilitation of a qualifying residence
28 shall be five thousand dollars. The tax credit shall not exceed twenty-five
29 thousand dollars in any ten-year period.

30 4. Any taxpayer who incurs eligible costs for substantial rehabilitation of
31 a qualifying residence [shall] **may, upon final approval**, receive a tax credit
32 equal to thirty-five percent of such costs [against his or her tax liability]. The
33 minimum eligible costs for substantial rehabilitation of a qualifying residence
34 shall be ten thousand dollars. The tax credit shall not exceed seventy thousand
35 dollars in any ten-year period.

36 5. A taxpayer [shall] **may** be eligible to receive tax credits for new
37 construction or rehabilitation pursuant to only one subsection of this section.

38 6. No tax credit shall be issued pursuant to this section for any structure
39 which is in violation of any municipal or county property, maintenance or zoning
40 code.

41 7. No tax credit shall be issued pursuant to sections 135.475 to 135.487
42 for the construction or rehabilitation of rental property.

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.

9 **2. Beginning January 1, 2012, tax credits shall be allowed**
10 **pursuant to section 135.481 in an amount not to exceed ten million**
11 **dollars per year and shall be available for projects described under**
12 **subdivisions (6) and (10) of section 135.478 based upon demand. The**
13 **maximum tax credit for a project consisting of multiple-unit qualifying**
14 **residences in a distress community shall not exceed three million**
15 **dollars.**

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

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

35 **5. Notwithstanding any provision of law to the contrary, no tax**
36 **credits provided under sections 135.475 to 135.487 shall be authorized**

37 **on or after August 28, 2014. The provisions of this subsection shall not**
38 **be construed to limit or in any way impair the department's ability to**
39 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's**
40 **ability to redeem such tax credits.**

135.487. 1. To obtain any credit allowed pursuant to sections 135.475 to
2 135.487, a taxpayer shall submit to the department, for preliminary approval, an
3 application for tax credit. **A neighborhood association may submit an**
4 **application on behalf of its homeowner members. The director shall**
5 **review each application and may grant preliminary approval to those**
6 **applications proposing projects that can be reasonably anticipated to**
7 **provide the greatest impact on the neighborhood in which the project**
8 **is located.** The director shall, upon final approval of an application and
9 presentation of acceptable proof of substantial completion of construction, issue
10 [the] a taxpayer **with preliminary approval for** a certificate of tax
11 credit. [The director shall issue all credits allowed pursuant to sections 135.475
12 to 135.487 in the order the applications are received.] In the case of a taxpayer
13 other than an owner-occupant, the director shall not delay the issuance of a tax
14 credit pursuant to sections 135.475 to 135.487 until the sale of a residence at
15 market rate for owner-occupancy. A taxpayer[, taxpayer] other than an
16 owner-occupant who receives a certificate of tax credit pursuant to sections
17 135.475 to 135.487 shall, within thirty days of the date of the sale of a residence,
18 furnish to the director satisfactory proof that such residence was sold at market
19 rate for owner-occupancy. **Any taxpayer who receives a certificate of tax**
20 **credit pursuant to sections 135.475 to 135.487 and who is an owner-**
21 **occupant of a residence that is sold within five years of the date of**
22 **substantial completion of construction shall repay the face amount of**
23 **the tax credits received with respect to the residence, divided by the**
24 **amount of time that the taxpayer occupied the residence following**
25 **substantial completion of construction.** If the director reasonably
26 determines that a residence was not in good faith intended for long-term owner
27 occupancy, the director make revoke any tax credits issued and seek recovery of
28 any tax credits issued pursuant to section 620.017.

29 2. The department may cooperate with a municipality or a county in
30 which a project is located to help identify the location of the project, the type and
31 eligibility of the project, the estimated cost of the project and the completion date
32 of the project.

33 3. The department may promulgate such rules or regulations or issue
34 administrative guidelines as are necessary to administer the provisions of
35 sections 135.475 to 135.487. No rule or portion of a rule promulgated pursuant
36 to the authority of this section shall become effective unless it has been
37 promulgated pursuant to the provisions of chapter 536.

38 4. The department shall conduct annually a comprehensive program
39 evaluation illustrating where the tax credits allowed pursuant to sections 135.475
40 to 135.487 are being utilized, explaining the economic impact of such program
41 and making recommendations on appropriate program modifications to ensure the
42 program's success.

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 be allowed a credit not to exceed five thousand dollars against the tax
4 otherwise due pursuant to chapter 143, not including sections 143.191 to 143.265,
5 in an amount equal to fifty percent of all eligible access expenditures exceeding
6 the monetary cap provided by Section 44 of the Internal Revenue Code. For
7 purposes of this section, "eligible access expenditures" means amounts paid or
8 incurred by the taxpayer in order to comply with applicable access requirements
9 provided by the Americans With Disabilities Act of 1990, as further defined in
10 Section 44 of the Internal Revenue Code and federal rulings interpreting Section
11 44 of the Internal Revenue Code.

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

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

24 4. The provisions of this section shall become effective on January 1, 2000,
25 and shall apply to all taxable years beginning after December 31, 1999.

26 **5. Notwithstanding any provision of law to the contrary, no tax**

27 **credits provided under this section shall be authorized on or after**
28 **August 28, 2015. The provisions of this subsection shall not be**
29 **construed to limit or in any way impair the department's ability to**
30 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
31 **ability to redeem such tax credits.**

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 receive a forty percent credit against income taxes owed
12 pursuant to chapter 143, 147 or 148, other than taxes withheld pursuant to
13 sections 143.191 to 143.265, for each of the three years after such move, if
14 approved by the department of economic development, which shall issue a
15 certificate of eligibility if the department determines that the taxpayer is eligible
16 for such credit. The maximum amount of credits per taxpayer set forth in this
17 subsection shall not exceed one hundred twenty-five thousand dollars for each of
18 the three years for which the credit is claimed. The department of economic
19 development, by means of rule or regulation promulgated pursuant to the
20 provisions of chapter 536, shall assign appropriate North American Industry
21 Classification System numbers to the companies which are eligible for the tax
22 credits provided for in this section. Such three-year credits shall be awarded only
23 one time to any company which moves its operations from outside of Missouri or
24 outside of a distressed community into a distressed community or to a company
25 which commences operations within a distressed community. A taxpayer shall
26 file an application for certification of the tax credits for the first year in which
27 credits are claimed and for each of the two succeeding taxable years for which
28 credits are claimed.

29 2. Employees of such facilities physically working and earning wages for
30 that work within a distressed community whose employers have been approved
31 for tax credits pursuant to subsection 1 of this section by the department of

32 economic development for whom payroll taxes are paid shall also be eligible to
33 receive a tax credit against individual income tax, imposed pursuant to chapter
34 143, equal to one and one-half percent of their gross salary paid at such facility
35 earned for each of the three years that the facility receives the tax credit provided
36 by this section, so long as they were qualified employees of such entity. The
37 employer shall calculate the amount of such credit and shall report the amount
38 to the employee and the department of revenue.

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

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

60 5. An existing corporation, partnership or sole proprietorship that is
61 located within a distressed community and that relocates employees from another
62 facility outside of the distressed community to its facility within the distressed
63 community, and an existing business located within a distressed community that
64 hires new employees for that facility may both be eligible for the tax credits
65 allowed by subsections 1 and 3 of this section. To be eligible for such tax credits,
66 such a business, during one of its tax years, shall employ within a distressed
67 community at least twice as many employees as were employed at the beginning

68 of that tax year. A business hiring employees shall have no more than one
69 hundred employees before the addition of the new employees. This subsection
70 shall only apply to a business which is a manufacturing, biomedical, medical
71 devices, scientific research, animal research, computer software design or
72 development, computer programming or telecommunications business, or a
73 professional firm.

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

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

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

100 9. Notwithstanding any provision of law to the contrary, no taxpayer shall
101 earn the tax credits allowed in this section and the tax credits otherwise allowed
102 in section 135.110, or the tax credits, exemptions, and refund otherwise allowed
103 in sections 135.200, 135.220, 135.225 and 135.245, respectively, for the same

104 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 and which meets the requirements of section 455.220;

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

13 (4) "Taxpayer", [a person] **an individual**, firm, a partner in a firm, **sole**
14 **proprietorship, partner in a limited or general partnership, member of**
15 **a limited liability company**, corporation, **as defined under section 143.441**
16 **or 143.471**, or a shareholder in an S corporation doing business in [the] **this**
17 state [of Missouri] and subject to the state income tax imposed by the provisions
18 of chapter 143, [or a corporation subject to the annual corporation franchise tax
19 imposed by the provisions of chapter 147, including any] **excluding**
20 **withholding tax imposed by sections 143.191 to 143.265, or any** charitable
21 organization **trust, or public or private foundation** which is exempt from
22 federal income tax and whose Missouri unrelated business taxable income, if any,
23 would be subject to the state income tax imposed under chapter 143[, or an
24 insurance company paying an annual tax on its gross premium receipts in this
25 state, or other financial institution paying taxes to the state of Missouri or any
26 political subdivision of this state pursuant to the provisions of chapter 148, or an
27 express company which pays an annual tax on its gross receipts in this state
28 pursuant to chapter 153, or an individual subject to the state income tax imposed
29 by the provisions of chapter 143].

30 2. **For all taxable years ending on or before December 31, 2011,**
31 a taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
32 liability, in an amount equal to fifty percent of the amount such taxpayer
33 contributed to a shelter for victims of domestic violence. **For all taxable years**
34 **beginning on or after January 1, 2012, a taxpayer shall be allowed to**
35 **claim a tax credit against the taxpayer's state tax liability, in an**

36 **amount equal to thirty-five percent of the amount such taxpayer**
37 **contributed to a shelter for victims of domestic violence.**

38 3. The amount of the tax credit claimed shall not exceed the amount of the
39 taxpayer's state tax liability for the taxable year that the credit is claimed, and
40 such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand
41 dollars per taxable year. However, any tax credit that cannot be claimed in the
42 taxable year the contribution was made may be carried over to the next four
43 succeeding taxable years until the full credit has been claimed. **Tax credits**
44 **provided under this section may be transferred, sold, or assigned. Any**
45 **tax credit issued pursuant to this section that is subsequently**
46 **transferred, sold, or assigned shall be reduced by ten percent of the**
47 **amount of the tax credit as originally issued.**

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

53 5. The director of the department of social services shall determine, at
54 least annually, which facilities in this state may be classified as shelters for
55 victims of domestic violence. The director of the department of social services
56 may require of a facility seeking to be classified as a shelter for victims of
57 domestic violence whatever information is reasonably necessary to make such a
58 determination. The director of the department of social services shall classify a
59 facility as a shelter for victims of domestic violence if such facility meets the
60 definition set forth in subsection 1 of this section.

61 6. The director of the department of social services shall establish a
62 procedure by which a taxpayer can determine if a facility has been classified as
63 a shelter for victims of domestic violence, and by which such taxpayer can then
64 contribute to such shelter for victims of domestic violence and claim a tax
65 credit. Shelters for victims of domestic violence shall be permitted to decline a
66 contribution from a taxpayer. The cumulative amount of tax credits which may
67 be claimed by all the taxpayers contributing to shelters for victims of domestic
68 violence in any one fiscal year shall not exceed two million dollars.

69 7. The director of the department of social services shall establish a
70 procedure by which, from the beginning of the fiscal year until some point in time
71 later in the fiscal year to be determined by the director of the department of

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

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

89 **9. Notwithstanding any provision of law to the contrary, no tax**
90 **credits provided under this section shall be authorized on or after**
91 **August 28, 2015. The provisions of this subsection shall not be**
92 **construed to limit or in any way impair the department's ability to**
93 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
94 **ability to redeem such tax credits.**

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

8 2. Any taxpayer with a federal adjusted gross income greater than thirty
9 thousand dollars but less than sixty thousand dollars who incurs costs for the
10 purpose of making all or any portion of such taxpayer's principal dwelling
11 accessible to an individual with a disability who permanently resides with the
12 taxpayer shall receive a tax credit against such taxpayer's Missouri income tax
13 liability in an amount equal to the lesser of fifty percent of such costs or two

14 thousand five hundred dollars per taxpayer per tax year. No taxpayer shall be
15 eligible to receive tax credits under this section in any tax year immediately
16 following a tax year in which such taxpayer received tax credits under the
17 provisions of this section.

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

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

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

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

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

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

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

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

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

57 **11. Notwithstanding any provision of law to the contrary, no tax**
58 **credits provided under this section shall be authorized on or after**
59 **August 28, 2015. The provisions of this subsection shall not be**
60 **construed to limit or in any way impair the department's ability to**
61 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
62 **ability to redeem such tax credits.**

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;

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

6 (3) "Taxpayer", [any] **an individual, [subject to the tax imposed in chapter**
7 **143, excluding withholding tax imposed by sections 143.191 to 143.265] a firm,**
8 **a partner in a firm, sole proprietorship, partner in a limited or general**
9 **partnership, member of a limited liability company, corporation as**
10 **defined under sections 143.441 or 143.471, a shareholder in an S**
11 **corporation doing business in this state and subject to the state income**
12 **tax imposed by chapter 143, excluding withholding tax imposed by**
13 **sections 143.191 to 143.265, or a charitable organization, trust, or public**
14 **or private foundation which is exempt from federal income tax and**
15 **whose Missouri unrelated business taxable income, if any, would be**
16 **subject to state income tax imposed under chapter 143.**

17 2. The provisions of this section shall be subject to section 33.282. For all
18 taxable years beginning on or after January 1, 2007, a taxpayer shall be allowed
19 a tax credit for donations in excess of one hundred dollars made to the Missouri
20 health care access fund. The tax credit shall be subject to annual approval by the
21 senate appropriations committee and the house budget committee. **For all**
22 **taxable years ending on or before December 31, 2011, the tax credit**
23 **amount shall be equal to one-half of the total donation made, but shall not exceed**

24 twenty-five thousand dollars per taxpayer claiming the credit. **For all taxable**
25 **years beginning on or after January 1, 2012, the tax credit amount shall**
26 **be equal to thirty-five percent of the total donation made, but shall not**
27 **exceed twenty-five thousand dollars per taxpayer claiming the credit.**

28 If the amount of the tax credit issued exceeds the amount of the taxpayer's state
29 tax liability for the tax year for which the credit is claimed, the difference shall
30 not be refundable but may be carried forward to any of the taxpayer's next four
31 taxable years. [No tax credit] **Tax credits** granted under this section [shall]
32 **may be transferred, sold, or assigned. Any tax credit issued pursuant to**
33 **this section that is subsequently transferred, sold, or assigned shall be**
34 **reduced by ten percent of the amount of the tax credit as originally**
35 **issued.** The cumulative amount of tax credits which may be issued under this
36 section in any one fiscal year shall not exceed one million dollars.

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

47 4. [Pursuant to section 23.253 of the Missouri sunset act:

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

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

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

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, chapter 147,
10 chapter 148, and chapter 153, exclusive of the provisions relating to the
11 withholding of tax as provided for in sections 143.191 to 143.265, and related
12 provisions, and in the case of an individual taxpayer, any liability incurred by
13 such taxpayer pursuant to the provisions of chapter 143;

14 (4) "Taxpayer", [a person] **an individual**, firm, a partner in a firm, **sole**
15 **proprietorship, partner in a limited or general partnership, member of**
16 **a limited liability company**, corporation **as defined under sections 143.441**
17 **or 143.471**, [or] a shareholder in an S corporation doing business in [the] **this**
18 state [of Missouri] and subject to the state income tax imposed by the provisions
19 of chapter 143, **excluding withholding tax imposed by sections 143.191 to**
20 **143.265, or a [including any] charitable organization, trust, or public or**
21 **private foundation** which is exempt from federal income tax and whose
22 Missouri unrelated business taxable income, if any, would be subject to the state
23 income tax imposed under chapter 143, [or a corporation subject to the annual
24 corporation franchise tax imposed by the provisions of chapter 147, or an
25 insurance company paying an annual tax on its gross premium receipts in this
26 state, or other financial institution paying taxes to the state of Missouri or any
27 political subdivision of this state pursuant to the provisions of chapter 148, or an
28 express company which pays an annual tax on its gross receipts in this state
29 pursuant to chapter 153, or an individual subject to the state income tax imposed
30 by the provisions of chapter 143].

31 **2. For all taxable years ending on or before December 31, 2011,**
32 a taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
33 liability, in an amount equal to fifty percent of the amount such taxpayer
34 contributed to a maternity home. **For all taxable years beginning on or**
35 **after January 1, 2012, a taxpayer shall be allowed to claim a tax credit**
36 **against the taxpayer's state tax liability in an amount equal to thirty-**
37 **five percent of the amount such taxpayer contributed to a maternity**

38 **home.**

39 3. The amount of the tax credit claimed shall not exceed the amount of the
40 taxpayer's state tax liability for the taxable year that the credit is claimed, and
41 such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand
42 dollars per taxable year. However, any tax credit that cannot be claimed in the
43 taxable year the contribution was made may be carried over to the next four
44 succeeding taxable years until the full credit has been claimed. **Tax credits**
45 **provided under this section may be transferred, sold, or assigned. Any**
46 **tax credit issued pursuant to this section that is subsequently**
47 **transferred, sold, or assigned shall be reduced by ten percent of the**
48 **amount of the tax credit as originally issued.**

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

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

61 6. The director of the department of social services shall establish a
62 procedure by which a taxpayer can determine if a facility has been classified as
63 a maternity home, and by which such taxpayer can then contribute to such
64 maternity home and claim a tax credit. Maternity homes shall be permitted to
65 decline a contribution from a taxpayer. The cumulative amount of tax credits
66 which may be claimed by all the taxpayers contributing to maternity homes in
67 any one fiscal year shall not exceed two million dollars.

68 7. The director of the department of social services shall establish a
69 procedure by which, from the beginning of the fiscal year until some point in time
70 later in the fiscal year to be determined by the director of the department of
71 social services, the cumulative amount of tax credits are equally apportioned
72 among all facilities classified as maternity homes. If a maternity home fails to
73 use all, or some percentage to be determined by the director of the department of

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

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

87 **9. Notwithstanding any provision of law to the contrary, no tax**
88 **credits provided under this section shall be authorized on or after**
89 **August 28, 2015. The provisions of this subsection shall not be**
90 **construed to limit or in any way impair the department's ability to**
91 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
92 **ability to redeem such tax credits.**

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

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

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

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

7 (a) Established and operating primarily to provide assistance to women
8 with crisis pregnancies or unplanned pregnancies by offering pregnancy testing,
9 counseling, emotional and material support, and other similar services to
10 encourage and assist such women in carrying their pregnancies to term; and

11 (b) Where childbirths are not performed; and

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

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

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

17 (f) When providing medical services, such medical services must be

18 performed in accordance with Missouri statute; and

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

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

27 (5) "Taxpayer", [a person] **an individual**, firm, a partner in a firm, **sole**
28 **proprietorship, partner in a limited or general partnership, member of**
29 **a limited liability company, corporation as defined under section 143.441**
30 **or 143.471**, or a shareholder in an S corporation doing business in [the] **this**
31 state [of Missouri] and subject to the state income tax imposed by the provisions
32 of chapter 143, [or a corporation subject to the annual corporation franchise tax
33 imposed by the provisions of chapter 147, or an insurance company paying an
34 annual tax on its gross premium receipts in this state, or other financial
35 institution paying taxes to the state of Missouri or any political subdivision of
36 this state pursuant to the provisions of chapter 148, or an express company which
37 pays an annual tax on its gross receipts in this state pursuant to chapter 153, or
38 an individual subject to the state income tax imposed by the provisions of chapter
39 143, or any] **excluding withholding tax imposed by sections 143.191 to**
40 **143.265, or a charitable organization, trust, or public or private foundation**
41 which is exempt from federal income tax and whose Missouri unrelated business
42 taxable income, if any, would be subject to the state income tax imposed under
43 chapter 143.

44 2. For all tax years beginning on or after January 1, 2007, **but ending**
45 **on or before December 31, 2011**, a taxpayer shall be allowed to claim a tax
46 credit against the taxpayer's state tax liability in an amount equal to fifty percent
47 of the amount such taxpayer contributed to a pregnancy resource center. **For all**
48 **tax years beginning on or after January 1, 2012, a taxpayer shall be**
49 **allowed to claim a tax credit against the taxpayer's state tax liability**
50 **in an amount equal to thirty-five percent of the amount such taxpayer**
51 **contributed to a pregnancy resource center.**

52 3. The amount of the tax credit claimed shall not exceed the amount of the
53 taxpayer's state tax liability for the taxable year for which the credit is claimed,

54 and such taxpayer shall not be allowed to claim a tax credit in excess of fifty
55 thousand dollars per taxable year. However, any tax credit that cannot be
56 claimed in the taxable year the contribution was made may be carried over to the
57 next four succeeding taxable years until the full credit has been claimed.

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

63 5. The director shall determine, at least annually, which facilities in this
64 state may be classified as pregnancy resource centers. The director may require
65 of a facility seeking to be classified as a pregnancy resource center whatever
66 information which is reasonably necessary to make such a determination. The
67 director shall classify a facility as a pregnancy resource center if such facility
68 meets the definition set forth in subsection 1 of this section.

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

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

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

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

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

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

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

106 (1) Any new program authorized under this section shall automatically
107 sunset six years after August 28, 2006, unless reauthorized by an act of the
108 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 September first of the calendar year
113 immediately following the calendar year in which a program authorized under
114 this section is sunset.] **Pursuant to section 23.253 of the Missouri sunset
115 act, the provisions of the program authorized under this section are
116 hereby reauthorized and shall automatically sunset on June 30, 2015.**

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, **sole
9 proprietorship, partner in a limited or general partnership, member of**

10 **a limited liability company, corporation as defined under sections 143.441**
11 **or 143.471, [or] a shareholder in an S corporation doing business in this state**
12 **and subject to the state income tax imposed by chapter 143, excluding**
13 **withholding tax imposed by sections 143.191 to 143.265, or a charitable**
14 **organization, trust, or public or private foundation which is exempt**
15 **from federal income tax and whose Missouri unrelated business taxable**
16 **income, if any, would be subject to state income tax imposed under**
17 **chapter 143.**

18 2. For all tax years beginning on or after January 1, 2007, **but ending**
19 **on or before December 31, 2011**, any taxpayer who donates cash or food,
20 unless such food is donated after the food's expiration date, to any local food
21 pantry shall be allowed a credit against the tax otherwise due under chapter 143,
22 excluding withholding tax imposed by sections 143.191 to 143.265, in an amount
23 equal to fifty percent of the value of the donations made to the extent such
24 amounts that have been subtracted from federal adjusted gross income or federal
25 taxable income are added back in the determination of Missouri adjusted gross
26 income or Missouri taxable income before the credit can be claimed. **For all tax**
27 **years beginning on or after January 1, 2012, any taxpayer who donates**
28 **cash or food, unless such food is donated after the food's expiration**
29 **date, to any local food pantry shall be allowed a credit against the tax**
30 **otherwise due under chapter 143, excluding withholding tax imposed**
31 **by sections 143.191 to 143.265, in an amount equal to thirty-five percent**
32 **of the value of the donations made to the extent such amounts that**
33 **have been subtracted from federal adjusted gross income or federal**
34 **taxable income are added back in the determination of Missouri**
35 **adjusted gross income or Missouri taxable income before the credit can**
36 **be claimed.** Each taxpayer claiming a tax credit under this section shall file an
37 affidavit with the income tax return verifying the amount of their
38 contributions. The amount of the tax credit claimed shall not exceed the amount
39 of the taxpayer's state tax liability for the tax year that the credit is claimed, and
40 shall not exceed two thousand five hundred dollars per taxpayer claiming the
41 credit. Any amount of credit that the taxpayer is prohibited by this section from
42 claiming in a tax year shall not be refundable, but may be carried forward to any
43 of the taxpayer's three subsequent taxable years. [No tax credit granted] **Tax**
44 **credits granted** under this section [shall] **may** be transferred, sold, or
45 assigned. **Any tax credit issued pursuant to this section that is**

46 **subsequently transferred, sold, or assigned shall be reduced by ten**
47 **percent of the amount of the tax credit as originally issued.** No taxpayer
48 shall be eligible to receive a credit pursuant to this section if such taxpayer
49 employs persons who are not authorized to work in the United States under
50 federal law. **For all taxable years beginning on or after January 1, 2012,**
51 **the amount of the tax credit claimed shall not exceed the amount of the**
52 **taxpayer's state tax liability for the tax year that the credit is claimed,**
53 **and shall not exceed:**

54 (1) **Fifty thousand dollars per taxpayer claiming the credit for**
55 **donations of cash; or**

56 (2) **Ten thousand dollars per taxpayer claiming the credit for**
57 **donations of food.**

58 3. The cumulative amount of tax credits under this section which may be
59 allocated to all taxpayers contributing to a local food pantry in any one fiscal year
60 shall not exceed two million dollars. The director of revenue shall establish a
61 procedure by which the cumulative amount of tax credits is apportioned among
62 all taxpayers claiming the credit by April fifteenth of the fiscal year in which the
63 tax credit is claimed. To the maximum extent possible, the director of revenue
64 shall establish the procedure described in this subsection in such a manner as to
65 ensure that taxpayers can claim all the tax credits possible up to the cumulative
66 amount of tax credits available for the fiscal year.

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

72 5. The department of revenue shall promulgate rules to implement the
73 provisions of this section. Any rule or portion of a rule, as that term is defined
74 in section 536.010, that is created under the authority delegated in this section
75 shall become effective only if it complies with and is subject to all of the
76 provisions of chapter 536 and, if applicable, section 536.028. This section and
77 chapter 536 are nonseverable and if any of the powers vested with the general
78 assembly pursuant to chapter 536 to review, to delay the effective date, or to
79 disapprove and annul a rule are subsequently held unconstitutional, then the
80 grant of rulemaking authority and any rule proposed or adopted after August 28,
81 2007, shall be invalid and void.

82 6. [Under section 23.253 of the Missouri sunset act:

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

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

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

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
10 authority established in chapter 348;

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 excluding withholding tax imposed by sections 143.191 to 143.265, or otherwise
39 due under chapter 147;

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

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

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

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

47 3. For all taxable years beginning on or after January 1, 2009, [but ending
48 on or before December 31, 2016,] a taxpayer shall be allowed a tax credit for the
49 first qualifying sale and for a subsequent qualifying sale of all qualifying beef
50 animals. The tax credit amount for the first qualifying sale shall be ten cents per
51 pound, shall be based on the backgrounded weight of all qualifying beef animals
52 at the time of the first qualifying sale, and shall be calculated as follows: the
53 qualifying sale weight minus the baseline weight multiplied by ten cents, as long
54 as the qualifying sale weight is equal to or greater than two hundred pounds
55 above the baseline weight. The tax credit amount for each subsequent qualifying
56 sale shall be ten cents per pound, shall be based on the backgrounded weight of
57 all qualifying beef animals at the time of the subsequent qualifying sale, and
58 shall be calculated as follows: the qualifying sale weight minus the baseline
59 weight multiplied by ten cents, as long as the qualifying sale weight is equal to
60 or greater than two hundred pounds above the baseline weight. The authority

61 may waive no more than twenty-five percent of the two hundred pound weight
62 gain requirement, but any such waiver shall be based on a disaster declaration
63 issued by the U. S. Department of Agriculture.

64 4. The amount of the tax credit claimed shall not exceed the amount of the
65 taxpayer's state tax liability for the taxable year for which the credit is claimed.
66 No tax credit claimed under this section shall be refundable. The tax credit shall
67 be claimed in the taxable year in which the qualifying sale of the qualifying beef
68 occurred, but any amount of credit that the taxpayer is prohibited by this section
69 from claiming in a taxable year may be carried forward to any of the taxpayer's
70 five subsequent taxable years and carried backward to any of the taxpayer's three
71 previous taxable years. The amount of tax credits that may be issued to all
72 eligible applicants claiming tax credits authorized in this section in a fiscal year
73 shall not exceed three million dollars. Tax credits shall be issued on an
74 as-received application basis until the fiscal year limit is reached. Any credits
75 not issued in any fiscal year shall expire and shall not be issued in any
76 subsequent years.

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

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

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

106 8. **Notwithstanding any provision of law to the contrary, no tax**
107 **credits provided under this section shall be authorized on or after**
108 **August 28, 2014. The provisions of this subsection shall not be**
109 **construed to limit or in any way impair the department's ability to**
110 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's**
111 **ability to redeem such tax credits.**

112 9. This section shall not be subject to the Missouri sunset act, sections
113 23.250 to 23.298.

135.802. 1. Beginning January 1, 2005, all applications for all tax credit
2 programs shall include, in addition to any requirements provided by the enacting
3 statutes of a particular credit program, the following information to be submitted
4 to the department administering the tax credit:

5 (1) Name, address, and phone number of the applicant or applicants, and
6 the name, address, and phone number of a contact person or agent for the
7 applicant or applicants;

8 (2) Taxpayer type, whether individual, corporation, nonprofit or other, and
9 taxpayer identification number, if applicable;

10 (3) Standard industry code, if applicable;

11 (4) Program name and type of tax credit, including the identity of any
12 other state or federal program being utilized for the same activity or project; and

13 (5) Number of estimated jobs to be created, as a result of the tax credits,
14 if applicable, separated by construction, part-time permanent, and full-time
15 permanent.

16 2. In addition to the information required by subsection 1 of this section,
17 an applicant for a community development tax credit shall also provide
18 information detailing the title and location of the corresponding project, the
19 estimated time period for completion of the project, and all geographic areas

20 impacted by the project.

21 3. In addition to the information required by subsection 1 of this section,
22 an applicant for a redevelopment tax credit shall also provide information
23 detailing the location and legal description of the property, age of the structure,
24 if applicable, whether the property is residential, commercial, or governmental,
25 and the projected project cost, labor cost, and projected date of completion. Where
26 a redevelopment tax credit applicant is required to submit contemporaneously a
27 federal application for a similar credit on the same underlying project, the
28 submission of a copy of the federal application shall be sufficient to meet the
29 requirements of this subsection.

30 4. In addition to the information required by subsection 1 of this section,
31 an applicant for a business recruitment tax credit shall also provide information
32 detailing the category of business by size, the address of the business
33 headquarters and all offices located within this state, the number of employees
34 at the time of the application, the number of employees projected to increase as
35 a result of the completion of the project, and the estimated project cost.

36 5. In addition to the information required by subsection 1 of this section,
37 an applicant for a training and educational tax credit shall also provide
38 information detailing the name and address of the educational institution to be
39 used, the average salary of workers to be served, the estimated project cost, and
40 the number of employees and number of students to be served.

41 6. In addition to the information required by subsection 1 of this section,
42 an applicant for a housing tax credit also shall provide information detailing the
43 address, legal description, and fair market value of the property, and the
44 projected labor cost and projected completion date of the project. Where a
45 housing tax credit applicant is required to submit contemporaneously a federal
46 application for a similar credit on the same underlying project, the submission of
47 a copy of the federal application shall be sufficient to meet the requirements of
48 this subsection. For the purposes of this subsection, "fair market value" means
49 the value as of the purchase of the property or the most recent assessment,
50 whichever is more recent.

51 7. In addition to the information required by subsection 1 of this section,
52 an applicant for an entrepreneurial tax credit shall also provide information
53 detailing the amount of investment and the names of the project, fund, and
54 research project.

55 8. In addition to the information required by subsection 1 of this section,

56 an applicant for an agricultural tax credit shall also provide information detailing
57 the type of agricultural commodity, the amount of contribution, the type of
58 equipment purchased, and the name and description of the facility.

59 9. In addition to the information required by subsection 1 of this section,
60 an applicant for an environmental tax credit shall also include information
61 detailing the type of equipment, if applicable, purchased and any environmental
62 impact statement, if required by state or federal law.

63 10. An administering agency may, by rule, require additional information
64 to be submitted by an applicant. Any rule or portion of a rule, as that term is
65 defined in section 536.010, that is created pursuant to the authority delegated in
66 this section shall become effective only if it complies with and is subject to all of
67 the provisions of chapter 536 and if applicable, section 536.028. This section and
68 chapter 536 are nonseverable and if any of the powers vested with the general
69 assembly pursuant to chapter 536 to review, to delay the effective date or to
70 disapprove and annul a rule are subsequently held unconstitutional, then the
71 grant of rulemaking authority and any rule proposed or adopted after August 28,
72 2004, shall be void.

73 11. **An administering agency may, by rule, require applicants to**
74 **enter into contracts with the administering agency specifying**
75 **standards of performance, program requirements, and penalties in the**
76 **event of noncompliance.**

77 12. Where the sole requirement for receiving a tax credit in the enabling
78 legislation of any tax credit is an obligatory assessment upon a taxpayer or a
79 monetary contribution to a particular group or entity, the application
80 requirements provided in this section shall apply to the recipient of such
81 assessment or contribution and shall not apply to the assessed nor the
82 contributor.

83 [12.] 13. It shall be the duty of each administering agency to provide
84 information to every applicant, at some time prior to authorization of an
85 applicant's tax credit application, wherein the requirements of this section, the
86 annual reporting requirements of section 135.805, and the penalty provisions of
87 section 135.810 are described in detail.

135.815. 1. Prior to authorization of any tax credit application, an
2 administering agency shall verify through the department of revenue that the tax
3 credit applicant does not owe any delinquent income, sales, or use taxes, or
4 interest or penalties on such taxes, and through the department of insurance,

5 financial institutions and professional registration that the applicant does not
6 owe any delinquent insurance taxes. Such delinquency shall not affect the
7 authorization of the application for such tax credits, except that the amount of
8 credits issued shall be reduced by the applicant's tax delinquency. If the
9 department of revenue or the department of insurance, financial institutions and
10 professional registration concludes that a taxpayer is delinquent after June
11 fifteenth but before July first of any year, and the application of tax credits to
12 such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then
13 the taxpayer shall be granted thirty days to satisfy the deficiency in which
14 interest, penalties, and additions to tax shall be tolled. After applying all
15 available credits towards a tax delinquency, the administering agency shall notify
16 the appropriate department, and that department shall update the amount of
17 outstanding delinquent tax owed by the applicant. If any credits remain after
18 satisfying all insurance, income, sales, and use tax delinquencies, the remaining
19 credits shall be issued to the applicant, subject to the restrictions of other
20 provisions of law.

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

29 **3. Any administering agency may, by rule, provide for the**
30 **recapture of tax credits for noncompliance with program requirements.**

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

5 2. The provisions of **subsection 1** of this section shall not apply to any
6 credit that is issued and redeemed simultaneously.

7 **3. The committee on legislative research shall conduct a review**
8 **of any tax credit program, in the manner provided under the provisions**
9 **of sections 23.250 to 23.298, by September first of the calendar year**
10 **prior to the year in which tax credit authorizations or issuances will**

11 **be prohibited for such tax credit program.**

12 4. Any rule or portion of a rule, as that term is defined in section 536.010,
13 that is created under the authority delegated in this section shall become effective
14 only if it complies with and is subject to all of the provisions of chapter 536 and,
15 if applicable, section 536.028. This section and chapter 536 are nonseverable and
16 if any of the powers vested with the general assembly pursuant to chapter 536 to
17 review, to delay the effective date, or to disapprove and annul a rule are
18 subsequently held unconstitutional, then the grant of rulemaking authority and
19 any rule proposed or adopted after August 28, 2004, shall be invalid and void.

 135.1150. 1. This section shall be known and may be cited as the
2 "Residential Treatment Agency Tax Credit Act".

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

4 (1) "Certificate", a tax credit certificate issued under this section;

5 (2) "Department", the Missouri department of social services;

6 (3) "Eligible donation", donations received from a taxpayer by an agency
7 that are used solely to provide direct care services to children who are residents
8 of this state. Eligible donations may include cash, publicly traded stocks and
9 bonds, and real estate that will be valued and documented according to rules
10 promulgated by the department of social services. For purposes of this section,
11 "direct care services" include but are not limited to increasing the quality of care
12 and service for children through improved employee compensation and training;

13 (4) "Qualified residential treatment agency" or "agency", a residential care
14 facility that is licensed under section 210.484, accredited by the Council on
15 Accreditation (COA), the Joint Commission on Accreditation of Healthcare
16 Organizations (JCAHO), or the Commission on Accreditation of Rehabilitation
17 Facilities (CARF), and is under contract with the Missouri department of social
18 services to provide treatment services for children who are residents or wards of
19 residents of this state, and that receives eligible donations. Any agency that
20 operates more than one facility or at more than one location shall be eligible for
21 the tax credit under this section only for any eligible donation made to facilities
22 or locations of the agency which are licensed and accredited;

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

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

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

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

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

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

35 (f) Any charitable organization which is exempt from federal income tax
36 and whose Missouri unrelated business taxable income, if any, would be subject
37 to the state income tax imposed under chapter 143] **an individual, a firm, a
38 partner in a firm, sole proprietorship, partner in a limited or general
39 partnership, member of a limited liability company, corporation as
40 defined under section 143.441 or 143.471, a shareholder in an S
41 corporation doing business in this state and subject to the state income
42 tax imposed by chapter 143, excluding withholding tax imposed by
43 sections 143.191 to 143.265, or a charitable organization, trust, or public
44 or private foundation which is exempt from federal income tax and
45 whose Missouri unrelated business taxable income, if any, would be
46 subject to state income tax imposed under chapter 143.**

47 3. For all taxable years beginning on or after January 1, 2007, **but
48 ending on or before December 31, 2011**, any taxpayer shall be allowed a
49 credit against the taxes otherwise due under chapter 147, 148, or 143, excluding
50 withholding tax imposed by sections 143.191 to 143.265, in an amount equal to
51 fifty percent of the amount of an eligible donation, subject to the restrictions in
52 this section. **For all taxable years beginning on or after January 1, 2012,**
53 **any taxpayer shall be allowed a credit against the taxes otherwise due
54 under chapter 147, 148, or 143, excluding withholding tax imposed by
55 sections 143.191 to 143.265, in an amount equal to thirty-five percent of
56 the amount of an eligible donation, subject to the restrictions in this
57 section.** The amount of the tax credit claimed shall not exceed the amount of the
58 taxpayer's state income tax liability in the tax year for which the credit is
59 claimed. Any amount of credit that the taxpayer is prohibited by this section
60 from claiming in a tax year shall not be refundable, but may be carried forward
61 to any of the taxpayer's four subsequent taxable years.

62 4. To claim the credit authorized in this section, an agency may submit
63 to the department an application for the tax credit authorized by this section on

64 behalf of taxpayers. The department shall verify that the agency has submitted
65 the following items accurately and completely:

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

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

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

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

78 6. Tax credits issued under this section may be assigned, transferred,
79 sold, or otherwise conveyed, and the new owner of the tax credit shall have the
80 same rights in the credit as the taxpayer. Whenever a certificate is assigned,
81 transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed
82 with the department specifying the name and address of the new owner of the tax
83 credit or the value of the credit.

84 7. The department shall promulgate rules to implement the provisions of
85 this section. Any rule or portion of a rule, as that term is defined in section
86 536.010, that is created under the authority delegated in this section shall
87 become effective only if it complies with and is subject to all of the provisions of
88 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
89 nonseverable and if any of the powers vested with the general assembly pursuant
90 to chapter 536 to review, to delay the effective date, or to disapprove and annul
91 a rule are subsequently held unconstitutional, then the grant of rulemaking
92 authority and any rule proposed or adopted after August 28, 2006, shall be
93 invalid and void.

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

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

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

100 reauthorization of this section; and

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

137.1018. 1. The commission shall ascertain the statewide average rate
2 of property taxes levied the preceding year, based upon the total assessed
3 valuation of the railroad and street railway companies and the total property
4 taxes levied upon the railroad and street railway companies. It shall determine
5 total property taxes levied from reports prescribed by the commission from the
6 railroad and street railway companies. Total taxes levied shall not include
7 revenues from the surtax on subclass three real property.

8 2. The commission shall report its determination of average property tax
9 rate for the preceding year, together with the taxable distributable assessed
10 valuation of each freight line company for the current year to the director no later
11 than October first of each year.

12 3. Taxes on property of such freight line companies shall be collected at
13 the state level by the director on behalf of the counties and other local public
14 taxing entities and shall be distributed in accordance with sections 137.1021 and
15 137.1024. The director shall tax such property based upon the distributable
16 assessed valuation attributable to Missouri of each freight line company, using
17 the average tax rate for the preceding year of the railroad and street railway
18 companies certified by the commission. Such tax shall be due and payable on or
19 before December thirty-first of the year levied and, if it becomes delinquent, shall
20 be subject to a penalty equal to that specified in section 140.100.

21 [4. (1) As used in this subsection, the following terms mean:

22 (a) "Eligible expenses", expenses incurred in this state to manufacture,
23 maintain, or improve a freight line company's qualified rolling stock;

24 (b) "Qualified rolling stock", any freight, stock, refrigerator, or other
25 railcars subject to the tax levied under this section.

26 (2) For all taxable years beginning on or after January 1, 2009, a freight
27 line company shall, subject to appropriation, be allowed a credit against the tax
28 levied under this section for the applicable tax year. The tax credit amount shall
29 be equal to the amount of eligible expenses incurred during the calendar year
30 immediately preceding the tax year for which the credit under this section is

31 claimed. The amount of the tax credit issued shall not exceed the freight line
32 company's liability for the tax levied under this section for the tax year for which
33 the credit is claimed.

34 (3) A freight line company may apply for the credit by submitting to the
35 commission an application in the form prescribed by the state tax commission.

36 (4) Subject to appropriation, the state shall reimburse, on an annual
37 basis, any political subdivision of this state for any decrease in revenue due to the
38 provisions of this subsection.

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

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

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

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

144.062. 1. With respect to exempt sales at retail of tangible personal
2 property and materials for the purpose of constructing, repairing or remodeling
3 facilities for:

4 (1) A county, other political subdivision or instrumentality thereof exempt
5 from taxation under subdivision (10) of section 39 of article III of the Constitution
6 of Missouri; or

7 (2) An organization sales to which are exempt from taxation under the
8 provisions of subdivision (19) of subsection 2 of section 144.030; or

9 (3) Any institution of higher education supported by public funds or any
10 private not-for-profit institution of higher education, exempt from taxation under
11 subdivision (20) of subsection 2 of section 144.030; or

12 (4) Any private not-for-profit elementary or secondary school exempt from
13 taxation under subdivision (22) of subsection 2 of section 144.030; or

14 (5) Any authority exempt from taxation under subdivision (39) of
15 subsection 2 of section 144.030; or

16 (6) After June 30, 2007, the department of transportation or the state
17 highways and transportation commission; or

18 (7) **After August 28, 2011, any qualified company exempt from**

19 taxation under section 144.540;

20 hereinafter collectively referred to as exempt entities, such exemptions shall be
21 allowed for such purchases if the purchases are related to the entities' exempt
22 functions and activities. In addition, the sales shall not be rendered nonexempt
23 nor shall any material supplier or contractor be obligated to pay, collect or remit
24 sales tax with respect to such purchases made by or on behalf of an exempt entity
25 due to such purchases being billed to or paid for by a contractor or the exempt
26 entity contracting with any entity to render any services in relation to such
27 purchases, including but not limited to selection of materials, ordering, pickup,
28 delivery, approval on delivery, taking of delivery, transportation, storage,
29 assumption of risk of loss to materials or providing warranties on materials as
30 specified by contract, use of materials or other purchases for construction of the
31 building or other facility, providing labor, management services, administrative
32 services, design or technical services or advice to the exempt entity, whether or
33 not the contractor or other entity exercises dominion or control in any other
34 manner over the materials in conjunction with services or labor provided to the
35 exempt entity.

36 2. When any exempt entity contracts for the purpose of constructing,
37 repairing or remodeling facilities, and purchases of tangible personal property
38 and materials to be incorporated into or consumed in the construction of the
39 project are to be made on a tax-exempt basis, such entity shall furnish to the
40 contractor an exemption certificate authorizing such purchases for the
41 construction, repair or remodeling project. The form and content of such project
42 exemption certificate shall be approved by the director of revenue. The project
43 exemption certificate shall include but not be limited to:

44 (1) The exempt entity's name, address, Missouri tax identification number
45 and signature of authorized representative;

46 (2) The project location, description, and unique identification number;

47 (3) The date the contract is entered into, which is the earliest date
48 materials may be purchased for the project on a tax-exempt basis;

49 (4) The estimated project completion date; and

50 (5) The certificate expiration date. Such certificate is renewable for a
51 given project at the option of the exempt entity, only for the purpose of revising
52 the certificate expiration date as necessary to complete the project.

53 3. The contractor shall furnish the certificate prescribed in subsection 2
54 of this section to all subcontractors, and any contractor purchasing materials

55 shall present such certificate to all material suppliers as authorization to
56 purchase, on behalf of the exempt entity, all tangible personal property and
57 materials to be incorporated into or consumed in the construction of that project
58 and no other on a tax-exempt basis. Such suppliers shall execute to the
59 purchasing contractor invoices bearing the name of the exempt entity and the
60 project identification number. Nothing in this section shall be deemed to exempt
61 the purchase of any construction machinery, equipment or tools used in
62 constructing, repairing or remodeling facilities for the exempt entity. All invoices
63 for all personal property and materials purchased under a project exemption
64 certificate shall be retained by the purchasing contractor for a period of five years
65 and shall be subject to audit by the director of revenue.

66 4. Any excess resalable tangible personal property or materials which
67 were purchased for the project by a contractor under a project exemption
68 certificate but which were not incorporated into or consumed in the construction
69 of the project shall either be returned to the supplier for credit or the appropriate
70 sales or use tax on such excess property or materials shall be reported on a
71 return and paid by such contractor not later than the due date of the contractor's
72 Missouri sales or use tax return following the month in which it was determined
73 that the materials were not to be used in the project.

74 5. No contractor or material supplier shall, upon audit, be required to pay
75 tax on tangible personal property and materials incorporated into or consumed
76 in the construction of the project due to the failure of the exempt entity to revise
77 the certificate expiration date as necessary to complete any work required by the
78 contract. If it is determined that tax is owed on such property and materials due
79 to the failure of the exempt entity to revise such certificate expiration date, the
80 exempt entity shall be liable for the tax owed.

81 6. If an entity issues exemption certificates for the purchase of tangible
82 personal property and materials which are incorporated into or consumed in the
83 construction of its project and such entity is found not to have had the authority
84 granted by this section to issue such exemption certificates, then such entity shall
85 be liable for the tax owed on such personal property and materials. In addition,
86 if an entity which does have the authority granted by this section to issue
87 exemption certificates issues such certificates for the purchase of tangible
88 personal property and materials which are incorporated into or consumed in the
89 construction of a project, or part of a project, which is found not to be related to
90 such entity's exempt functions and activities, then such entity shall be liable for

91 the tax owed on such personal property and materials.

144.540. 1. The terms used in this section shall have the meaning
2 provided in section 620.2005, unless the context clearly indicates
3 otherwise. For purposes of this section, the term "taxpayer" shall mean
4 the purchaser of tangible personal property or a service that is subject
5 to state or local sales or use tax and from whom state or local sales or
6 use tax is owed. "Taxpayer" shall not mean the seller charged by law
7 with collecting the sales tax from the purchaser.

8 2. Beginning August 28, 2011, in addition to the exemptions
9 granted under this chapter, the department of economic development
10 may approve a qualified company for an exemption of up to one
11 hundred percent of the state sales and use taxes defined, levied, or
12 calculated under sections 144.010 to 144.525, sections 144.600 to 144.761,
13 or section 238.235, for a period not to exceed three years from the date
14 of approval, of sales and leases of tangible personal property purchased
15 for use in the project facility, and of sales and leases of tangible
16 personal property and materials for the purpose of constructing,
17 repairing, or remodeling the project facility. To qualify for the
18 exemption provided in this subsection, the qualified company shall,
19 within a period of two years from the date of approval:

20 (1) Create at least twenty new jobs at the project facility with an
21 average wage of the new payroll equal to or in excess of ninety percent
22 of the county average wage; or

23 (2) Retain at least one hundred fifty retained jobs and commit to
24 making at least fifteen million dollars in new capital investment at a
25 project facility if the project facility base payroll equals or exceeds
26 ninety percent of the county average wage.

27 3. The governing body of a city, county, or other political
28 subdivision may approve a qualified company for an exemption of up
29 to one hundred percent of local sales and use taxes defined, levied, or
30 calculated under section 32.085 imposed by the governing body, of sales
31 and leases of tangible personal property purchased for use in the
32 project facility, and of sales and leases of building materials for the
33 purpose of constructing, repairing, or remodeling the project facility.
34 To qualify for the exemption provided in this subsection, the qualified
35 company shall satisfy the requirements of subsection 2 of this section.

36 4. Any qualified company seeking an exemption from state sales

37 and use taxes under this section shall submit with its notice of intent
38 to seek benefits under the compete Missouri program established in
39 sections 620.2000 to 620.2020 such information as the department of
40 economic development may reasonably require to review the qualified
41 company's request for the exemption. The percentage of any exemption
42 from state sales or use taxes awarded to a qualified company under this
43 section shall not exceed the projected net fiscal benefit to the state
44 over a period of six years, as determined by the department of
45 economic development, and shall not exceed the least amount necessary
46 to obtain the qualified company's commitment to initiate the project.
47 In determining the percentage of the exemption to award to a qualified
48 company under this section, the department of economic development
49 shall consider the factors set forth in subsection 2 of section 620.2010.

50 5. Upon approval of an exemption from state sales and use taxes
51 under this section, the department of economic development shall
52 certify the taxpayer's eligibility to the department of revenue. The
53 department of revenue shall issue the qualified company an exemption
54 certificate in the amount and for the duration specified by the
55 department of economic development in its certification.

56 (1) Any qualified company approved for an exemption for state
57 sales and use taxes under this section shall certify, as part of its annual
58 report under section 620.2020, the amount of state sales and use taxes
59 exempted under this section that would have otherwise been due
60 during the previous year.

61 (2) If the qualified company fails to satisfy any of the
62 requirements of this section at any time during the project period, the
63 qualified company shall remit to the department of revenue an amount
64 equal to the sales and use taxes exempted under this section, plus
65 interest of nine percent per annum from the date the exemption
66 certificate was issued. However, the director of the department of
67 economic development may, in his or her discretion, provide an
68 extension of up to two additional years or reduce such payment, if such
69 failure is caused by documented unforeseen events that negatively
70 affected the operations at the project facility that were not under the
71 control of the qualified company.

72 (3) The department of revenue shall credit any amounts remitted
73 by the qualified company under this subsection to the fund to which

74 the sales and use taxes exempted would have otherwise been credited.

75 6. Upon approval of an exemption from local sales and use taxes
76 under this section, the governing body of the city, county, or other
77 political subdivision approving the exemption from local sales and use
78 taxes under this section shall certify the taxpayer's eligibility to the
79 department of revenue. The department of revenue shall issue the
80 qualified company an exemption certificate in the amount and for the
81 duration specified by the political subdivision in its certification.

82 (1) Any qualified company approved for an exemption from local
83 sales and use taxes under this section shall annually certify to the
84 governing body of the city, county, or other political subdivision the
85 amount of local sales and use taxes exempted under this section that
86 would have otherwise been due during the previous year.

87 (2) If the qualified company fails to satisfy any of the
88 requirements of this section at any time during the project period, the
89 qualified company shall remit to the department of revenue an amount
90 equal to the sales and use taxes exempted under this section, plus
91 interest of nine percent per annum from the date the exemption
92 certificate was issued. However, the governing body may, in its
93 discretion, provide an extension of up to two additional years or reduce
94 such payment, if such failure is caused by documented unforeseen
95 events that negatively affected the operations at the project facility
96 that were not under the control of the qualified company.

97 (3) The department of revenue shall credit any amounts remitted
98 by the qualified company under this subsection to the city, county, or
99 other political subdivision approving the exemption.

100 7. The department of economic development and the department
101 of revenue shall jointly prescribe such rules and regulations necessary
102 to carry out the provisions of this section. Any rule or portion of a
103 rule, as that term is defined in section 536.010, that is created under
104 the authority delegated in this section shall become effective only if it
105 complies with and is subject to all of the provisions of chapter 536 and,
106 if applicable, section 536.028. This section and chapter 536 are
107 nonseverable and if any of the powers vested with the general assembly
108 pursuant to chapter 536 to review, to delay the effective date, or to
109 disapprove and annul a rule are subsequently held unconstitutional,
110 then the grant of rulemaking authority and any rule proposed or

111 **adopted after August 28, 2011, shall be invalid and void.**

147.010. 1. For the transitional year defined in subsection 4 of this
2 section and each taxable year beginning on or after January 1, 1980, but before
3 January 1, 2000, every corporation organized pursuant to or subject to chapter
4 351 or pursuant to any other law of this state shall, in addition to all other fees
5 and taxes now required or paid, pay an annual franchise tax to the state of
6 Missouri equal to one-twentieth of one percent of the par value of its outstanding
7 shares and surplus if its outstanding shares and surplus exceed two hundred
8 thousand dollars, or if the outstanding shares of such corporation or any part
9 thereof consist of shares without par value, then, in that event, for the purpose
10 contained in this section, such shares shall be considered as having a value of five
11 dollars per share unless the actual value of such shares exceeds five dollars per
12 share, in which case the tax shall be levied and collected on the actual value and
13 the surplus if the actual value and the surplus exceed two hundred thousand
14 dollars. If such corporation employs a part of its outstanding shares in business
15 in another state or country, then such corporation shall pay an annual franchise
16 tax equal to one-twentieth of one percent of its outstanding shares and surplus
17 employed in this state if its outstanding shares and surplus employed in this
18 state **exceed** two hundred thousand dollars, and for the purposes of sections
19 147.010 to 147.120, such corporation shall be deemed to have employed in this
20 state that proportion of its entire outstanding shares and surplus that its
21 property and assets employed in this state bears to all its property and assets
22 wherever located. A foreign corporation engaged in business in this state,
23 whether pursuant to a certificate of authority issued pursuant to chapter 351 or
24 not, shall be subject to this section. Any corporation whose outstanding shares
25 and surplus as calculated in this subsection does not exceed two hundred
26 thousand dollars shall state that fact on the annual report form prescribed by the
27 secretary of state. For all taxable years beginning on or after January 1, 2000,
28 but ending before December 31, 2009, the annual franchise tax shall be equal to
29 one-thirtieth of one percent of the corporation's outstanding shares and surplus
30 if the outstanding shares and surplus exceed one million dollars. Any corporation
31 whose outstanding shares and surplus do not exceed one million dollars shall
32 state that fact on the annual report form prescribed by the director of
33 revenue. For taxable years beginning on or after January 1, 2010, **but before**
34 **December 31, 2011**, the annual franchise tax shall be equal to one-thirtieth of
35 one percent of the corporation's outstanding shares and surplus if the outstanding

36 shares and surplus exceed ten million dollars[, and]. **For all taxable years**
37 **beginning on or after January 1, 2010, but before December 31, 2015,**
38 any corporation whose outstanding shares and surplus do not exceed ten million
39 dollars shall state that fact on the annual report form prescribed by the director
40 of revenue. **For all taxable years beginning on or after January 1, 2011,**
41 **but before December 31, 2015, a corporation's annual tax liability under**
42 **this chapter shall not exceed the amount of annual franchise tax**
43 **liability of such corporation for the taxable year ending on or before**
44 **December 31, 2010. If the corporation had no annual franchise tax**
45 **liability under this chapter for the taxable year ending on or before**
46 **December 31, 2010, because such corporation was not in existence or**
47 **doing business in Missouri, the annual franchise tax for the first**
48 **taxable year in which such corporation exists shall be determined by**
49 **applying the applicable rate of tax provided under the provisions of**
50 **this subsection to the corporation's outstanding shares and surplus if**
51 **the outstanding shares and surplus exceed ten million dollars, but in**
52 **no case shall such corporation's tax liability for any subsequent taxable**
53 **year exceed the amount of annual franchise tax liability of such**
54 **corporation for the first full taxable year such corporation was in**
55 **existence or doing business in Missouri. For taxable years beginning**
56 **on or after January 1, 2012, the annual franchise tax shall be equal to**
57 **the percentage rate prescribed in this subsection for the corresponding**
58 **taxable year of the corporation's outstanding shares and surplus if the**
59 **outstanding shares and surplus exceed the corresponding minimum**
60 **threshold amount prescribed as follows:**

61 (1) **For tax year 2012, the rate shall be one-thirty-seventh of one**
62 **percent and the threshold amount shall be ten million dollars;**

63 (2) **For tax year 2013, the rate shall be one-fiftieth of one percent**
64 **and the threshold amount shall be ten million dollars;**

65 (3) **For tax year 2014, the rate shall be one-seventy-fifth of one**
66 **percent and the threshold amount shall be ten million dollars;**

67 (4) **For tax year 2015, the rate shall be one-hundred-fiftieth of**
68 **one percent and the threshold amount shall be ten million dollars;**

69 (5) **For tax years beginning on or after January 1, 2016, no**
70 **annual franchise tax shall be imposed under this section.**

71 2. Sections 147.010 to 147.120 shall not apply to corporations not
72 organized for profit, nor to corporations organized pursuant to the provisions of

73 chapter 349, nor to express companies, which now pay an annual tax on their
74 gross receipts in this state, nor to insurance companies, which are subject to an
75 annual tax on their premium receipts in this state, nor to state, district, county,
76 town and farmers' mutual companies now organized or that may be hereafter
77 organized pursuant to any of the laws of this state, organized for the sole purpose
78 of writing fire, lightning, windstorm, tornado, cyclone, hail and plate glass and
79 mutual automobile insurance and for the purpose of paying any loss incurred by
80 any member by assessment, nor to any mutual insurance corporation not having
81 shares, nor to a company or association organized to transact business of life or
82 accident insurance on the assessment plan for the purpose of mutual protection
83 and benefit to its members and the payment of stipulated sums of moneys to the
84 family, heirs, executors, administrators or assigns of the deceased member, nor
85 to foreign life, fire, accident, surety, liability, steam boiler, tornado, health, or
86 other kind of insurance company of whatever nature coming within the provisions
87 of section 147.050 and doing business in this state, nor to savings and loan
88 associations and domestic and foreign regulated investment companies as defined
89 by Section 170 of the Act of Congress commonly known as the Revenue Act of
90 1942, nor to electric and telephone corporations organized pursuant to chapter
91 351 and chapter 392 prior to January 1, 1980, which have been declared
92 tax-exempt organizations pursuant to Section 501(c) of the Internal Revenue Code
93 of 1986, nor for taxable years beginning after December 31, 1986, to banking
94 institutions subject to the annual franchise tax imposed by sections 148.010 to
95 148.110; but bank deposits shall be considered as funds of the individual
96 depositor left for safekeeping and shall not be considered in computing the
97 amount of tax collectible pursuant to the provisions of sections 147.010 to
98 147.120.

99 3. A corporation's taxable year for purposes of sections 147.010 to 147.120
100 shall be its taxable year as provided in section 143.271.

101 4. A corporation's transitional year for the purposes of sections 147.010
102 to 147.120 shall be its taxable year which includes parts of each of the years 1979
103 and 1980.

104 5. The franchise tax payable for a corporation's transitional year shall be
105 computed by multiplying the amount otherwise due for that year by a fraction,
106 the numerator of which is the number of months between January 1, 1980, and
107 the end of the taxable year and the denominator of which is twelve. The
108 franchise tax payable, if a corporation's taxable year is changed as provided in

109 section 143.271, shall be similarly computed pursuant to regulations prescribed
110 by the director of revenue.

111 6. All franchise reports and franchise taxes shall be returned to the
112 director of revenue. All checks and drafts remitted for payment of franchise taxes
113 shall be made payable to the director of revenue.

114 7. Pursuant to section 32.057, the director of revenue shall maintain the
115 confidentiality of all franchise tax reports returned to the director.

116 8. The director of the department of revenue shall honor all existing
117 agreements between taxpayers and the director of the department of revenue.

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

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

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, excluding withholding tax imposed by sections 143.191 to
14 143.265, and chapter 147, 148 or 153, pursuant to sections 208.750 to
15 208.775. **For all taxable years ending on or before December 31, 2011,**
16 contributions up to fifty thousand dollars per program contributor are eligible for
17 the tax credit which shall not exceed fifty percent of the contribution
18 amount. **For all taxable years beginning on or after January 1, 2012,**
19 **contributions up to fifty thousand dollars per program contributor are**
20 **eligible for the tax credit which shall not exceed thirty-five percent of**
21 **the contribution amount. Tax credits provided under this section may**
22 **be transferred, sold, or assigned. Any tax credit issued pursuant to this**
23 **section that is subsequently transferred, sold, or assigned shall be**
24 **reduced by ten percent of the amount of the tax credit as originally**
25 **issued.**

26 5. The department of economic development shall verify all tax credit
27 claims by contributors. The administrator of the community-based organization,

28 with the cooperation of the participating financial institutions, shall submit the
29 names of contributors and the total amount each contributor contributes to a
30 family development account reserve fund for the calendar year. The director shall
31 determine the date by which such information shall be submitted to the
32 department by the local administrator. The department shall submit verification
33 of qualified tax credits pursuant to sections 208.750 to 208.775 to the department
34 of revenue.

35 6. For all fiscal years ending on or before June 30, 2010, the total tax
36 credits authorized pursuant to sections 208.750 to 208.775 shall not exceed four
37 million dollars in any fiscal year. For all fiscal years beginning on or after July
38 1, 2010, the total tax credits authorized under sections 208.750 to 208.775 shall
39 not exceed three hundred thousand dollars in any fiscal year.

40 **7. Notwithstanding any provision of law to the contrary, no tax**
41 **credits provided under this section shall be authorized on or after**
42 **August 28, 2015. The provisions of this subsection shall not be**
43 **construed to limit or in any way impair the department's ability to**
44 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
45 **ability to redeem such tax credits.**

253.545. As used in sections 253.545 to 253.559, the following terms
2 mean, unless the context requires otherwise:

3 (1) **"Applicant", a taxpayer applying for tax credits provided**
4 **under sections 253.545 to 253.559, or any bank, financial institution, or**
5 **political subdivision acquiring such taxpayer's interest by deed or**
6 **foreclosure;**

7 (2) "Certified historic structure", a property located in Missouri and listed
8 individually on the National Register of Historic Places;

9 [(2)] (3) "Deed in lieu of foreclosure or voluntary conveyance", a transfer
10 of title from a borrower to the lender to satisfy the mortgage debt and avoid
11 foreclosure;

12 [(3)] (4) "Eligible property", property located in Missouri and offered or
13 used for residential or business purposes;

14 [(4)] (5) "Leasehold interest", a lease in an eligible property for a term
15 of not less than thirty years;

16 [(5)] (6) "Principal", a managing partner, general partner, or president
17 of a taxpayer;

18 [(6)] (7) "Structure in a certified historic district", a structure located in

19 Missouri which is certified by the department of natural resources as contributing
20 to the historic significance of a certified historic district listed on the National
21 Register of Historic Places, or a local district that has been certified by the
22 United States Department of the Interior;

23 [(7)] (8) "Taxpayer", any person, firm, partnership, trust, estate, limited
24 liability company, or corporation.

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

17 2. During the period beginning on January 1, 2010, but ending on or after
18 June 30, 2010, the department of economic development shall not approve
19 applications for tax credits under the provisions of subsections 3 and 8 of section
20 253.559 which, in the aggregate, exceed seventy million dollars, increased by any
21 amount of tax credits for which approval shall be rescinded under the provisions
22 of section 253.559. For each fiscal year beginning on or after July 1, 2010, **but**
23 **ending on or before June 30, 2011**, the department of economic development
24 shall not approve applications for tax credits under the provisions of subsections
25 3 and 8 of section 253.559 which, in the aggregate, exceed one hundred forty
26 million dollars, increased by any amount of tax credits for which approval shall
27 be rescinded under the provisions of section 253.559. The limitations provided
28 under this subsection shall not apply to applications approved under the
29 provisions of subsection 3 of section 253.559 for projects to receive less than two
30 hundred seventy-five thousand dollars in tax credits.

31 3. For all applications for tax credits approved on or after January 1,
32 2010, **but before June 30, 2011**, no more than two hundred fifty thousand
33 dollars 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. For each fiscal year beginning on or after July 1, 2011, the**
54 **department of economic development shall not approve applications for**
55 **tax credits under the provisions of subsections 3 and 8 of section**
56 **253.559 which, in the aggregate, exceed seventy-five million dollars,**
57 **increased by any amount of tax credits for which approval shall be**
58 **rescinded under the provisions of section 253.559.**

59 **6. For all applications for tax credits approved on or after July**
60 **1, 2011, no more than fifty thousand dollars in tax credits may be issued**
61 **for eligible costs and expenses incurred in the rehabilitation of an**
62 **eligible property which is a nonincome producing single-family,**
63 **owner-occupied residential property and is either a certified historic**
64 **structure or a structure in a certified historic district. For purposes of**
65 **this subsection, "eligible property" shall not include any property with**
66 **a purchase price in excess of one hundred fifty thousand dollars.**

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

71 **(1) Any application submitted by a taxpayer, which has received**
72 **approval from the department prior to July 1, 2011;**

73 **(2) Any application for a project which will be funded, at least**
74 **partially, through the issuance of tax exempt bonds and is authorized**
75 **to receive federal low-income housing tax credits;**

76 **(3) Any applicant for tax credits provided under this section,**
77 **which, on or before July 1, 2011, has filed an application with the**
78 **department evidencing that such taxpayer:**

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

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

 253.557. 1. If the amount of such credit exceeds the total tax liability for
2 the year in which the rehabilitated property is placed in service, the amount that
3 exceeds the state tax liability may be carried back to any of the three preceding
4 years and carried forward for credit against the taxes imposed pursuant to
5 chapter 143 and chapter 148, except for sections 143.191 to 143.265 for the
6 succeeding ten years, or until the full credit is used, whichever occurs first. **For**
7 **all tax credits authorized under the provisions of sections 253.545 to**
8 **253.559 on or after July 1, 2011, if the total amount of such credit**
9 **exceeds the total tax liability for the year in which the rehabilitated**
10 **property is placed in service, the amount that exceeds the state tax**
11 **liability may be carried back to the preceding year and carried forward**
12 **for credit against the taxes imposed pursuant to chapter 143 and**
13 **chapter 148, except for sections 143.191 to 143.265 for the succeeding**
14 **five years, or until the full credit is used, whichever occurs**
15 **first.** Not-for-profit entities, including but not limited to corporations organized

16 as not-for-profit corporations pursuant to chapter 355 shall be ineligible for the
17 tax credits authorized under sections 253.545 [through 253.561] **to 253.559. Any**
18 **taxpayer that receives tax credits under the provisions of sections**
19 **135.350 to 135.363 or sections 135.475 to 135.487 shall be ineligible for**
20 **the tax credits authorized under sections 253.545 to 253.559 for the**
21 **same project.** Taxpayers eligible for such tax credits may transfer, sell or
22 assign the credits. Credits granted to a partnership, a limited liability company
23 taxed as a partnership or multiple owners of property shall be passed through to
24 the partners, members or owners respectively pro rata or pursuant to an executed
25 agreement among the partners, members or owners documenting an alternate
26 distribution method.

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

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

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

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

18 is in the process of acquiring fee simple ownership, proof of site control shall
19 include an executed sales contract or an executed option to purchase the eligible
20 property;

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

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

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

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

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

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

51 (1) The taxpayer may add partners, members, or shareholders as part of
52 the ownership structure, so long as the principal remains the same, provided
53 however, that subsequent to the commencement of renovation and the

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

57 (2) Where the ownership of the project is changed due to a foreclosure,
58 deed in lieu of a foreclosure or voluntary conveyance, or a transfer in bankruptcy.

59 5. In the event that the department of economic development grants
60 approval for tax credits equal to the **applicable** total amount available under
61 subsection 2 **or** 5 of section 253.550, or sufficient that when totaled with all other
62 approvals, the **applicable** amount available under subsection 2 **or** 5 of section
63 253.550 is exhausted, all taxpayers with applications then awaiting approval or
64 thereafter submitted for approval shall be notified by the department of economic
65 development that no additional approvals shall be granted during the fiscal year
66 and shall be notified of the priority given to such taxpayer's application then
67 awaiting approval. Such applications shall be kept on file by the department of
68 economic development and shall be considered for approval for tax credits in the
69 order established in this section in the event that additional credits become
70 available due to the rescission of approvals or when a new fiscal year's allocation
71 of credits becomes available 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 **applicable** total amount of tax credits, provided under
85 subsection 2 **or** 5 of section 253.550, from which approvals may be granted. Any
86 taxpayer whose approval shall be subject to rescission shall be notified of such
87 from the department of economic development and, upon receipt of such notice,
88 may submit 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. For financial institutions credits
97 authorized pursuant to sections 253.550 to 253.561 shall be deemed to be
98 economic development credits for purposes of section 148.064. The approval of
99 all applications and the issuing of certificates of eligible credits to taxpayers shall
100 be performed by the department of economic development. The department of
101 economic development shall inform a taxpayer of final approval by letter and
102 shall issue, to the taxpayer, tax credit certificates. The taxpayer shall attach the
103 certificate to all Missouri income tax returns on which the credit is claimed.

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

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

119 **10. Notwithstanding any provision of law to the contrary, no tax**
120 **credits provided under sections 253.545 to 253.559 shall be authorized**
121 **on or after August 28, 2015. The provisions of this subsection shall not**
122 **be construed to limit or in any way impair the department's ability to**
123 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
124 **ability to redeem such tax credits.**

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, **located within a rural area**,
9 producing either a good derived from an agricultural commodity or using a
10 process to produce a good derived from an agricultural product;

11 (4) "Eligible new generation cooperative", a nonprofit cooperative
12 association formed pursuant to chapter 274, or incorporated pursuant to chapter
13 357, for the purpose of operating within this state a development facility or a
14 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, **located within a**
26 **rural area**, producing an energy source which is derived from a renewable,
27 domestically grown, organic compound capable of powering machinery, including
28 an engine or power plant, and any by-product derived from such energy source;

29 (7) "**Rural area**", a county in Missouri with a population less than
30 **seventy-five thousand or that does not contain an individual city with**
31 **a population greater than fifty thousand according to the most recent**
32 **federal decennial census.**

33 3. For all tax years beginning on or after January 1, 1999, a contributor
34 who contributes funds to the authority may receive a credit against the tax or
35 estimated quarterly tax otherwise due pursuant to chapter 143, other than taxes
36 withheld pursuant to sections 143.191 to 143.265, chapter 148 chapter 147, in an
37 amount of up to one hundred percent of such contribution. Tax credits claimed

38 in a taxable year may be done so on a quarterly basis and applied to the
39 estimated quarterly tax pursuant to this subsection. If a quarterly tax credit
40 claim or series of claims contributes to causing an overpayment of taxes for a
41 taxable year, such overpayment shall not be refunded but shall be applied to the
42 next taxable year. The awarding of such credit shall be at the approval of the
43 authority, based on the least amount of credits necessary to provide incentive for
44 the contributions. A contributor that receives tax credits for a contribution to the
45 authority shall receive no other consideration or compensation for such
46 contribution, other than a federal tax deduction, if applicable, and goodwill.

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

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

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

80 **7. Notwithstanding any provision of law to the contrary, no tax**
81 **credits provided under this section shall be authorized on or after**
82 **August 28, 2014. The provisions of this subsection shall not be**
83 **construed to limit or in any way impair the department's ability to**
84 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's**
85 **ability to redeem such tax credits.**

 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, **located within a rural area,**
7 producing either a good derived from an agricultural commodity or using a
8 process to produce a good derived from an agricultural product;

9 (3) "Eligible new generation cooperative", a nonprofit cooperative
10 association formed pursuant to chapter 274 or incorporated pursuant to chapter
11 357 for the purpose of operating within this state a development facility or a
12 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, **located within a**
33 **rural area**, producing an energy source which is derived from a renewable,
34 domestically grown, organic compound capable of powering machinery, including
35 an engine or power plant, and any by-product derived from such energy source;

36 (9) "**Rural area**", **a county in Missouri with a population less than**
37 **seventy-five thousand or that does not contain an individual city with**
38 **a population greater than fifty thousand according to the most recent**
39 **federal decennial census;**

40 (10) "Small capital project", an eligible new generation cooperative with
41 capital costs of no more than one million dollars.

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

49 4. For all tax years beginning on or after January 1, 2003, any producer
50 member who invests cash funds in an eligible new generation cooperative or
51 eligible new generation processing entity may receive a credit against the tax or
52 estimated quarterly tax otherwise due pursuant to chapter 143, other than taxes
53 withheld pursuant to sections 143.191 to 143.265, chapter 147 or chapter 148, in
54 an amount equal to the lesser of fifty percent of such producer member's
55 investment or fifteen thousand dollars. Tax credits claimed in a taxable year may
56 be done so on a quarterly basis and applied to the estimated quarterly tax
57 pursuant to subsection 3 of this section. If a quarterly tax credit claim or series
58 of claims contributes to causing an overpayment of taxes for a taxable year, such
59 overpayment shall not be refunded but shall be applied to the next taxable year.

60 5. A producer member shall submit to the authority an application for the

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

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

82 7. Ninety percent of the tax credits authorized pursuant to this section
83 initially shall be offered in any fiscal year to employee-qualified capital projects
84 and large capital projects. If any portion of the ninety percent of tax credits
85 offered to employee-qualified capital projects and large capital costs projects is
86 unused in any fiscal year, then the unused portion of tax credits may be offered
87 to small capital projects. The maximum tax credit allowed per employee-qualified
88 capital project is three million dollars and the maximum tax credit allowed per
89 large capital project is one million five hundred thousand dollars. If the
90 authority approves the maximum tax credit allowed for any employee-qualified
91 capital project or any large capital project, then the authority, by rule, shall
92 determine the method of distribution of such maximum tax credit. In addition,
93 if the authority receives more tax credit applications for employee-qualified
94 capital projects and large capital projects than the amount of tax credits
95 authorized therefor, then the authority, by rule, shall determine the method of
96 distribution of tax credits authorized for employee-qualified capital projects and

97 large capital projects.

98 **8. Notwithstanding any provision of law to the contrary, no tax**
99 **credits provided under this section shall be authorized on or after**
100 **August 28, 2014. The provisions of this subsection shall not be**
101 **construed to limit or in any way impair the department's ability to**
102 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's**
103 **ability to redeem such tax credits.**

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] **ending on or before June 30, 2011**, the
10 authority may determine the extent of tax credits, pursuant to section 348.432,
11 that will be utilized in each fiscal year. If 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. For all fiscal years beginning on or after July 1, 2011, the**
18 **authority shall allocate tax credits for authorization under the**
19 **provisions of sections 348.430 and 348.432 in a manner sufficient to**
20 **provide the greatest state benefit while providing the least amount of**
21 **tax credits necessary.**

348.500. 1. This section shall be known and may be cited as the "Family
2 Farms Act".

3 [2. As used in this section, "small farmer" means a farmer who is a
4 Missouri resident and who has less than two hundred fifty thousand dollars in
5 gross sales per year.

6 3. The agricultural and small business development authority shall
7 establish a family farm breeding livestock loan program for small farmers for the
8 purchase of beef cattle, dairy cattle, sheep and goats, and swine only.

9 4. To participate in the loan program, a small farmer shall first obtain
10 approval for a family farm livestock loan from a lender as defined in section
11 348.015. Each small farmer shall be eligible for only one family farm livestock
12 loan per family and for only one type of livestock.

13 5. The maximum amount of the family farm livestock loan for each type
14 of livestock shall be as follows:

- 15 (1) Seventy-five thousand dollars for beef cattle;
- 16 (2) Seventy-five thousand dollars for dairy cattle;
- 17 (3) Thirty-five thousand dollars for swine; and
- 18 (4) Thirty thousand dollars for sheep and goats.

19 6. Eligible borrowers under the program:

- 20 (1) Shall use the proceeds of the family farm loan to acquire breeding
21 livestock;
- 22 (2) Shall not finance more than ninety percent of the anticipated cost of
23 the purchase of such livestock through the family farm livestock loan; and
- 24 (3) Shall not be charged interest by the lender, as defined in section
25 348.015, for the first year of the qualified family farm livestock loan.

26 7. Upon approval of the family farm livestock loan by a lender under
27 subsection 4 of this section, the loan shall be submitted for approval by the
28 agricultural and small business development authority. The authority shall
29 promulgate rules establishing eligibility under this section, taking into
30 consideration:

- 31 (1) The eligible borrower's ability to repay the family farm livestock loan;
- 32 (2) The general economic conditions of the area in which the farm is
33 located;
- 34 (3) The prospect of a financial return for the small farmer for the type of
35 livestock for which the family farm livestock loan is sought; and
- 36 (4) Such other factors as the authority may establish.

37 8. For eligible borrowers participating in the program, the authority shall
38 be responsible for reviewing the purchase price of any livestock to be purchased
39 by an eligible borrower under the program to determine whether the price to be
40 paid is appropriate for the type of livestock purchased. The authority may impose
41 a one-time loan review fee of one percent which shall be collected by the lender
42 at the time of the loan and paid to the authority.

43 9. Nothing in this section shall preclude a small farmer from participating
44 in any other agricultural program.

45 10. Any rule or portion of a rule, as that term is defined in section
46 536.010, that is created under the authority delegated in this section shall
47 become effective only if it complies with and is subject to all of the provisions of
48 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
49 nonseverable and if any of the powers vested with the general assembly pursuant
50 to chapter 536 to review, to delay the effective date, or to disapprove and annul
51 a rule are subsequently held unconstitutional, then the grant of rulemaking
52 authority and any rule proposed or adopted after August 28, 2006, shall be
53 invalid and void.]

54 **2. For purposes of this section, the following terms shall mean:**

55 **(1) "Authority", the Missouri agricultural and small business**
56 **development authority;**

57 **(2) "Breeding livestock", beef, dairy cattle, swine, sheep and**
58 **goats;**

59 **(3) "Eligible purchase", the lesser of the purchase price of**
60 **breeding livestock paid by a small farmer or:**

61 **(a) Seventy-five thousand dollars for beef cattle;**

62 **(b) Seventy-five thousand dollars for dairy cattle;**

63 **(c) Thirty-five thousand dollars for swine; and**

64 **(d) Thirty thousand dollars for sheep and goats;**

65 **(4) "Small farmer", a farmer who is a Missouri resident and who**
66 **has less than two hundred fifty thousand dollars in gross sales per year;**

67 **(5) "State tax liability", any state tax liability incurred by a**
68 **taxpayer under the provisions of chapters 143, 147, and 148, exclusive**
69 **of the provisions relating to the withholding of tax as provided for in**
70 **sections 143.191 to 143.265 and related provisions.**

71 **3. For all taxable years beginning on or after January 1, 2012, a**
72 **small farmer shall be entitled to receive a tax credit equal to seven**
73 **percent of an eligible purchase. The tax credit shall be evidenced by**
74 **a tax credit certificate issued by the agricultural and small business**
75 **development authority and may be used to satisfy the state tax liability**
76 **of the owner of such certificate that becomes due in the tax year in**
77 **which the eligible purchase is made. No small farmer may receive a tax**
78 **credit under this section unless such person presents a tax credit**
79 **certificate to the department of revenue for payment of such state tax**
80 **liability. The total amount of all tax credits that may be issued to small**
81 **farmers claiming tax credits authorized in this section in a fiscal year**

82 shall not exceed three hundred thousand dollars.

83 4. The agricultural and small business development authority
84 shall be responsible for the administration and issuance of the
85 certificate of tax credits authorized by this section. The authority shall
86 issue a certificate of tax credit at the request of any small farmer. Each
87 request shall include a true copy of the receipt for the eligible
88 purchase, the name of the small farmer who is to receive a certificate
89 of tax credit, the type of state tax liability against which the tax credit
90 is to be used, and the amount of the certificate of tax credit to be issued
91 to the small farmer based on the eligible purchase.

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

98 6. The following provisions shall apply to tax credits authorized
99 under this section:

100 (1) Tax credits claimed in a taxable year may be claimed on a
101 quarterly basis and applied to the estimated quarterly tax of the small
102 farmer;

103 (2) Any amount of tax credit which exceeds the tax due,
104 including any estimated quarterly taxes paid by the small farmer under
105 subdivision (1) of this subsection which results in an overpayment of
106 taxes for a taxable year, shall not be refunded but may be carried over
107 to any subsequent taxable year, not to exceed a total of three years;

108 (3) Notwithstanding any provision of law to the contrary, a small
109 farmer may assign, transfer, or sell tax credits authorized under this
110 section, with the new owner of the tax credit receiving the same rights
111 in the tax credit as the small farmer. For any tax credits assigned,
112 transferred, sold, or otherwise conveyed, a notarized endorsement shall
113 be filed by the small farmer with the authority specifying the name and
114 address of the new owner of the tax credit and the value of such tax
115 credit.

116 7. Notwithstanding any provision of law to the contrary, no tax
117 credits provided under this section shall be authorized on or after
118 August 28, 2014. The provisions of this subsection shall not be

119 **construed to limit or in any way impair the department's ability to**
120 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's**
121 **ability to redeem such tax credits.**

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 and sections 135.200 to 135.257. The tax credits allowed
8 pursuant to this subsection shall be used to offset the tax imposed by chapter
9 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax
10 otherwise imposed by chapter 147, or the tax otherwise imposed by chapter
11 148. **Notwithstanding any provisions of law to the contrary, the**
12 **department shall not authorize tax credits and exemptions pursuant to**
13 **this subsection after June 30, 2011.** For purposes of this subsection:

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

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

32 (3) For eligibility to receive the income tax refund pursuant to section
33 135.245, the eligible project must create at least ten new jobs or retain businesses

34 which supply at least twenty-five existing jobs, or combination thereof, and
35 otherwise comply with the provisions of section 135.245 for application and use
36 of the refund and the eligibility requirements of this section;

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

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

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

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

62 (8) For the purpose of meeting the existing job retention requirement, if
63 the eligible project replaces a similar facility that closed elsewhere in Missouri
64 prior to the end of the taxpayer's tax period in which the tax credits are earned,
65 it shall be required that at least twenty-five existing jobs be retained at, and in
66 connection with the eligible project, on a full-time basis during the taxpayer's tax
67 period for which the credits are earned. "Retained job" means a person who was
68 previously employed by the taxpayer or related taxpayer, at a facility similar to
69 the eligible project that closed elsewhere in Missouri prior to the end of the

70 taxpayer's tax period in which the tax credits are earned, within the tax period
71 immediately preceding the time the person was employed by the taxpayer to work
72 at, or in connection with, the eligible project on a full-time basis. "Full-time
73 basis" means the employee works an average of at least thirty-five hours per week
74 during the taxpayer's tax period for which the tax credits are earned;

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

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

104 (11) For the purpose of this section, "new qualified investment" means
105 new business facility investment as defined and as determined in subdivision (7)

106 of section 135.100 which is used at and in connection with the eligible
107 project. "New qualified investment" shall not include small tools, supplies and
108 inventory. "Small tools" means tools that are portable and can be hand held.

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

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

142 property shall independently qualify as abandoned or underutilized. The amount
143 of the credit available for demolition not associated with remediation cannot
144 exceed the total amount of credits approved for remediation including demolition
145 required for remediation.

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

149 (3) The director may, with the approval of the director of natural
150 resources, extend the tax credits allowed for performing voluntary remediation
151 maintenance activities, in increments of three-year periods, not to exceed five
152 consecutive three-year periods. The tax credits allowed in this subsection shall
153 be used to offset the tax imposed by chapter 143, excluding withholding tax
154 imposed by sections 143.191 to 143.265, or the tax otherwise imposed by chapter
155 147, or the tax otherwise imposed by chapter 148. The remediation tax credit
156 may be taken in the same tax year in which the tax credits are received or may
157 be taken over a period not to exceed twenty years.

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

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

174 4. In the exercise of the sound discretion of the director of the department
175 of economic development or the director's designee, the tax credits and
176 exemptions described in this section may be terminated, suspended or revoked,
177 if the eligible project fails to continue to meet the conditions set forth in this

178 section, **including creating or retaining the jobs required under**
179 **subsection 3 of this section.** In making such a determination, the director
180 shall consider the severity of the condition violation, actions taken to correct the
181 violation, the frequency of any condition violations and whether the actions
182 exhibit a pattern of conduct by the eligible facility owner and operator. The
183 director shall also consider changes in general economic conditions and the
184 recommendation of the director of the department of natural resources, or his or
185 her designee, concerning the severity, scope, nature, frequency and extent of any
186 violations of the environmental compliance conditions. The taxpayer or person
187 claiming the tax credits or exemptions may appeal the decision regarding
188 termination, suspension or revocation of any tax credit or exemption in
189 accordance with the procedures outlined in subsections 4 to 6 of section
190 135.250. The director of the department of economic development shall notify the
191 directors of the departments of natural resources and revenue of the termination,
192 suspension or revocation of any tax credits as determined in this section or
193 pursuant to the provisions of section 447.716.

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

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

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

204 (2) One hundred percent of the total business' income tax if the eligible
205 facility does not replace a similar facility that closed elsewhere in Missouri prior
206 to the end of the taxpayer's tax period in which the tax credits are earned, and
207 further provided the taxpayer does not operate any other facilities besides the
208 eligible project in Missouri; fifty percent of the total business' income tax if the
209 eligible facility replaces a similar facility that closed elsewhere in Missouri prior
210 to the end of the taxpayer's tax period in which the credits are earned, and
211 further provided the taxpayer does not operate any other facilities besides the
212 eligible project in Missouri; or twenty-five percent of the total business income if
213 the taxpayer operates, in addition to the eligible facility, any other facilities in

214 Missouri. In no case shall a taxpayer operating more than one eligible project in
215 Missouri be allowed to offset more than twenty-five percent of the taxpayer's
216 business income in any tax period. That portion of the taxpayer's income
217 attributed to the eligible project as referenced in subdivision (1) of this
218 subsection, for which the credits allowed in sections 135.110 and 135.225 and
219 subsection 3 of this section, may apply, shall be determined in the same manner
220 as prescribed in subdivision (6) of section 135.100. That portion of the taxpayer's
221 franchise tax attributed to the eligible project for which the remediation tax
222 credit may offset, shall be determined in the same manner as prescribed in
223 paragraph (a) of subdivision (6) of section 135.100.

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

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

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

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

262 11. For the purpose of the state tax benefits described in this section, in
263 the case of a corporation described in section 143.471 or partnership, in
264 computing Missouri's tax liability, such state benefits shall be allowed to the
265 following:

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

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

271 **12. For all fiscal years beginning on or after July 1, 2011, the**
272 **total amount of tax credits authorized under the provisions of sections**
273 **447.700 to 447.718 shall not exceed twenty-five million**
274 **dollars. Taxpayers receiving tax credits provided under sections**
275 **447.700 to 447.718 shall not simultaneously receive any other state**
276 **benefit unless the department of economic development determines**
277 **that such project shall result in a positive fiscal benefit to the state. If**
278 **within six years of date the project investment is made by the taxpayer,**
279 **the department determines that the project has not resulted in a**
280 **positive fiscal benefit to the state, the department shall recapture the**
281 **amount of tax credits issued which exceed the state benefit.**

282 **13. Notwithstanding any provision of law to the contrary, no tax**
283 **credits provided under sections 447.700 to 447.718 shall be authorized**
284 **on or after August 28, 2014. The provisions of this subsection shall not**
285 **be construed to limit or in any way impair the department's ability to**

286 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's**
287 **ability to redeem such tax credits.**

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; **and**

59 **(4) Loans and grants shall only be available upon receipt of**
60 **matching private funds.**

61 6. A local sponsor, or the organization receiving assistance through the
62 local sponsor, shall have the following responsibilities and duties in establishing
63 and operating an incubator with assistance from the small business incubator
64 program:

65 (1) Secure title on a facility for the program or a lease of a facility for the
66 program;

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

69 (3) Furnish and equip the program to provide business services to the
70 tenants and participants;

- 71 (4) Market the program and secure eligible tenants and participants;
72 (5) Provide financial consulting, marketing and management assistance
73 services or arrange for the provision of these services for tenants and participants
74 of the incubator, including assistance in accessing private financial markets;
75 (6) Set rental and service fees;
76 (7) Encourage the sharing of ideas between tenants and participants and
77 otherwise aid the tenants and participants in an innovative manner while they
78 are within the incubator;
79 (8) Establish policies and criteria for the acceptance of tenants and
80 participants into the incubator and for the termination of occupancy of tenants
81 so as to maximize the opportunity to succeed for the greatest number of tenants,
82 consistent with those specified in this section.

83 7. The department:

- 84 (1) May adopt such rules, statements of policy, procedures, forms and
85 guidelines as may be necessary for the implementation of this section;
86 (2) May make loans, loan guarantees and grants to local sponsors for
87 incubators;
88 (3) Shall ensure that local sponsors receiving loans, loan guarantees or
89 grants meet the conditions of this section;
90 (4) Shall receive and evaluate annual reports from local sponsors. Such
91 annual reports shall include, but need not be limited to, a financial statement for
92 the incubator, evidence that all tenants and participants in the program are
93 eligible under the terms of this section, and a list of companies in the incubator.

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

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

- 100 (1) The number of applications for incubators submitted to the
101 department;
102 (2) The number of applications for incubators approved by the
103 department;
104 (3) The number of incubators created through the small business
105 incubator program;
106 (4) The number of tenants and participants engaged in each incubator;

107 (5) The number of jobs provided by each incubator and tenants and
108 participant of each incubator;

109 (6) The occupancy rate of each incubator;

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

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

122 11. For any taxable year beginning after December 31, 1989, a taxpayer,
123 including any charitable organization which is exempt from federal income tax
124 and whose Missouri unrelated business taxable income, if any, would be subject
125 to the state income tax imposed under chapter 143, shall be entitled to a tax
126 credit against any tax otherwise due under the provisions of chapter 143, or
127 chapter 147, or chapter 148, excluding withholding tax imposed by sections
128 143.191 to 143.265, in the amount of fifty percent of any amount contributed by
129 the taxpayer to the Missouri small business incubators fund during the taxpayer's
130 tax year or any contribution by the taxpayer to a local sponsor after the local
131 sponsor's application has been accepted and approved by the department. The
132 tax credit allowed by this subsection shall be claimed by the taxpayer at the time
133 he files his return and shall be applied against the income tax liability imposed
134 by chapter 143, or chapter 147, or chapter 148, after all other credits provided by
135 law have been applied. That portion of earned tax credits which exceeds the
136 taxpayer's tax liability may be carried forward for up to five years. The aggregate
137 of all tax credits authorized under this section shall not exceed five hundred
138 thousand dollars in any taxable year. **Notwithstanding provisions of law to
139 the contrary, no tax credits authorized under the provision of this
140 section shall be authorized on or after the effective date of this
141 act. The provisions of this subsection shall not be construed to limit or
142 in any way impair the department's ability to issue tax credits**

143 **authorized prior to the effective date of this act, or a taxpayer's ability**
144 **to redeem such tax credits.**

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

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

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

620.800. The following additional terms used in sections 620.800
2 **to 620.809 shall mean:**

3 (1) "Agreement", the agreement between a qualified company, a
4 community college district, and the department concerning a training
5 project. Any such agreement shall comply with the provisions of
6 section 620.017;

7 (2) "Board of trustees", the board of trustees of a community
8 college district established under the provisions of chapter 178;

9 (3) "Certificate", new or retained jobs training certificates issued

10 under section 620.809;

11 (4) "Committee", the compete Missouri job training joint
12 legislative oversight committee, established by the department under
13 the provisions of section 620.803;

14 (5) "Compete Missouri Training Program", the training program
15 established under sections 620.800 to 620.809;

16 (6) "Department", the Missouri department of economic
17 development;

18 (7) "Employee", a person employed by a qualified company;

19 (8) "Full-time employee", an employee of the qualified company
20 that is scheduled to work an average of at least thirty-five hours per
21 week for a twelve-month period, and one for which the qualified
22 company offers health insurance and pays at least fifty percent of such
23 insurance premiums;

24 (9) "Local education agency", a community college, two-year state
25 technical college, or a technical career education center;

26 (10) "New capital investment", shall include funds spent by the
27 qualified company at the project facility after the approval of the
28 notice of intent for real or personal property, and may include the
29 present value of finance or capital leases for real or personal property
30 for the term of such lease at the project facility executed after approval
31 of the notice of intent;

32 (11) "New job", the number of full-time employees located at the
33 project facility that exceeds the project facility base employment less
34 any decrease in the number of full-time employees at related facilities
35 below the related facility base employment. No job that was created
36 prior to the date of the notice of intent shall be deemed a new job. An
37 employee that spends less than fifty percent of the employee's work
38 time at the facility is still considered to be located at a facility if the
39 employee receives his or her directions and control from that facility,
40 is on the facility's payroll, one hundred percent of the employee's
41 income from such employment is Missouri income, and the employee is
42 paid at or above the applicable percentage of the county average wage;

43 (12) "New jobs credit", the credit from withholding remitted by
44 a qualified company provided under subsection 6 of section 620.809;

45 (13) "Notice of intent", a form developed by the department,
46 completed by the qualified company and submitted to the department

47 which states the qualified company's intent to request benefits under
48 this program;

49 (14) "Project facility", the building or buildings used by a
50 qualified company at which new or retained jobs and any new capital
51 investment are or will be located. A project facility may include
52 separate buildings located within sixty miles of each other such that
53 their purpose and operations are interrelated; provided, that where the
54 buildings making up the project facility are not located within the same
55 county, the average wage of the new payroll must exceed the highest
56 county average wage among the counties in which the buildings are
57 located. Upon approval by the department, a subsequent project
58 facility may be designated if the qualified company demonstrates a
59 need to relocate to the subsequent project facility at any time during
60 the project period;

61 (15) "Project facility base employment", the greater of the
62 number of full-time employees located at the project facility on the date
63 of the notice of intent or, for the twelve-month period prior to the date
64 of the notice of intent, the average number of full-time employees
65 located at the project facility. In the event the project facility has not
66 been in operation for a full twelve-month period, the average number
67 of full-time employees for the number of months the project facility has
68 been in operation prior to the date of the notice of intent;

69 (16) "Qualified company", a firm, partnership, joint venture,
70 association, private or public corporation whether organized for profit
71 or not, or headquarters of such entity registered to do business in
72 Missouri that is the owner or operator of a project facility, offers health
73 insurance to all full-time employees of all facilities located in this state,
74 and pays at least fifty percent of such insurance premiums. For the
75 purposes of sections 620.800 to 620.809, the term "qualified company"
76 shall not include:

77 (a) Gambling establishments (NAICS industry group 7132);

78 (b) Retail trade establishments (NAICS sectors 44 and 45), except
79 with respect to any company headquartered in this state with a
80 majority of its full-time employees engaged in operations not within the
81 NAICS codes specified in this subdivision;

82 (c) Food and drinking places (NAICS subsector 722);

83 (d) Public utilities (NAICS 221 including water and sewer

84 services);

85 (e) Any company that is delinquent in the payment of any
86 nonprotested taxes or any other amounts due the state or federal
87 government or any other political subdivision of this state;

88 (f) Any company requesting benefits for retained jobs that has
89 filed for or has publicly announced its intention to file for bankruptcy
90 protection. However, a company that has filed for or has publicly
91 announced its intention to file for bankruptcy, may be a qualified
92 company provided that such company:

93 a. Certifies to the department that it plans to reorganize and not
94 to liquidate; and

95 b. After its bankruptcy petition has been filed, it produces proof,
96 in a form and at times satisfactory to the department, that it is not
97 delinquent in filing any tax returns or making any payment due to the
98 state of Missouri, including but not limited to all tax payments due
99 after the filing of the bankruptcy petition and under the terms of the
100 plan of reorganization.

101 Any taxpayer who is awarded benefits under this subsection and who
102 files for bankruptcy under Chapter 7 of the United States Bankruptcy
103 Code, Title 11 U.S.C., shall immediately notify the department and shall
104 forfeit such benefits and shall repay the state an amount equal to any
105 state tax credits already redeemed and any withholding taxes already
106 retained;

107 (g) Educational services (NAICS sector 61);

108 (h) Religious organizations (NAICS industry group 8131);

109 (i) Public administration (NAICS sector 92);

110 (j) Ethanol distillation or production; or

111 (k) Biodiesel production.

112 Notwithstanding any provision of this section to the contrary, the
113 headquarters, administrative offices, or research and development
114 facilities of an otherwise excluded business may qualify for benefits if
115 the offices or facilities serve a multistate territory. In the event a
116 national, state, or regional headquarters operation is not the
117 predominant activity of a project facility, the jobs and investment of
118 such operation shall be considered eligible for benefits under this
119 section if the other requirements are satisfied;

120 (17) "Related company":

121 **(a) A corporation, partnership, trust, or association controlled**
122 **by the qualified company;**

123 **(b) An individual, corporation, partnership, trust, or association**
124 **in control of the qualified company; or**

125 **(c) Corporations, partnerships, trusts, or associations controlled**
126 **by an individual, corporation, partnership, trust, or association in**
127 **control of the qualified company. As used in this subdivision, "control**
128 **of a corporation" shall mean ownership, directly or indirectly, of stock**
129 **possessing at least fifty percent of the total combined voting power of**
130 **all classes of stock entitled to vote, "control of a partnership or**
131 **association" shall mean ownership of at least fifty percent of the capital**
132 **or profits interest in such partnership or association, "control of a**
133 **trust" shall mean ownership, directly or indirectly, of at least fifty**
134 **percent of the beneficial interest in the principal or income of such**
135 **trust, and ownership shall be determined as provided in Section 318 of**
136 **the Internal Revenue Code of 1986, as amended;**

137 **(18) "Related facility", a facility operated by the qualified**
138 **company or a related company located in this state that is directly**
139 **related to the operations of the project facility or in which operations**
140 **substantially similar to the operations of the project facility are**
141 **performed;**

142 **(19) "Related facility base employment", the greater of the**
143 **number of full-time employees located at all related facilities on the**
144 **date of the notice of intent or, for the twelve-month period prior to the**
145 **date of the notice of intent, the average number of full-time employees**
146 **located at all related facilities of the qualified company or a related**
147 **company located in this state;**

148 **(20) "Retained job", the average number of full-time employees of**
149 **a qualified company located at the project facility during each month**
150 **for the calendar year preceding the year in which the notice of intent**
151 **is submitted;**

152 **(21) "Retained jobs credit", the credit from withholding remitted**
153 **by a qualified company provided under subsection 6 of section 620.809;**

154 **(22) "Targeted industry", an industry or one of a cluster of**
155 **industries identified by the department by rule following a strategic**
156 **planning process as being critical to the state's economic security and**
157 **growth;**

158 **(23) "Training program", the compete Missouri training program**
159 **established under sections 620.800 to 620.809;**

160 **(24) "Training project", the project or projects established**
161 **through the compete Missouri training program for the creation or**
162 **retention of jobs by providing education and training of workers;**

163 **(25) "Training project costs", all necessary and incidental costs**
164 **of providing program services through the training program, including:**

165 **(a) Training materials and supplies;**

166 **(b) Wages and benefits of instructors, who may or may not be**
167 **employed by the eligible industry, and the cost of training such**
168 **instructors;**

169 **(c) Subcontracted services;**

170 **(d) On-the-job training;**

171 **(e) Training facilities and equipment;**

172 **(f) Skill assessment;**

173 **(g) Training project and curriculum development;**

174 **(h) Travel directly to the training project, including a**
175 **coordinated transportation program for trainings if the training can be**
176 **more effectively provided outside the community where the jobs are to**
177 **be located;**

178 **(i) Payments to third party training providers and to the eligible**
179 **industry;**

180 **(j) Teaching and assistance provided by educational institutions**
181 **in the state of Missouri;**

182 **(k) In-plant training analysis, including fees for professionals**
183 **and necessary travel and expenses;**

184 **(l) Assessment and preselection tools;**

185 **(m) Publicity;**

186 **(n) Instructional services;**

187 **(o) Rental of instructional facilities with necessary utilities; and**

188 **(p) Payment of the principal, premium, and interest on**
189 **certificates, including capitalized interest, issued to finance a project,**
190 **and the funding and maintenance of a debt service reserve fund to**
191 **secure such certificates;**

192 **(26) "Training project services", includes, but shall not be limited**
193 **to, the following:**

194 **(a) Job training, which may include, but not be limited to,**

195 preemployment training, analysis of the specified training needs for a
196 qualified company, development of training plans, and provision of
197 training through qualified training staff;

198 (b) Adult basic education and job-related instruction;

199 (c) Vocational and skill-assessment services and testing;

200 (d) Training facilities, equipment, materials, and supplies;

201 (e) On-the-job training;

202 (f) Administrative expenses equal to fifteen percent of the total
203 training costs;

204 (g) Subcontracted services with state institutions of higher
205 education, private colleges or universities, or other federal, state, or
206 local agencies;

207 (h) Contracted or professional services; and

208 (i) Issuance of certificates, when applicable.

620.803. 1. The department shall establish a "Compete Missouri
2 Training Program" to assist qualified companies for the training of
3 employees in new jobs and the retraining or upgrading of skills of full-
4 time employees in retained jobs as provided in sections 620.800 to
5 620.809. The training program shall be funded through appropriations
6 to the funds established under sections 620.806 and 620.809. The
7 department shall, to the maximum extent practicable, prioritize
8 funding under the training program to assist qualified companies in
9 targeted industries.

10 2. There is hereby created the "Compete Missouri Job Training
11 Joint Legislative Oversight Committee". The committee shall consist of
12 three members of the Missouri senate appointed by the president pro
13 tem of the senate; and three members of the house of representatives
14 appointed by the speaker of the house. No more than two of the
15 members of the senate and two of the members of the house of
16 representatives shall be from the same political party. Members of the
17 committee shall report to the governor, the president pro tem of the
18 senate and the speaker of the house of representatives on all assistance
19 to industries under the provisions of sections 620.800 to 620.809
20 provided during the preceding fiscal year. The report of the committee
21 shall be delivered no later than October first of each year. The director
22 of the department shall report to the committee such information as the
23 committee may deem necessary for its annual report. Members of the

24 committee shall receive no compensation in addition to their salary as
25 members of the general assembly, but may receive their necessary
26 expenses while attending the meetings of the committee, to be paid out
27 of the joint contingent fund.

28 3. The department shall publish guidelines and may promulgate
29 rules and regulations governing the training program. Any rule or
30 portion of a rule, as that term is defined in section 536.010, that is
31 created under the authority delegated in this section shall become
32 effective only if it complies with and is subject to all of the provisions
33 of chapter 536 and, if applicable, section 536.028. This section and
34 chapter 536 are nonseverable and if any of the powers vested with the
35 general assembly pursuant to chapter 536 to review, to delay the
36 effective date, or to disapprove and annul a rule are subsequently held
37 unconstitutional, then the grant of rulemaking authority and any rule
38 proposed or adopted after August 28, 2011, shall be invalid and void.

39 4. The department shall make program applications and
40 guidelines available on-line.

41 5. The department may contract with other entities, including
42 businesses, industries, other state agencies, and the political
43 subdivisions of the state for the purposes of carrying out the provisions
44 of the training program established in sections 620.800 to 620.809. Any
45 assistance through the training program shall be provided pursuant to
46 an agreement.

47 6. Prior to the authorization of any application submitted
48 through the training program, the department shall verify the
49 applicant's tax payment status and offset any delinquencies as provided
50 in section 135.815.

620.806. 1. The "Missouri Job Development Fund", formerly
2 established in the state treasury by section 620.478, shall now be known
3 as the "Compete Missouri Job Development Fund" and shall be
4 administered by the department for the training program. The fund
5 shall consist of all moneys which may be appropriated to it by the
6 general assembly and also any gifts, contributions, grants, or bequests
7 received from federal, private or other sources, including, but not
8 limited to, any block grant or other sources of funding relating to job
9 training, school-to-work transition, welfare reform, vocational and
10 technical training, housing, infrastructure, development, and human

11 resource investment programs which may be provided by the federal
12 government or other sources.

13 2. The department may provide financial assistance through the
14 training program to qualified companies that create new jobs which
15 will result in the need for training, or that make new capital
16 investment relating directly to the retention of retained jobs in an
17 amount at least five times greater than the amount of any financial
18 assistance. Financial assistance may also be provided to a consortium
19 of qualified companies organized for the purpose of providing for
20 common training to the consortium members' employees. Funds in the
21 compete Missouri job development fund shall be appropriated, for
22 financial assistance through the training program, by the general
23 assembly to the department and shall be administered by a local
24 educational agency certified by the department for such
25 purpose. Except for state-sponsored pre-employment training, no
26 qualified company shall receive more than fifty percent of its training
27 program costs from the compete Missouri job development fund. No
28 funds shall be awarded or reimbursed to any qualified company for the
29 training, retraining, or upgrading of skills of potential employees with
30 the purpose of replacing or supplanting employees engaged in an
31 authorized work stoppage. Upon approval by the department, training
32 project costs, except the purchase of training equipment and training
33 facilities, shall be eligible for reimbursement with funds from the
34 compete Missouri job development fund. Notwithstanding any
35 provision of law to the contrary, no qualified company within a service
36 industry shall be eligible for assistance under this subsection unless
37 such qualified company provides services in interstate commerce,
38 which shall mean that the qualified company derives a majority of its
39 annual revenues from out of the state.

40 3. The department may provide assistance, through
41 appropriations made from the compete Missouri job development fund,
42 to business and technology centers. Such assistance shall not include
43 the lending of the state's credit for the payment of any liability of the
44 fund. Such centers may be established by Missouri community colleges,
45 or a state-owned postsecondary technical college, to provide business
46 and training services for growth industries as determined by current
47 labor market information.

620.809. 1. The "Missouri Community College Job Training Program Fund", formerly established in the state treasury by section 178.896, shall now be known as the "Compete Missouri Community College New Jobs Training Fund", and shall be administered by the department for the training program. The department of revenue shall credit to the fund, as received, all new jobs credits. The fund shall also consist of any gifts, contributions, grants, or bequests received from federal, private, or other sources. The general assembly, however, shall not provide for any transfer of general revenue funds into the fund. Moneys in the fund shall be disbursed to the department pursuant to regular appropriations by the general assembly. The department shall disburse such appropriated funds in a timely manner into the special funds established by community college districts for training projects, which funds shall be used to pay training project costs. Such disbursements shall be made to the special fund for each training project in the same proportion as the new jobs credit remitted by the qualified company participating in such project bears to the total new jobs credit from withholding remitted by all qualified companies participating in projects during the period for which the disbursement is made. All moneys remaining in the fund at the end of any fiscal year shall not lapse to the general revenue fund, as provided in section 33.080, but shall remain in the fund.

2. The "Missouri Community College Job Retention Training Program Fund", formerly established in the state treasury by section 178.764, shall now be known as the "Compete Missouri Community College Job Retention Training Fund", and shall be administered by the department for the compete Missouri training program. The department of revenue shall credit to the fund, as received, all retained jobs credits. The fund shall also consist of any gifts, contributions, grants, or bequests received from federal, private, or other sources. The general assembly, however, shall not provide for any transfer of general revenue funds into the fund. Moneys in the fund shall be disbursed to the department pursuant to regular appropriations by the general assembly. The department shall disburse such appropriated funds in a timely manner into the special funds established by community college districts for projects, which funds shall be used to pay training program costs, including the principal,

38 premium, and interest on certificates issued by the district to finance
39 or refinance, in whole or in part, a project. Such disbursements by the
40 department shall be made to the special fund for each project in the
41 same proportion as the retained jobs credit from withholding remitted
42 by the qualified company participating in such project bears to the
43 total retained jobs credit from withholding remitted by qualified
44 companies participating in projects during the period for which the
45 disbursement is made. All moneys remaining in the fund at the end of
46 any fiscal year shall not lapse to the general revenue fund, as provided
47 in section 33.080, but shall remain in the fund.

48 3. The department of revenue shall develop such forms as are
49 necessary to demonstrate accurately each qualified company's new jobs
50 credit paid into the compete Missouri community college new jobs
51 training fund or retained jobs credit paid into the compete Missouri
52 community college job retention training fund. The new or retained
53 jobs credits shall be accounted as separate from the normal
54 withholding tax paid to the department of revenue by the qualified
55 company. Reimbursements made by all qualified companies to the
56 compete Missouri community college new jobs training fund and the
57 compete Missouri community college job retention training fund shall
58 be no less than all allocations made by the department to all community
59 college districts for all projects. The qualified company shall remit the
60 amount of the new or retained jobs credit, as applicable, to the
61 department of revenue in the same manner as provided in sections
62 143.191 to 143.265.

63 4. A community college district, with the approval of the
64 department in consultation with the office of administration, may enter
65 into an agreement to establish a training project and provide training
66 project services to a qualified company. As soon as possible after
67 initial contact between a community college district and a potential
68 qualified company regarding the possibility of entering into an
69 agreement, the district shall inform the department of the potential
70 training project. The department shall evaluate the proposed training
71 project within the overall job training efforts of the state to ensure that
72 the training project will not duplicate other job training programs. The
73 department shall have fourteen days from receipt of a notice of intent
74 to approve or disapprove training projects. If no response is received

75 by the qualified company within fourteen days, the training project
76 shall be deemed approved. Disapproval of any training project shall be
77 made in writing and state the reasons for such disapproval. If an
78 agreement is entered into, the district and the qualified company shall
79 notify the department of revenue within fifteen calendar days. In
80 addition to any provisions required under subsection 5 of this section
81 for a qualified company applying to receive a retained job credit, an
82 agreement may provide, but shall not be limited to:

83 (1) Payment of training project costs, which may be paid from
84 one or a combination of the following sources:

85 (a) Funds appropriated by the general assembly to the compete
86 Missouri community college new jobs training program fund or compete
87 Missouri community college job retention training program fund, as
88 applicable, and disbursed by the department for the purposes
89 consistent with sections 620.800 to 620.809;

90 (b) Tuition, student fees, or special charges fixed by the board
91 of trustees to defray training project costs in whole or in part;

92 (2) Payment of training project costs shall not be deferred for a
93 period longer than eight years;

94 (3) Costs of on-the-job training for employees shall include wages
95 or salaries of participating employees. Payments for on-the-job
96 training shall not exceed the average of fifty percent of the total wages
97 paid by the qualified company to each participant during the period of
98 training. Payment for on-the-job training may continue for up to six
99 months from the date the training begins;

100 (4) A provision which fixes the minimum amount of new or
101 retained jobs credits, or tuition and fee payments which shall be paid
102 for training project costs;

103 (5) Any payment required to be made by a qualified company
104 shall constitute a lien upon the qualified company's business property
105 until paid and have equal priority with ordinary taxes and shall not be
106 divested by a judicial sale. Property subject to such lien may be sold
107 for sums due and delinquent at a tax sale, with the same forfeitures,
108 penalties, and consequences as for the nonpayment of ordinary
109 taxes. The purchasers at tax sale shall obtain the property subject to
110 the remaining payments.

111 5. Any qualified company that submits a notice of intent for

112 retained job credits shall enter into an agreement providing that the
113 qualified company has:

114 (1) Maintained at least one hundred full-time employees per year
115 at the project facility for the calendar year preceding the year in which
116 the application is made;

117 (2) Retained, at the project facility, the same number of
118 employees that existed in the taxable year immediately preceding the
119 year in which application is made; and

120 (3) Made or agrees to make a new capital investment of greater
121 than five times the amount of any award under this training program
122 at the project facility over a period of two consecutive calendar years,
123 as certified by the qualified company and:

124 (a) Has made substantial investment in new technology requiring
125 the upgrading of employee skills; or

126 (b) Is located in a border county of the state and represent a
127 potential risk of relocation from the state; or

128 (c) Has been determined to represent a substantial risk of
129 relocation from the state by the director of the department of economic
130 development.

131 6. If an agreement provides that all or part of training program
132 costs are to be met by receipt of new or retained jobs credit, such new
133 or retained jobs credit from withholding shall be determined and paid
134 as follows:

135 (1) New or retained jobs credit shall be based upon the wages
136 paid to the employees in the new or retained jobs;

137 (2) A portion of the total payments made by the qualified
138 companies under sections 143.191 to 143.265 shall be designated as the
139 new or retained jobs credit from withholding. Such portion shall be an
140 amount equal to two and one-half percent of the gross wages paid by
141 the qualified company for each of the first one hundred jobs included
142 in the project and one and one-half percent of the gross wages paid by
143 the qualified company for each of the remaining jobs included in the
144 project. If business or employment conditions cause the amount of the
145 new or retained jobs credit from withholding to be less than the
146 amount projected in the agreement for any time period, then other
147 withholding tax paid by the qualified company under sections 143.191
148 to 143.265 shall be credited to the applicable fund by the amount of

149 such difference. The qualified company shall remit the amount of the
150 new or retained jobs credit to the department of revenue in the manner
151 prescribed in sections 143.191 to 143.265. When all training program
152 costs have been paid, the new or retained jobs credits shall cease;

153 (3) The community college district participating in a project
154 shall establish a special fund for and in the name of the training
155 project. All funds appropriated by the general assembly from the funds
156 established under subsections 1 and 2 of this section, and disbursed by
157 the department for the training project and other amounts received by
158 the district for training project costs as required by the agreement
159 shall be deposited in the special fund. Amounts held in the special fund
160 shall be used and disbursed by the district only to pay training project
161 costs for such training project. The special fund may be divided into
162 such accounts and subaccounts as shall be provided in the agreement,
163 and amounts held therein may be invested in the same manner as the
164 district's other funds;

165 (4) Any disbursement for training project costs, received from
166 the department under sections 620.800 to 620.809 and placed into the
167 training project's special fund may be irrevocably pledged by a
168 community college district for the payment of the principal, premium,
169 and interest on the certificate issued by a community college district
170 to finance or refinance, in whole or in part, such training project;

171 (5) The qualified company shall certify to the department of
172 revenue that the new or retained jobs credit is in accordance with an
173 agreement and shall provide other information the department of
174 revenue may require;

175 (6) An employee participating in a training project shall receive
176 full credit under section 143.211, for the amount designated as a new
177 or retained jobs credit;

178 (7) If an agreement provides that all or part of training program
179 costs are to be met by receipt of new or retained jobs credit, the
180 provisions of this subsection shall also apply to any successor to the
181 original qualified company until such time as the principal and interest
182 on the certificates have been paid.

183 7. To provide funds for the present payment of the training
184 project costs of new or retained jobs training project through the
185 training program, a community college district may borrow money and

186 issue and sell certificates payable from a sufficient portion of the
187 future receipts of payments authorized by the agreement including
188 disbursements from the compete Missouri community college new jobs
189 training fund or the compete Missouri community college job retention
190 training fund, to the special fund established by the district for each
191 project. The total amount of outstanding certificates sold by all
192 community college districts shall not exceed the total amount
193 authorized pursuant to law as of January 1, 2011, unless an increased
194 amount is authorized in writing by a majority of members of the
195 committee. The certificates shall be marketed through financial
196 institutions authorized to do business in Missouri. The receipts shall
197 be pledged to the payment of principal of and interest on the
198 certificates. Certificates may be sold at public sale or at private sale
199 at par, premium, or discount of not less than ninety-five percent of the
200 par value thereof, at the discretion of the board of trustees, and may
201 bear interest at such rate or rates as the board of trustees shall
202 determine, notwithstanding the provisions of section 108.170 to the
203 contrary. However, the provisions of chapter 176 shall not apply to the
204 issuance of such certificates. Certificates may be issued with respect
205 to a single project or multiple projects and may contain terms or
206 conditions as the board of trustees may provide by resolution
207 authorizing the issuance of the certificates.

208 8. Certificates issued to refund other certificates may be sold at
209 public sale or at private sale as provided in this section with the
210 proceeds from the sale to be used for the payment of the certificates
211 being refunded. The refunding certificates may be exchanged in
212 payment and discharge of the certificates being refunded, in
213 installments at different times or an entire issue or series at one
214 time. Refunding certificates may be sold or exchanged at any time on,
215 before, or after the maturity of the outstanding certificates to be
216 refunded. They may be issued for the purpose of refunding a like,
217 greater, or lesser principal amount of certificates and may bear a
218 higher, lower, or equivalent rate of interest than the certificates being
219 renewed or refunded.

220 9. Before certificates are issued, the board of trustees shall
221 publish once a notice of its intention to issue the certificates, stating
222 the amount, the purpose, and the project or projects for which the

223 certificates are to be issued. A person with standing may, within
224 fifteen days after the publication of the notice, by action in the circuit
225 court of a county in the district, appeal the decision of the board of
226 trustees to issue the certificates. The action of the board of trustees in
227 determining to issue the certificates shall be final and conclusive
228 unless the circuit court finds that the board of trustees has exceeded
229 its legal authority. An action shall not be brought which questions the
230 legality of the certificates, the power of the board of trustees to issue
231 the certificates, the effectiveness of any proceedings relating to the
232 authorization of the project, or the authorization and issuance of the
233 certificates from and after fifteen days from the publication of the
234 notice of intention to issue.

235 10. The board of trustees shall make a finding based on
236 information supplied by the qualified company that revenues provided
237 in the agreement are sufficient to secure the faithful performance of
238 obligations in the agreement.

239 11. Certificates issued under this section shall not be deemed to
240 be an indebtedness of the state or the community college district or of
241 any other political subdivision of the state, and the principal and
242 interest on any certificates shall be payable only from the sources
243 provided in subdivision (1) of subsection 4 of this section which are
244 pledged in the agreement.

245 12. The provisions of the new program authorized under sections
246 620.800 to 620.809 shall sunset automatically on July 1, 2018, unless
247 reauthorized by an act of the general assembly.

 620.2000. Sections 620.2000 to 620.2020 and section 144.540 shall
2 be known and may be cited as the "Compete Missouri Program".

 620.2005. As used in sections 620.2000 to 620.2020, the following
2 terms mean:

3 (1) "Average wage", the new payroll divided by the number of
4 new jobs, or the payroll of the retained jobs divided by the number of
5 retained jobs;

6 (2) "Commencement of operations", the starting date for the
7 qualified company's first new employee, which shall be no later than
8 twelve months from the date of the approval;

9 (3) "County average wage", the average wages in each county as
10 determined by the department for the most recently completed full

11 calendar year. However, if the computed county average wage is above
12 the statewide average wage, the statewide average wage shall be
13 deemed the county average wage for such county for the purpose of
14 determining eligibility. The department shall publish the county
15 average wage for each county at least annually. Notwithstanding the
16 provisions of this subdivision to the contrary, for any qualified
17 company that in conjunction with their project is relocating employees
18 from a Missouri county with a higher county average wage, the
19 company shall obtain the endorsement of the governing body of the
20 community from which jobs are being relocated or the county average
21 wage for their project shall be the county average wage for the county
22 from which the employees are being relocated;

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

25 (5) "Director", the director of the department of economic
26 development;

27 (6) "Employee", a person employed by a qualified company;

28 (7) "Existing Missouri business", a qualified company that, for the
29 ten-year period preceding submission of a notice of intent to the
30 department, had a physical location in Missouri and full-time
31 employees who routinely perform job duties within Missouri;

32 (8) "Full-time employee", an employee of the qualified company
33 that is scheduled to work an average of at least thirty-five hours per
34 week for a twelve-month period, and one for which the qualified
35 company offers health insurance and pays at least fifty percent of such
36 insurance premiums;

37 (9) "Local incentives", the present value of the dollar amount of
38 direct benefit received by a qualified company for a project facility
39 from one or more local political subdivisions, but this term shall not
40 include loans or other funds provided to the qualified company that
41 shall be repaid by the qualified company to the political subdivision;

42 (10) "NAICS" or "NAICS industry classification", the classification
43 provided by the most recent edition of the North American Industry
44 Classification System as prepared by the Executive Office of the
45 President, Office of Management and Budget;

46 (11) "New capital investment", shall include funds spent by the
47 qualified company at the project facility after the approval of the

48 notice of intent for real or personal property, and may include the
49 present value of finance or capital leases for real or personal property
50 for the term of such lease at the project facility executed after approval
51 of the notice of intent;

52 (12) "New direct local revenue", the present value of the dollar
53 amount of direct net new tax revenues of the local political
54 subdivisions likely to be produced by the project over a ten-year period
55 as calculated by the department, excluding local earnings tax, and net
56 new utility revenues, provided the local incentives include a discount
57 or other direct incentives from utilities owned or operated by the
58 political subdivision;

59 (13) "New job", the number of full-time employees located at the
60 project facility that exceeds the project facility base employment less
61 any decrease in the number of full-time employees at related facilities
62 below the related facility base employment. No job that was created
63 prior to the date of the notice of intent shall be deemed a new job. An
64 employee that spends less than fifty percent of the employee's work
65 time at the facility shall be considered to be located at a facility if the
66 employee receives his or her directions and control from that facility,
67 is on the facility's payroll, one hundred percent of the employee's
68 income from such employment is Missouri income, and the employee is
69 paid at or above the applicable percentage of the county average wage;

70 (14) "New payroll", the amount of wages earned by all full-time
71 employees, excluding owners of the qualified company unless the
72 qualified company is participating in an employee stock ownership
73 plan, located at the project facility during the qualified company's tax
74 year that exceeds the project facility base payroll;

75 (15) "Notice of intent", a form developed by the department and
76 available online, completed by the qualified company, and submitted to
77 the department stating the qualified company's intent to request
78 benefits under this program;

79 (16) "Percent of local incentives", the amount of local incentives
80 divided by the amount of new direct local revenue;

81 (17) "Program", the compete Missouri program established in
82 sections 620.2000 to 620.2020;

83 (18) "Project facility", the building or buildings used by a
84 qualified company at which new or retained jobs and any new capital

85 investment are or will be located. A project facility may include
86 separate buildings located within sixty miles of each other such that
87 their purpose and operations are interrelated; provided that where the
88 buildings making up the project facility are not located within the same
89 county, the average wage of the new payroll shall exceed the highest
90 county average wage among the counties in which the buildings are
91 located. Upon approval by the department, a subsequent project
92 facility may be designated if the qualified company demonstrates a
93 need to relocate to the subsequent project facility at any time during
94 the project period;

95 (19) "Project facility base employment", the greater of the
96 number of full-time employees located at the project facility on the date
97 of the notice of intent or, for the twelve-month period prior to the date
98 of the notice of intent, the average number of full-time employees
99 located at the project facility. In the event the project facility has not
100 been in operation for a full twelve-month period, the average number
101 of full-time employees for the number of months the project facility has
102 been in operation prior to the date of the notice of intent;

103 (20) "Project facility base payroll", the total amount of wages
104 paid by the qualified company to full-time employees of the qualified
105 company located at the project facility in the twelve months prior to
106 the notice of intent, not including the payroll of the owners of the
107 qualified company unless the qualified company is participating in an
108 employee stock ownership plan. For purposes of calculating the
109 benefits under this program, the amount of base payroll shall increase
110 each year based on an appropriate measure, as determined by the
111 department;

112 (21) "Project period", the time period within which benefits are
113 awarded to a qualified company or within which the qualified company
114 is obligated to perform pursuant to an agreement with the department,
115 whichever is greater;

116 (22) "Projected net fiscal benefit", the total fiscal benefit to the
117 state less any state benefits offered to the qualified company, as
118 determined by the department;

119 (23) "Qualified company", a firm, partnership, joint venture,
120 association, private or public corporation whether organized for profit
121 or not, or headquarters of such entity registered to do business in

122 Missouri that is the owner or operator of a project facility, offers health
123 insurance to all full-time employees of all facilities located in this state,
124 and pays at least fifty percent of such insurance premiums. For the
125 purposes of sections 620.2000 to 620.2020, the term "qualified company"
126 shall not include:

127 (a) Gambling establishments (NAICS industry group 7132);

128 (b) Retail trade establishments (NAICS sectors 44 and 45), except
129 with respect to any company headquartered in this state with a
130 majority of its full-time employees engaged in operations not within the
131 NAICS codes specified in this subdivision;

132 (c) Food and drinking places (NAICS subsector 722);

133 (d) Public utilities (NAICS 221 including water and sewer
134 services);

135 (e) Any company that is delinquent in the payment of any
136 nonprotested taxes or any other amounts due the state or federal
137 government or any other political subdivision of this state;

138 (f) Any company requesting benefits for retained jobs that has
139 filed for or has publicly announced its intention to file for bankruptcy
140 protection. However, a company that has filed for or has publicly
141 announced its intention to file for bankruptcy, may be a qualified
142 company provided that such company:

143 a. Certifies to the department that it plans to reorganize and not
144 to liquidate; and

145 b. After its bankruptcy petition has been filed, it produces proof,
146 in a form and at times satisfactory to the department, that it is not
147 delinquent in filing any tax returns or making any payment due to the
148 state of Missouri, including but not limited to all tax payments due
149 after the filing of the bankruptcy petition and under the terms of the
150 plan of reorganization.

151 Any taxpayer who is awarded benefits under this subsection and who
152 files for bankruptcy under Chapter 7 of the United States Bankruptcy
153 Code, Title 11 U.S.C., shall immediately notify the department and shall
154 forfeit such benefits and shall repay the state an amount equal to any
155 state tax credits already redeemed and any withholding taxes already
156 retained;

157 (g) Educational services (NAICS sector 61);

158 (h) Religious organizations (NAICS industry group 8131);

- 159 (i) Public administration (NAICS sector 92);
160 (j) Ethanol distillation or production; or
161 (k) Biodiesel production.

162 Notwithstanding any provision of this section to the contrary, the
163 headquarters, administrative offices, or research and development
164 facilities of an otherwise excluded business may qualify for benefits if
165 the offices or facilities serve a multistate territory. In the event a
166 national, state, or regional headquarters operation is not the
167 predominant activity of a project facility, the jobs and investment of
168 such operation shall be considered eligible for benefits under this
169 section if the other requirements are satisfied;

170 (24) "Related company", shall mean:

171 (a) A corporation, partnership, trust, or association controlled
172 by the qualified company;

173 (b) An individual, corporation, partnership, trust, or association
174 in control of the qualified company; or

175 (c) Corporations, partnerships, trusts or associations controlled
176 by an individual, corporation, partnership, trust, or association in
177 control of the qualified company. As used in this paragraph, "control
178 of a qualified company" shall mean:

179 a. Ownership, directly or indirectly, of stock possessing at least
180 fifty percent of the total combined voting power of all classes of stock
181 entitled to vote in the case of a qualified company that is a corporation;

182 b. Ownership of at least fifty percent of the capital or profits
183 interest in such qualified company if it is a partnership or association;

184 c. Ownership, directly or indirectly, of at least fifty percent of
185 the beneficial interest in the principal or income of such qualified
186 company if it is a trust, and ownership shall be determined as provided
187 in Section 318 of the Internal Revenue Code of 1986, as amended;

188 (25) "Related facility", a facility operated by the qualified
189 company or a related company located in this state that is directly
190 related to the operations of the project facility or in which operations
191 substantially similar to the operations of the project facility are
192 performed;

193 (26) "Related facility base employment", the greater of the
194 number of full-time employees located at all related facilities on the
195 date of the notice of intent or, for the twelve-month period prior to the

196 date of the notice of intent, the average number of full-time employees
197 located at all related facilities of the qualified company or a related
198 company located in this state;

199 (27) "Related facility base payroll", the total amount of taxable
200 wages paid by the qualified company to full-time employees of the
201 qualified company located at a related facility in the twelve months
202 prior to the filing of the notice of intent, not including the payroll of
203 the owners of the qualified company unless the qualified company is
204 participating in an employee stock ownership plan. For purposes of
205 calculating the benefits under this program, the amount of related
206 facility base payroll shall increase each year based on an appropriate
207 measure, as determined by the department;

208 (28) "Retained job", the average number of full-time employees of
209 a qualified company located at the project facility during each month
210 for the calendar year preceding the year in which the notice of intent
211 is submitted;

212 (29) "Rural area", a county in Missouri with a population less
213 than seventy-five thousand or that does not contain an individual city
214 with a population greater than fifty thousand according to the most
215 recent federal decennial census;

216 (30) "Targeted industry", an industry or one of a cluster of
217 industries identified by the department, by rule following a strategic
218 planning process, as being critical to the state's economic security and
219 growth;

220 (31) "Tax credits", tax credits issued by the department to offset
221 the state taxes imposed by chapters 143 and 148, or which may be sold
222 or refunded as provided for in this program; and

223 (32) "Withholding tax", the state tax imposed by sections 143.191
224 to 143.265. For purposes of this program, the withholding tax shall be
225 computed using a schedule as determined by the department based on
226 average wages.

620.2010. 1. In exchange for the consideration provided by the
2 new tax revenues and other economic stimuli that will be generated by
3 the new jobs created, a qualified company shall be eligible to receive
4 the following benefits under this program:

5 (1) A qualified company may, for a period of five years from the
6 date the new jobs are created, or for a period of six years from the date

7 the new jobs are created if the qualified company is an existing
8 Missouri business, retain an amount equal to the withholding tax as
9 calculated under subdivision (32) of section 620.2005 from the new jobs
10 that would otherwise be withheld and remitted by the qualified
11 company under the provisions of sections 143.191 to 143.265 if:

12 (a) The qualified company creates twenty or more new jobs, and
13 the average wage of the new payroll equals or exceeds ninety percent
14 of the county average wage;

15 (b) The qualified company is in a targeted industry and creates
16 ten or more new jobs, and the average wage of the new payroll equals
17 or exceeds ninety percent of the county average wage; or

18 (c) The qualified company creates two or more new jobs at a
19 project facility located within a zone designated pursuant to section
20 135.950 to 135.963, the average wage of the new payroll equals or
21 exceeds eighty percent of the county average wage, and the qualified
22 company commits to making at least one hundred thousand dollars in
23 new capital investment at the project facility within two years of
24 approval;

25 (2) In addition to any other benefits available under this
26 subsection, a qualified company that satisfies paragraph (a) of
27 subdivision (1) of this subsection shall also be entitled to tax credits
28 issued each year for a period of five years from the date the new jobs
29 are created in an amount not to exceed two percent of new payroll from
30 the new jobs created; provided that in no event may the total amount
31 of benefits provided to a qualified company under this subsection
32 exceed five percent of the new payroll in any calendar year;

33 (3) In addition to any other benefits available under this
34 subsection, a qualified company that satisfies paragraph (b) of
35 subdivision (1) of this subsection shall also be entitled to tax credits
36 issued each year for a period of five years from the date the new jobs
37 are created in an amount not to exceed three percent of new payroll
38 from the new jobs created; provided that in no event may the total
39 amount of benefits provided to a qualified company under this
40 subsection exceed six percent of the new payroll in any calendar year.

41 2. In addition to any benefits available under subsection 1 of this
42 section, the department may award additional tax credits issued each
43 year for a period of five years from the date the new jobs are created

44 as follows:

45 (1) A qualified company that satisfies paragraph (a) of
46 subdivision (1) of subsection 1 of this section may be awarded tax
47 credits in an amount not to exceed four percent of new payroll from the
48 new jobs created; provided that in no event may the total amount of
49 benefits awarded to a qualified company under this section exceed nine
50 percent of new payroll in any calendar year;

51 (2) A qualified company that satisfies paragraph (b) of
52 subdivision (1) of subsection 1 of this section may be awarded tax
53 credits in an amount not to exceed six percent of new payroll from the
54 new jobs created; provided that in no event may the total amount of
55 benefits provided to the qualified company under this section exceed
56 twelve percent of new payroll in any calendar year;

57 (3) The amount of tax credits awarded to a qualified company
58 under this subsection shall not exceed the projected net fiscal benefit
59 to the state, as determined by the department, and shall not exceed the
60 least amount necessary to obtain the qualified company's commitment
61 to initiate the project. No benefits shall be available under this
62 subsection for any qualified company that has performed significant,
63 project-specific site work at the project facility or has publicly
64 announced its intention to create new jobs or make new capital
65 investment at the project facility prior to approval of its notice of
66 intent;

67 (4) In determining the amount of tax credits to award to a
68 qualified company under this subsection, the department shall consider
69 the following factors:

70 (a) The significance of the qualified company's need for program
71 benefits;

72 (b) The amount of projected net fiscal benefit to the state of the
73 project and the period in which the state would realize such net fiscal
74 benefit;

75 (c) The overall size and quality of the proposed project,
76 including the number of new jobs, new capital investment, proposed
77 wages, growth potential of the qualified company, the potential
78 multiplier effect of the project, and similar factors;

79 (d) The financial stability and creditworthiness of the qualified
80 company;

81 (e) The level of economic distress in the area;
82 (f) An evaluation of the competitiveness of alternative locations
83 for the project facility, as applicable; and

84 (g) The percent of local incentives committed;

85 (5) Upon approval of a notice of intent to receive tax credits
86 under this subsection, the department and the qualified company shall
87 enter into a written agreement covering the applicable project
88 period. The agreement shall specify, at a minimum:

89 (a) The committed number of new jobs, new payroll, and new
90 capital investment for each year during the project period;

91 (b) The date or time period during which the tax credits shall be
92 issued, which may be immediately or over a period not to exceed two
93 years from the date of approval;

94 (c) Clawback provisions, as may be required by the department;
95 and

96 (d) Any other provisions the department may require.

97 3. In lieu of all other benefits available under this program, the
98 department may authorize a qualified company meeting the
99 requirements of this subsection and subsection 1 of this section to be
100 issued tax credits in an amount not to exceed seven percent of new
101 payroll from the new jobs created projected over a period of five years
102 from the date the required number of new jobs are to be created, or, if
103 the qualified company is in a targeted industry, the department may
104 authorize tax credits in an amount not to exceed nine percent of new
105 payroll from the new jobs created, projected over a period of five
106 years. The amount of tax credits awarded to a qualified company under
107 this subsection shall not exceed the projected net fiscal benefit to the
108 state, as determined by the department, and may not exceed the least
109 amount necessary to obtain the qualified company's commitment to
110 initiate the project.

111 (1) Prior to approval, a qualified company requesting benefits
112 under this subsection shall provide evidence of commitments for the
113 financing of any applicable new capital investment. The new capital
114 investment shall be made at the project facility within two years of the
115 date of approval.

116 (2) In awarding tax credits under this subsection, the
117 department shall consider factors set forth in subsection 2 of this

118 section.

119 (3) Upon approval of a notice of intent to receive tax credits
120 under this subsection, the department and the qualified company shall
121 enter into a written agreement covering the applicable project period
122 containing detailed performance requirements and repayment penalties
123 in event of nonperformance. The agreement shall specify, at a
124 minimum:

125 (a) The committed number of new jobs, payroll, and new capital
126 investment for each year during the project period;

127 (b) The date or time period during which the tax credits shall be
128 issued, which may be immediately or over a period not to exceed two
129 years from the date of approval;

130 (c) Clawback provisions provided under subdivision (4) of this
131 subsection; and

132 (d) Any other provisions the department may require.

133 (4) The following clawback provisions shall apply to any benefits
134 awarded under this subsection:

135 (a) If a qualified company fails to meet any requirements of this
136 section, including the applicable number of new jobs created or new
137 capital investment within two years from the date of approval of its
138 notice of intent, the qualified company shall repay the face amount of
139 all tax credits received from the department, plus interest of nine
140 percent per annum from the date the tax credits were issued. However,
141 the director may, in his or her discretion, provide an extension up to
142 two additional years or reduce such payment, if such failure is caused
143 by documented unforeseen events that negatively affected the
144 operations at the project facility that were not under the control of the
145 qualified company;

146 (b) If, during any year of the project period, the average wage of
147 the new payroll paid by the qualified company fails to equal or exceed
148 the applicable percentage of the county average wage, or the qualified
149 company fails to offer and pay fifty percent of the premium for health
150 insurance to all of its full-time employees located in this state, the
151 company shall refund to the state an amount equal to the face amount
152 of all tax credits received from the department under this program,
153 divided by the number of years in the project period. In addition to the
154 refund, the qualified company shall pay interest of nine percent per

155 annum from the date the tax credits were issued on the amount of the
156 refund;

157 (c) If the qualified company fails to meet its payroll commitment
158 for any year during the project period, it shall refund to the state a
159 portion of its total benefit received under this section based on the
160 following formula: the total amount of tax credits received by the
161 qualified company, divided by the number of years during the project
162 period, and multiplied by a fraction, the numerator of which is the
163 contractually agreed-upon amount of payroll for that year minus the
164 actual amount of payroll made by the company during the year, and the
165 denominator of which is the contractually agreed upon amount of
166 payroll made for that same year. In addition to the refund, the
167 qualified company shall pay interest of nine percent per annum from
168 the date the tax credits were issued on the amount of the refund;

169 (d) If the qualified company fails to meet its payroll or new
170 capital investment requirements for any year during the project period
171 and the director has a reasonable belief that the qualified company will
172 not be able to meet its performance requirements during all or any
173 portion of the remainder of the project period, the director may require
174 the company to repay all or a proportionate amount of the total tax
175 credits received by the company attributable to the remaining years of
176 the project period as well as the current year, plus interest of nine
177 percent per annum on the amount of repayment from the date the tax
178 credits were issued.

179 (5) The maximum amount of tax credits that may be authorized
180 under this subsection for any fiscal year shall be limited as follows:

181 (a) For the fiscal year beginning on July 1, 2011, but ending on
182 or before June 30, 2012, no more than fifteen million dollars in tax
183 credits may be authorized;

184 (b) For the fiscal year beginning on July 1, 2012, but ending on
185 or before June 30, 2013, no more than thirty million dollars in tax
186 credits may be authorized;

187 (c) For the fiscal year beginning on July 1, 2013, but ending on
188 or before June 30, 2014, no more than forty-five million dollars in tax
189 credits may be authorized; and

190 (d) For any fiscal year beginning on or after July 1, 2014, no
191 more than sixty million dollars in tax credits may be authorized.

192 4. In addition to any benefits available under this section, any
193 qualified company meeting the requirements of section 144.540 may be
194 eligible for a tax exemption as provided in section 144.540.

 620.2015. 1. In exchange for the consideration provided by the
2 tax revenues and other economic stimuli that will be generated by the
3 retention of jobs and the making of new capital investment in this
4 state, a qualified company may be eligible to receive the benefits
5 described in this section if the department determines that there is a
6 significant probability that the qualified company would relocate to
7 another state in the absence of the benefits authorized under this
8 section. In no event shall the total amount of benefits available to all
9 qualified companies under this section exceed six million dollars in any
10 fiscal year.

11 2. A qualified company meeting the requirements of this section
12 may be authorized to retain an amount not to exceed the amount of
13 withholding tax as calculated under subdivision (32) of section 620.2005
14 from the retained jobs that would otherwise be withheld and remitted
15 by the qualified company under the provisions of sections 143.191 to
16 143.265, if the average wage of the retained jobs equals or exceeds
17 ninety percent of the county average wage. In order to receive benefits
18 under this section, a qualified company shall enter into written
19 agreement with the department containing detailed performance
20 requirements and repayment penalties in event of
21 nonperformance. The amount of benefits awarded to a qualified
22 company under this section shall not exceed the projected net fiscal
23 benefit and shall not exceed the least amount necessary to obtain the
24 qualified company's commitment to retain the necessary number of jobs
25 and make the required new capital investment.

26 3. In order to be eligible to receive benefits under this section,
27 the qualified company shall meet each of the following conditions:

28 (1) The qualified company shall agree to retain, for a period of
29 five years from the date of approval, at least one hundred and twenty-
30 five retained jobs; and

31 (2) The qualified company shall agree to make a new capital
32 investment at the project facility within two years of the approval in
33 an amount at least three times the amount of the benefits, available
34 under this section, which are offered to the qualified company by the

35 **department.**

36 **4. In awarding benefits under this section, the department shall**
37 **consider the factors set forth in subsection 2 of section 620.2010.**

38 **5. Upon approval of a notice of intent to request benefits under**
39 **this section, the department and the qualified company shall enter into**
40 **a written agreement covering the applicable project period. The**
41 **agreement shall specify, at a minimum:**

42 **(1) The committed number of retained jobs, payroll, and new**
43 **capital investment for each year during the project period;**

44 **(2) Clawback provisions, as may be required by the department;**
45 **and**

46 **(3) Any other provisions the department may require.**

47 **6. In lieu of all other benefits under this program, the**
48 **department may award a qualified company meeting the requirements**
49 **of this subsection tax credits in an amount not to exceed eighty percent**
50 **of the amount the qualified company may otherwise be eligible to**
51 **retain for a period of five years under subsection 2 of this section.**

52 **(1) In addition to satisfying each of the requirements of**
53 **subsection 3 of this section, a qualified company requesting tax credits**
54 **under this subsection shall provide to the department, prior to**
55 **approval, evidence of commitments for the financing of any applicable**
56 **new capital investment. The new capital investment shall be made at**
57 **the project facility within two years of the date of approval.**

58 **(2) Upon approval of a notice of intent to request tax credits**
59 **under this subsection, the department and the qualified company shall**
60 **enter into a written agreement covering the applicable project**
61 **period. The agreement shall specify, at a minimum:**

62 **(a) The committed number of jobs, payroll, and new capital**
63 **investment for each year during the project period;**

64 **(b) The date or time period during which the tax credits shall be**
65 **issued, which may be immediately or over a period not to exceed two**
66 **years from the date of approval;**

67 **(c) Clawback provisions, provided under subsection 3 of section**
68 **620.2010; and**

69 **(d) Any other provisions the department may require.**

70 **(3) Any tax credits awarded under this section shall be included**
71 **in determining compliance with the annual limitation on tax credit**

72 awards set forth in subdivision (6) of subsection 3 of section 620.2010.

73 7. Any qualified company meeting the requirements of section
74 144.540, in addition to any benefits available under this section, may be
75 eligible for a tax exemption as provided in section 144.540.

 620.2020. 1. The department shall respond to a written request,
2 by or on behalf of a qualified company, for a proposed benefit award
3 under the provisions of this program within five business days of
4 receipt of such request. Such response shall contain either a proposal
5 of benefits for the qualified company, or a written response refusing to
6 provide such a proposal and stating the reasons for such refusal. A
7 qualified company that intends to seek benefits under the program
8 shall submit to the department a notice of intent. The department shall
9 respond within thirty days to a notice of intent with an approval or a
10 rejection, provided that the department may withhold approval or
11 provide a contingent approval until it is satisfied that proper
12 documentation of eligibility has been provided. Failure to respond on
13 behalf of the department shall result in the notice of intent being
14 deemed approved. A qualified company receiving approval for program
15 benefits may receive additional benefits for subsequent new jobs at the
16 same facility after the full initial project period if the applicable
17 minimum job requirements are met. There shall be no limit on the
18 number of project periods a qualified company may participate in the
19 program, and a qualified company may elect to file a notice of intent to
20 begin a new project period concurrent with an existing project period
21 if the applicable minimum job requirements are achieved, the qualified
22 company provides the department with the required annual reporting,
23 and the qualified company is in compliance with this program and any
24 other state programs in which the qualified company is currently or
25 has previously participated. However, the qualified company shall not
26 receive any further program benefits under the original approval for
27 any new jobs created after the date of the new notice of intent, and any
28 jobs created before the new notice of intent shall not be included as
29 new jobs for purposes of the benefit calculation for the new
30 approval. When a qualified company has filed and received approval
31 of a notice of intent and subsequently files another notice of intent, the
32 department shall apply the definition of project facility under
33 subdivision (18) of section 620.2005 to the new notice of intent as well

34 as all previously approved notices of intent and shall determine the
35 application of the definitions of new job, new payroll, project facility
36 base employment, and project facility base payroll accordingly.

37 2. Notwithstanding any provision of law to the contrary, the
38 benefits available to the qualified company under any other state
39 programs for which the company is eligible and which utilize
40 withholding tax from the new or retained jobs of the company shall
41 first be credited to the other state program before the withholding
42 retention level applicable under this program will begin to accrue. If
43 any qualified company also participates in a job training program
44 utilizing withholding tax, the company shall retain no withholding tax
45 under this program, but the department shall issue a refundable tax
46 credit for the full amount of benefit allowed under this program. The
47 calendar year annual maximum amount of tax credits which may be
48 issued to a qualifying company that also participates in the new job
49 training program shall be increased by an amount equivalent to the
50 withholding tax retained by that company under the new jobs training
51 program.

52 3. A qualified company receiving benefits under this program
53 shall provide an annual report of the number of jobs and such other
54 information as may be required by the department to document the
55 basis for program benefits available, including any exemption from
56 state sales and use taxes pursuant to section 140.540. In such annual
57 report, if the average wage is below the applicable percentage of the
58 county average wage, the qualified company has not maintained the
59 employee insurance as required, or if the number of jobs is below the
60 number required, the qualified company shall not receive tax credits
61 or retain the withholding tax for the balance of the project period.

62 4. Except as provided in subsection 3 of section 620.2010, the
63 department may withhold the approval of any benefits provided under
64 this program until it is satisfied that proper documentation has been
65 provided, and shall reduce the benefits to reflect any reduction in full-
66 time employees or payroll. Upon approval by the department, the
67 qualified company may begin the retention of the withholding taxes
68 when it reaches the required number of jobs and the average wage
69 meets or exceeds the applicable percentage of county average
70 wage. Tax credits, if any, may be issued upon satisfaction by the

71 department that the qualified company has met or exceeded the
72 applicable percentage of county average wage and the required number
73 of jobs.

74 5. Any qualified company approved for benefits under this
75 program shall provide to the department, upon request, any and all
76 information and records reasonably required to monitor compliance
77 with program requirements. This program shall be considered a
78 business recruitment tax credit under subdivision (4) of subsection 2
79 of section 135.800, and any qualified company approved for benefits
80 under this program shall be subject to the provisions of sections 135.800
81 to 135.830.

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

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

92 (1) For the fiscal year beginning on July 1, 2011, but ending on
93 or before June 30, 2012, no more than one hundred and eleven million
94 dollars in tax credits may be authorized;

95 (2) For the fiscal year beginning on July 1, 2012, but ending on
96 or before June 30, 2013, no more than one hundred and twenty-six
97 million dollars in tax credits may be authorized; and

98 (3) For any fiscal year beginning on or after July 1, 2013, no
99 more than one hundred and forty-one million dollars in tax credits may
100 be authorized for each fiscal year.

101 8. For tax credits for the creation of new jobs under section
102 620.2010, the department shall allocate the annual tax credits based on
103 the date of the approval, reserving such tax credits based on the
104 department's best estimate of new jobs and new payroll of the project,
105 and any other applicable factors in determining the amount of benefits
106 available to the qualified company under this program. However, the
107 annual issuance of tax credits shall be subject to annual verification of

108 actual payroll by the department. Except with respect to tax credits
109 provided pursuant to subsection 3 of section 620.2010:

110 (1) Any authorization of tax credits shall expire if, within two
111 years from the date of commencement of operations, or approval if
112 applicable, the qualified company has failed to meet the applicable
113 minimum job requirements;

114 (2) The qualified company may retain authorized amounts from
115 the withholding tax under the project once the applicable minimum job
116 requirements have been met for the duration of the project period; and

117 (3) No benefits shall be provided under this program until the
118 qualified company meets the applicable minimum new job
119 requirements.

120 In the event the qualified company does not meet the applicable
121 minimum new job requirements, the qualified company may submit a
122 new notice of intent or the department may provide a new approval for
123 a new project of the qualified company at the project facility or other
124 facilities.

125 9. Tax credits provided under this program may be claimed
126 against taxes otherwise imposed by chapters 143 and 148, and may not
127 be carried forward, but shall be claimed within one year of the close of
128 the taxable year for which they were issued. Tax credits provided
129 under this program may be transferred, sold, or assigned by filing a
130 notarized endorsement thereof with the department that names the
131 transferee, the amount of tax credit transferred, and the value received
132 for the credit, as well as any other information reasonably requested
133 by the department. For a qualified company with flow-through tax
134 treatment to its members, partners, or shareholders, the tax credit shall
135 be allowed to members, partners, or shareholders in proportion to their
136 share of ownership on the last day of the qualified company's tax
137 period.

138 10. Prior to the issuance of tax credits or the qualified company
139 beginning to retain withholding taxes, the department shall verify
140 through the department of revenue and any other applicable state
141 department, that the tax credit applicant does not owe any delinquent
142 income, sales, or use tax or interest or penalties on such taxes, or any
143 delinquent fees or assessments levied by any state department and
144 through the department of insurance, financial institutions and

145 professional registration that the applicant does not owe any
146 delinquent insurance taxes or other fees. Such delinquency shall not
147 affect the approval, except that any tax credits issued shall be first
148 applied to the delinquency and any amount issued shall be reduced by
149 the applicant's tax delinquency. If the department of revenue, the
150 department of insurance, financial institutions and professional
151 registration, or any other state department concludes that a taxpayer
152 is delinquent after June fifteenth but before July first of any year and
153 the application of tax credits to such delinquency causes a tax
154 deficiency on behalf of the taxpayer to arise, then the taxpayer shall be
155 granted thirty days to satisfy the deficiency in which interest,
156 penalties, and additions to tax shall be tolled. After applying all
157 available credits toward a tax delinquency, the administering agency
158 shall notify the appropriate department and that department shall
159 update the amount of outstanding delinquent tax owed by the
160 applicant. If any credits remain after satisfying all insurance, income,
161 sales, and use tax delinquencies, the remaining credits shall be issued
162 to the applicant, subject to the restrictions of other provisions of law.

163 11. The director of revenue shall issue a refund to the qualified
164 company to the extent that the amount of tax credits allowed under this
165 program exceeds the amount of the qualified company's tax liability
166 under chapters 143 or 148.

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

169 13. Notwithstanding any provision of law to the contrary,
170 beginning August 28, 2011, no new projects shall be approved and no
171 new tax credits shall be authorized under the business facility tax
172 credit program created pursuant to sections 135.110 to 135.150 and
173 section 135.258, the business use incentives for large scale development
174 program created pursuant to sections 100.700 to 100.850, the
175 development tax credit program created pursuant to sections 32.100 to
176 32.125, the rebuilding communities tax credit program created pursuant
177 to section 135.535, the enhanced enterprise zone tax credit program
178 created pursuant to sections 135.950 to 135.973, and the Missouri
179 quality jobs program created pursuant to sections 620.1875 to
180 620.1890. The provisions of this subsection shall not be construed to
181 limit or impair the ability of any administering agency to issue tax

182 credits for any project approved prior to August 28, 2011, or the ability
183 of any taxpayer to redeem any such tax credits or to retain any
184 withholding tax under an approval issued prior to that date. The
185 provisions of this subsection shall not be construed to limit or in any
186 way impair the ability of any governing authority to provide any local
187 abatement or designate a new zone under the enhanced enterprise zone
188 program created by sections 135.950 to 135.963.

189 14. If any provision of sections 620.2000 to 620.2020 or
190 application thereof to any person or circumstance is held invalid, the
191 invalidity shall not affect other provisions or application of these
192 sections which can be given effect without the invalid provisions or
193 application, and to this end, the provisions of sections 620.2000 to
194 620.2020 are hereby declared severable.

195 15. By no later than January 1, 2012, and the first day of each
196 calendar quarter thereafter, the department shall present a quarterly
197 report to the general assembly detailing the benefits authorized under
198 this program during the immediately preceding calendar quarter to the
199 extent such information may be disclosed under state and federal
200 law. The report shall include, at a minimum:

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

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

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

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

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

212 16. The department may adopt such rules, statements of policy,
213 procedures, forms, and guidelines as may be necessary to carry out the
214 provisions of sections 620.2000 to 620.2020. Any rule or portion of a
215 rule, as that term is defined in section 536.010, that is created under
216 the authority delegated in this section shall become effective only if it
217 complies with and is subject to all of the provisions of chapter 536 and,
218 if applicable, section 536.028. This section and chapter 536 are

219 **nonseverable and if any of the powers vested with the general assembly**
220 **pursuant to chapter 536 to review, to delay the effective date, or to**
221 **disapprove and annul a rule are subsequently held unconstitutional,**
222 **then the grant of rulemaking authority and any rule proposed or**
223 **adopted after August 28, 2011, shall be invalid and void.**

224 **17. Under section 23.253 of the Missouri sunset act:**

225 **(1) The provisions of the new program authorized under sections**
226 **620.2000 to 620.2020 shall automatically sunset six years after the**
227 **effective date of this section unless reauthorized by an act of the**
228 **general assembly; and**

229 **(2) If such program is reauthorized, the program authorized**
230 **under this section shall automatically sunset twelve years after the**
231 **effective date of this reauthorization of sections 620.2000 to 620.2020;**
232 **and**

233 **(3) Sections 620.2000 to 620.2020 shall terminate on September**
234 **first if the calendar year immediately following the calendar year in**
235 **which the program authorized under sections 620.2000 to 620.2020 is**
236 **sunset.**

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, or by the
8 division of aging staff when an assessment has been completed for the purpose
9 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; 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. Any rule or portion of a rule, as that term is defined in section 536.010,
31 that is created under the authority delegated in sections 660.050 to 660.057 shall
32 become effective only if it complies with and is subject to all of the provisions of
33 chapter 536 and, if applicable, section 536.028. All rulemaking authority
34 delegated prior to August 28, 1999, is of no force and effect and
35 repealed. Nothing in this section shall be interpreted to repeal or affect the
36 validity of any rule filed or adopted prior to August 28, 1999, if it fully complied
37 with all applicable provisions of law. This section and chapter 536 are
38 nonseverable and if any of the powers vested with the general assembly pursuant
39 to chapter 536 to review, to delay the effective date or to disapprove and annul
40 a rule are subsequently held unconstitutional, then the grant of rulemaking
41 authority and any rule proposed or adopted after August 28, 1999, shall be
42 invalid and void.

43 4. Any person who knowingly falsifies any document required for the
44 shared care tax credit shall be subject to the same penalties for falsifying other
45 tax documents as provided in chapter 143.

46 **5. Notwithstanding any provision of law to the contrary, no tax**
47 **credits provided under this section shall be authorized on or after**
48 **August 28, 2015. The provisions of this subsection shall not be**
49 **construed to limit or in any way impair the department's ability to**
50 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
51 **ability to redeem such tax credits.**

[135.313. 1. Any person, firm or corporation who engages
2 in the business of producing charcoal or charcoal products in the
3 state of Missouri shall be eligible for a tax credit on income taxes

4 otherwise due pursuant to chapter 143, except sections 143.191 to
5 143.261, as an incentive to implement safe and efficient
6 environmental controls. The tax credit shall be equal to fifty
7 percent of the purchase price of the best available control
8 technology equipment connected with the production of charcoal in
9 the state of Missouri or, if the taxpayer manufactures such
10 equipment, fifty percent of the manufacturing cost of the
11 equipment, to and including the year the equipment is put into
12 service. The credit may be claimed for a period of eight years
13 beginning with the 1998 calendar year and is to be a tax credit
14 against the tax otherwise due.

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

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

23 4. When applying for a tax credit, the charcoal producer
24 specified in subsection 1 of this section shall make application for
25 the credit to the division of environmental quality of the
26 department of natural resources. The application shall identify the
27 specific best available control technology equipment and the
28 purchase price, or manufacturing cost of such equipment. The
29 director of the department of natural resources is authorized to
30 require permits to construct prior to the installation of best
31 available control technology equipment and other information
32 which he or she deems appropriate.

33 5. The director of the department of natural resources in
34 conjunction with the department of economic development shall
35 certify to the department of revenue that the best available control
36 technology equipment meets the requirements to obtain a tax credit
37 as specified in this section.]

2 [135.700. For all tax years beginning on or after January
1, 1999, a grape grower or wine producer shall be allowed a tax

3 credit against the state tax liability incurred pursuant to chapter
4 143, exclusive of the provisions relating to the withholding of tax
5 as provided in sections 143.191 to 143.265, in an amount equal to
6 twenty-five percent of the purchase price of all new equipment and
7 materials used directly in the growing of grapes or the production
8 of wine in the state. Each grower or producer shall apply to the
9 department of economic development and specify the total amount
10 of such new equipment and materials purchased during the
11 calendar year. The department of economic development shall
12 certify to the department of revenue the amount of such tax credit
13 to which a grape grower or wine producer is entitled pursuant to
14 this section. The provisions of this section notwithstanding, a
15 grower or producer may only apply for and receive the credit
16 authorized by this section for five tax periods.]

[143.119. 1. A self-employed taxpayer, as such term is used
2 in the federal internal revenue code, who is otherwise ineligible for
3 the federal income tax health insurance deduction under Section
4 162 of the federal internal revenue code shall be entitled to a credit
5 against the tax otherwise due under this chapter, excluding
6 withholding tax imposed by sections 143.191 to 143.265, in an
7 amount equal to the portion of such taxpayer's federal tax liability
8 incurred due to such taxpayer's inclusion of such payments in
9 federal adjusted gross income. The tax credits authorized under
10 this section shall be nontransferable. To the extent tax credit
11 issued under this section exceeds a taxpayer's state income tax
12 liability, such excess shall be considered an overpayment of tax and
13 shall be refunded to the taxpayer.

14 2. The director of the department of revenue shall
15 promulgate rules and regulations to administer the provisions of
16 this section. Any rule or portion of a rule, as that term is defined
17 in section 536.010, that is created under the authority delegated in
18 this section shall become effective only if it complies with and is
19 subject to all of the provisions of chapter 536 and, if applicable,
20 section 536.028. This section and chapter 536 are nonseverable
21 and if any of the powers vested with the general assembly pursuant
22 to chapter 536 to review, to delay the effective date, or to

23 disapprove and annul a rule are subsequently held
24 unconstitutional, then the grant of rulemaking authority and any
25 rule proposed or adopted after August 28, 2007, shall be invalid
26 and void.]

[178.760. As used in sections 178.760 to 178.764, the
2 following terms mean:

3 (1) "Agreement", the agreement between an employer and
4 a community college district concerning a project. An agreement
5 may be for a period not to exceed ten years when the program
6 services associated with a project are not in excess of five hundred
7 thousand dollars. For a project where the associated program costs
8 are greater than five hundred thousand dollars, the agreement may
9 not exceed a period of eight years;

10 (2) "Board of trustees", the board of trustees of a community
11 college district;

12 (3) "Capital investment", an investment in research and
13 development, working capital, and real and tangible personal
14 business property except inventory or property intended for sale to
15 customers. Trucks, truck trailers, truck semi-trailers, rail and
16 barge vehicles and other rolling stock for hire, track, switches,
17 barges, bridges, tunnels, rail yards, and spurs shall not qualify as
18 a capital investment. The amount of such investment shall be the
19 original cost of the property if owned, or eight times the net annual
20 rental rate if leased;

21 (4) "Certificate", industrial retained jobs training
22 certificates issued under section 178.763;

23 (5) "Date of commencement of the project", the date of the
24 agreement;

25 (6) "Employee", the person employed in a retained job;

26 (7) "Employer", the person maintaining retained jobs in
27 conjunction with a project;

28 (8) "Industry", a business located within this state which
29 enters into an agreement with a community college district and
30 which is engaged in interstate or intrastate commerce for the
31 purpose of manufacturing, processing, or assembling products,
32 conducting research and development, or providing services in

33 interstate commerce, but excluding retail services;

34 (9) "Program costs", all necessary and incidental costs of
35 providing program services, including payment of the principal,
36 premium, and interest on certificates, including capitalized
37 interest, issued to finance a project, funding and maintenance of a
38 debt service reserve fund to secure such certificates and wages,
39 salaries and benefits of employees participating in on-the-job
40 training;

41 (10) "Program services" includes, but is not limited to, the
42 following:

- 43 (a) Retained jobs training;
44 (b) Adult basic education and job-related instruction;
45 (c) Vocational and skill-assessment services and testing;
46 (d) Training facilities, equipment, materials, and supplies;
47 (e) On-the-job training;
48 (f) Administrative expenses equal to seventeen percent of
49 the total training costs, two percent to be paid to the department
50 of economic development for deposit into the Missouri job
51 development fund created under section 620.478;

52 (g) Subcontracted services with state institutions of higher
53 education, private colleges or universities, or other federal, state,
54 or local agencies;

55 (h) Contracted or professional services; and

56 (i) Issuance of certificates;

57 (11) "Project", a training arrangement which is the subject
58 of an agreement entered into between the community college
59 district and an employer to provide program services that is not
60 also the subject of an agreement entered into between a community
61 college district and an employer to provide program services under
62 sections 178.892 to 178.896;

63 (12) "Retained job", a job in a stable industry, not including
64 jobs for recalled workers, which was in existence for at least two
65 consecutive calendar years preceding the year in which the
66 application for the retained jobs training program was made;

67 (13) "Retained jobs credit from withholding", the credit as
68 provided in section 178.762;

69 (14) "Retained jobs training program", or "program", the
70 project or projects established by a community college district for
71 the retention of jobs, by providing education and training of
72 workers for existing jobs for stable industry in the state;

73 (15) "Stable industry", a business that otherwise meets the
74 definition of industry and retains existing jobs. To be a stable
75 industry, the business shall have:

76 (a) Maintained at least one hundred employees per year at
77 the employer's site in the state at which the jobs are based, for
78 each of the two calendar years preceding the year in which
79 application for the program is made;

80 (b) Retained at that site the level of employment that
81 existed in the taxable year immediately preceding the year in
82 which application for the program is made; and

83 (c) Made or agree to make a capital investment aggregating
84 at least one million dollars to acquire or improve long-term assets
85 (including leased facilities) such as property, plant, or equipment
86 (excluding program costs) at the employer's site in the state at
87 which jobs are based over a period of three consecutive calendar
88 years, as certified by the employer and:

89 a. Have made substantial investment in new technology
90 requiring the upgrading of worker's skills; or

91 b. Be located in a border county of the state and represent
92 a potential risk of relocation from the state; or

93 c. Be determined to represent a substantial risk of
94 relocation from the state by the director of the department of
95 economic development;

96 (16) "Total training costs", costs of training, including
97 supplies, wages and benefits of instructors, subcontracted services,
98 on-the-job training, training facilities, equipment, skill assessment,
99 and all program services excluding issuance of certificates.]

2 [178.761. A community college district, with the approval
3 of the department of economic development in consultation with the
4 office of administration, may enter into an agreement to establish
5 a project and provide program services to an employer. As soon as
possible after initial contact between a community college district

6 and a potential employer regarding the possibility of entering into
7 an agreement, the district shall inform the division of workforce
8 development of the department of economic development and the
9 office of administration about the potential project. The division of
10 workforce development shall evaluate the proposed project within
11 the overall job training efforts of the state to ensure that the
12 project will not duplicate other job training programs. The
13 department of economic development shall have fourteen days from
14 receipt of the application to approve or disapprove projects. If no
15 response is received by the community college within fourteen days,
16 the projects are approved. Any project that is disapproved must be
17 in writing stating the reasons for the disapproval. If an agreement
18 is entered into, the district and the employer shall notify the
19 department of revenue within fifteen calendar days. An agreement
20 may provide, but is not limited to:

21 (1) Payment of program costs, including deferred costs,
22 which may be paid from one or a combination of the following
23 sources:

24 (a) Funds appropriated by the general assembly from the
25 Missouri community college job retention program fund and
26 disbursed by the division of workforce development in respect of
27 retained jobs credit from withholding to be received or derived from
28 retained employment resulting from the project;

29 (b) Tuition, student fees, or special charges fixed by the
30 board of trustees to defray program costs in whole or in part;

31 (c) Guarantee of payments to be received under paragraph
32 (a) or (b) of this subdivision;

33 (2) Payment of program costs shall not be deferred for a
34 period longer than ten years if program costs do not exceed five
35 hundred thousand dollars, or eight years if program costs exceed
36 five hundred thousand dollars from the date of commencement of
37 the project;

38 (3) Costs of on-the-job training for employees shall include
39 wages or salaries of participating employees. Payments for
40 on-the-job training shall not exceed the average of fifty percent of
41 the total percent of the total wages paid by the employer to each

42 participant during the period of training. Payment for on-the-job
43 training may continue for up to six months from the date of the
44 employer's capital investment;

45 (4) A provision which fixes the minimum amount of
46 retained jobs credit from withholding, or tuition and fee payments
47 which shall be paid for program costs;

48 (5) Any payment required to be made by an employer is a
49 lien upon the employer's business property until paid and has
50 equal precedence with ordinary taxes and shall not be divested by
51 a judicial sale. Property subject to the lien may be sold for sums
52 due and delinquent at a tax sale, with the same forfeitures,
53 penalties, and consequences as for the nonpayment of ordinary
54 taxes. The purchasers at tax sale obtain the property subject to
55 the remaining payments.]

[178.762. If an agreement provides that all or part of
2 program costs are to be met by receipt of retained jobs credit from
3 withholding, such retained jobs credit from withholding shall be
4 determined and paid as follows:

5 (1) Retained jobs credit from withholding shall be based
6 upon the wages paid to the employees in the retained jobs;

7 (2) A portion of the total payments made by the employer
8 under section 143.221 shall be designated as the retained jobs
9 credit from withholding. Such portion shall be an amount equal to
10 two and one-half percent of the gross wages paid by the employer
11 for each of the first one hundred jobs included in the project and
12 one and one-half percent of the gross wages paid by the employer
13 for each of the remaining jobs included in the project. If business
14 or employment conditions cause the amount of the retained jobs
15 credit from withholding to be less than the amount projected in the
16 agreement for any time period, then other withholding tax paid by
17 the employer under section 143.221 shall be credited to the
18 Missouri community college retained job training fund by the
19 amount of such difference. The employer shall remit the amount
20 of the retained jobs credit to the department of revenue in the
21 manner prescribed in section 178.764. When all program costs,
22 including the principal, premium, and interest on the certificates

23 have been paid, the employer credits shall cease;

24 (3) The community college district participating in a project
25 shall establish a special fund for and in the name of the
26 project. All funds appropriated by the general assembly from the
27 Missouri community college job training retention program fund
28 and disbursed by the division of workforce development for the
29 project and other amounts received by the district in respect of the
30 project and required by the agreement to be used to pay program
31 costs for the project shall be deposited in the special
32 fund. Amounts held in the special fund may be used and disbursed
33 by the district only to pay program costs for the project. The
34 special fund may be divided into such accounts and subaccounts as
35 shall be provided in the agreement, and amounts held therein may
36 be invested in investments which are legal for the investment of
37 the district's other funds;

38 (4) Any disbursement in respect of a project received from
39 the division of workforce development under sections 178.760 to
40 178.764 and the special fund into which it is paid may be
41 irrevocably pledged by a community college district for the payment
42 of the principal, premium, and interest on the certificate issued by
43 a community college district to finance or refinance, in whole or in
44 part, the project;

45 (5) The employer shall certify to the department of revenue
46 that the credit from withholding is in accordance with an
47 agreement and shall provide other information the department may
48 require;

49 (6) An employee participating in a project will receive full
50 credit for the amount designated as a retained jobs credit from
51 withholding and withheld as provided in section 143.221;

52 (7) If an agreement provides that all or part of program
53 costs are to be met by receipt of retained jobs credit from
54 withholding, the provisions of this subsection shall also apply to
55 any successor to the original employer until such time as the
56 principal and interest on the certificates have been paid.]

2 [178.763. 1. To provide funds for the present payment of
the costs of retained jobs training programs, a community college

3 district may borrow money and issue and sell certificates payable
4 from a sufficient portion of the future receipts of payments
5 authorized by the agreement including disbursements from the
6 Missouri community college job retention training program to the
7 special fund established by the district for each project. The total
8 amount of outstanding certificates sold by all community college
9 districts shall not exceed fifteen million dollars, unless an
10 increased amount is authorized in writing by a majority of
11 members of the Missouri job training joint legislative oversight
12 committee. The certificates shall be marketed through financial
13 institutions authorized to do business in Missouri.

14 The receipts shall be pledged to the payment of principal of and
15 interest on the certificates. Certificates may be sold at public sale
16 or at private sale at par, premium, or discount of not less than
17 ninety-five percent of the par value thereof, at the discretion of the
18 board of trustees, and may bear interest at such rate or rates as
19 the board of trustees shall determine, notwithstanding the
20 provisions of section 108.170 to the contrary. However, chapter 176
21 does not apply to the issuance of these certificates. Certificates
22 may be issued with respect to a single project or multiple projects
23 and may contain terms or conditions as the board of trustees may
24 provide by resolution authorizing the issuance of the certificates.

25 2. Certificates issued to refund other certificates may be
26 sold at public sale or at private sale as provided in this section
27 with the proceeds from the sale to be used for the payment of the
28 certificates being refunded. The refunding certificates may be
29 exchanged in payment and discharge of the certificates being
30 refunded, in installments at different times or an entire issue or
31 series at one time. Refunding certificates may be sold or exchanged
32 at any time on, before, or after the maturity of the outstanding
33 certificates to be refunded. They may be issued for the purpose of
34 refunding a like, greater, or lesser principal amount of certificates
35 and may bear a higher, lower, or equivalent rate of interest than
36 the certificates being renewed or refunded.

37 3. Before certificates are issued, the board of trustees shall
38 publish once a notice of its intention to issue the certificates,

39 stating the amount, the purpose, and the project or projects for
40 which the certificates are to be issued. A person may, within
41 fifteen days after the publication of the notice, by action in the
42 circuit court of a county in the district, appeal the decision of the
43 board of trustees to issue the certificates. The action of the board
44 of trustees in determining to issue the certificates is final and
45 conclusive unless the circuit court finds that the board of trustees
46 has exceeded its legal authority. An action shall not be brought
47 which questions the legality of the certificates, the power of the
48 board of trustees to issue the certificates, the effectiveness of any
49 proceedings relating to the authorization of the project, or the
50 authorization and issuance of the certificates from and after fifteen
51 days from the publication of the notice of intention to issue.

52 4. The board of trustees shall make a finding based on
53 information supplied by the employer that revenues provided in the
54 agreement are sufficient to secure the faithful performance of
55 obligations in the agreement.

56 5. Certificates issued under this section shall not be deemed
57 to be an indebtedness of the state or the community college district
58 or of any other political subdivision of the state, and the principal
59 and interest on such certificates shall be payable only from the
60 sources provided in subdivision (1) of section 178.761 which are
61 pledged in the agreement.

62 6. The department of economic development shall
63 coordinate the retained jobs training program, and may promulgate
64 rules that districts will use in developing projects with industrial
65 retained jobs training proposals which shall include rules providing
66 for the coordination of such proposals with the service delivery
67 areas established in the state to administer federal funds pursuant
68 to the federal Workforce Investment Act. No rule or portion of a
69 rule promulgated pursuant to the authority of this section shall
70 become effective unless it has been promulgated pursuant to
71 chapter 536.

72 7. No community college district may sell certificates as
73 described in this section after July 1, 2014.]

[178.764. 1. There is hereby established within the state

2 treasury a special fund, to be known as the "Missouri Community
3 College Job Retention Training Program Fund", to be administered
4 by the division of workforce development. The department of
5 revenue shall credit to the community college job retention training
6 program fund, as received, all retained jobs credit from withholding
7 remitted by employers pursuant to section 178.762. The fund shall
8 also consist of any gifts, contributions, grants, or bequests received
9 from federal, private, or other sources. The general assembly,
10 however, shall not provide for any transfer of general revenue
11 funds into the community college job retention training program
12 fund. Moneys in the Missouri community college job retention
13 training program fund shall be disbursed to the division of
14 workforce development pursuant to regular appropriations by the
15 general assembly. The division shall disburse such appropriated
16 funds in a timely manner into the special funds established by
17 community college districts for projects, which funds shall be used
18 to pay program costs, including the principal, premium, and
19 interest on certificates issued by the district to finance or
20 refinance, in whole or in part, a project. Such disbursements by
21 the division of workforce development shall be made to the special
22 fund for each project in the same proportion as the retained jobs
23 credit from withholding remitted by the employer participating in
24 such project bears to the total retained jobs credit from withholding
25 remitted by all employers participating in projects during the
26 period for which the disbursement is made. Moneys for retained
27 jobs training programs established under sections 178.760 to
28 178.764 shall be obtained from appropriations made by the general
29 assembly from the Missouri community college job retention
30 training program fund. All moneys remaining in the Missouri
31 community college job retention training program fund at the end
32 of any fiscal year shall not lapse to the general revenue fund, as
33 provided in section 33.080, but shall remain in the Missouri
34 community college job retention training program fund.

35 2. The department of revenue shall develop such forms as
36 are necessary to demonstrate accurately each employer's retained
37 jobs credit from withholding paid into the Missouri community

38 college job retention training program fund.

39 The retained jobs credit from withholding shall be accounted as
40 separate from the normal withholding tax paid to the department
41 of revenue by the employer.

42 Reimbursements made by all employers to the Missouri community
43 college job retention training program fund shall be no less than all
44 allocations made by the division of workforce development to all
45 community college districts for all job retention projects. The
46 employer shall remit the amount of the retained job credit to the
47 department of revenue in the same manner as provided in sections
48 143.191 to 143.265.]

[178.892. As used in sections 178.892 to 178.896, the
2 following terms mean:

3 (1) "Agreement", the agreement, between an employer and
4 a community college district, concerning a project. An agreement
5 may be for a period not to exceed ten years when the program
6 services associated with a project are not in excess of five hundred
7 thousand dollars. For a project where associated program costs are
8 greater than five hundred thousand dollars, the agreement may not
9 exceed a period of eight years. No agreement shall be entered into
10 between an employer and a community college district which
11 involves the training of potential employees with the purpose of
12 replacing or supplanting employees engaged in an authorized work
13 stoppage;

14 (2) "Board of trustees", the board of trustees of a community
15 college district;

16 (3) "Certificate", industrial new jobs training certificates
17 issued pursuant to section 178.895;

18 (4) "Date of commencement of the project", the date of the
19 agreement;

20 (5) "Employee", the person employed in a new job;

21 (6) "Employer", the person providing new jobs in
22 conjunction with a project;

23 (7) "Essential industry", a business that otherwise meets
24 the definition of industry but instead of creating new jobs
25 maintains existing jobs. To be an essential industry, the business

26 must have maintained at least two thousand jobs each year for a
27 period of four years preceding the year in which application for the
28 program authorized by sections 178.892 to 178.896 is made and
29 must be located in a home rule city with more than twenty-six
30 thousand but less than twenty-seven thousand inhabitants located
31 in any county with a charter form of government and with more
32 than one million inhabitants;

33 (8) "Existing job", a job in an essential industry that pays
34 wages or salary greater than the average of the county in which the
35 project will be located;

36 (9) "Industry", a business located within the state of
37 Missouri which enters into an agreement with a community college
38 district and which is engaged in interstate or intrastate commerce
39 for the purpose of manufacturing, processing, or assembling
40 products, conducting research and development, or providing
41 services in interstate commerce, but excluding retail
42 services. "Industry" does not include a business which closes or
43 substantially reduces its operation in one area of the state and
44 relocates substantially the same operation in another area of the
45 state. This does not prohibit a business from expanding its
46 operations in another area of the state provided that existing
47 operations of a similar nature are not closed or substantially
48 reduced;

49 (10) "New job", a job in a new or expanding industry not
50 including jobs of recalled workers, or replacement jobs or other jobs
51 that formerly existed in the industry in the state. For an essential
52 industry, an existing job shall be considered a new job for the
53 purposes of the new job training programs;

54 (11) "New jobs credit from withholding", the credit as
55 provided in section 178.894;

56 (12) "New jobs training program" or "program", the project
57 or projects established by a community college district for the
58 creation of jobs by providing education and training of workers for
59 new jobs for new or expanding industry in the state;

60 (13) "Program costs", all necessary and incidental costs of
61 providing program services including payment of the principal of,

62 premium, if any, and interest on certificates, including capitalized
63 interest, issued to finance a project, funding and maintenance of a
64 debt service reserve fund to secure such certificates and wages,
65 salaries and benefits of employees participating in on-the-job
66 training;

67 (14) "Program services" includes, but is not limited to, the
68 following:

69 (a) New jobs training;

70 (b) Adult basic education and job-related instruction;

71 (c) Vocational and skill-assessment services and testing;

72 (d) Training facilities, equipment, materials, and supplies;

73 (e) On-the-job training;

74 (f) Administrative expenses equal to fifteen percent of the
75 total training costs;

76 (g) Subcontracted services with state institutions of higher
77 education, private colleges or universities, or other federal, state,
78 or local agencies;

79 (h) Contracted or professional services; and

80 (i) Issuance of certificates;

81 (15) "Project", a training arrangement which is the subject
82 of an agreement entered into between the community college
83 district and an employer to provide program services;

84 (16) "Total training costs", costs of training, including
85 supplies, wages and benefits of instructors, subcontracted services,
86 on-the-job training, training facilities, equipment, skill assessment
87 and all program services excluding issuance of certificates.]

[178.893. A community college district, with the approval
2 of the department of economic development in consultation with the
3 office of administration, may enter into an agreement to establish
4 a project and provide program services to an employer. As soon as
5 possible after initial contact between a community college district
6 and a potential employer regarding the possibility of entering into
7 an agreement, the district shall inform the division of job
8 development and training of the department of economic
9 development and the office of administration about the potential
10 project. The division of job development and training shall

11 evaluate the proposed project within the overall job training efforts
12 of the state to ensure that the project will not duplicate other job
13 training programs. The department of economic development shall
14 have fourteen days from receipt of the application to approve or
15 disapprove projects. If no response is received by the community
16 college within fourteen days the projects are approved. Any project
17 that is disapproved must be in writing stating the reasons for the
18 disapproval. If an agreement is entered into, the district and the
19 employer shall notify the department of revenue within fifteen
20 calendar days. An agreement may provide, but is not limited to:

21 (1) Payment of program costs, including deferred costs,
22 which may be paid from one or a combination of the following
23 sources:

24 (a) Funds appropriated by the general assembly from the
25 Missouri community college job training program fund and
26 disbursed by the division of job development and training in
27 respect of new jobs credit from withholding to be received or
28 derived from new employment resulting from the project;

29 (b) Tuition, student fees, or special charges fixed by the
30 board of trustees to defray program costs in whole or in part;

31 (c) Guarantee of payments to be received under paragraph
32 (a) or (b) of this subdivision;

33 (2) Payment of program costs shall not be deferred for a
34 period longer than ten years if program costs do not exceed five
35 hundred thousand dollars, or eight years if program costs exceed
36 five hundred thousand dollars from the date of commencement of
37 the project;

38 (3) Costs of on-the-job training for employees, shall include
39 wages or salaries of participating employees. Payments for
40 on-the-job training shall not exceed the average of fifty percent of
41 the total percent of the total wages paid by the employer to each
42 participant during the period of training.

43 Payment for on-the-job training may continue for up to six months
44 after the placement of the participant in the new job;

45 (4) A provision which fixes the minimum amount of new
46 jobs credit from withholding, or tuition and fee payments which

47 shall be paid for program costs;

48 (5) Any payment required to be made by an employer is a
49 lien upon the employer's business property until paid and has
50 equal precedence with ordinary taxes and shall not be divested by
51 a judicial sale. Property subject to the lien may be sold for sums
52 due and delinquent at a tax sale, with the same forfeitures,
53 penalties, and consequences as for the nonpayment of ordinary
54 taxes. The purchasers at tax sale obtain the property subject to
55 the remaining payments.]

[178.894. If an agreement provides that all or part of
2 program costs are to be met by receipt of new jobs credit from
3 withholding, such new jobs credit from withholding shall be
4 determined and paid as follows:

5 (1) New jobs credit from withholding shall be based upon
6 the wages paid to the employees in the new jobs;

7 (2) A portion of the total payments made by the employer
8 pursuant to section 143.221 shall be designated as the new jobs
9 credit from withholding. Such portion shall be an amount equal to
10 two and one-half percent of the gross wages paid by the employer
11 for each of the first one hundred jobs included in the project and
12 one and one-half percent of the gross wages paid by the employer
13 for each of the remaining jobs included in the project. If business
14 or employment conditions cause the amount of the new jobs credit
15 from withholding to be less than the amount projected in the
16 agreement for any time period, then other withholding tax paid by
17 the employer pursuant to section 143.221 shall be credited to the
18 Missouri community college job training fund by the amount of
19 such difference. The employer shall remit the amount of the new
20 jobs credit to the department of revenue in the manner prescribed
21 in section 178.896. When all program costs, including the principal
22 of, premium, if any, and interest on the certificates have been paid,
23 the employer credits shall cease;

24 (3) The community college district participating in a project
25 shall establish a special fund for and in the name of the
26 project. All funds appropriated by the general assembly from the
27 Missouri community college job training program fund and

28 disbursed by the division of job development and training for the
29 project and other amounts received by the district in respect of the
30 project and required by the agreement to be used to pay program
31 costs for the project shall be deposited in the special
32 fund. Amounts held in the special fund may be used and disbursed
33 by the district only to pay program costs for the project. The
34 special fund may be divided into such accounts and subaccounts as
35 shall be provided in the agreement, and amounts held therein may
36 be invested in investments which are legal for the investment of
37 the district's other funds;

38 (4) Any disbursement in respect of a project received from
39 the division of job development and training under the provisions
40 of sections 178.892 to 178.896 and the special fund into which it is
41 paid may be irrevocably pledged by a community college district for
42 the payment of the principal of, premium, if any, and interest on
43 the certificate issued by a community college district to finance or
44 refinance, in whole or in part, the project;

45 (5) The employer shall certify to the department of revenue
46 that the credit from withholding is in accordance with an
47 agreement and shall provide other information the department may
48 require;

49 (6) An employee participating in a project will receive full
50 credit for the amount designated as a new jobs credit from
51 withholding and withheld as provided in section 143.221;

52 (7) If an agreement provides that all or part of program
53 costs are to be met by receipt of new jobs credit from withholding,
54 the provisions of this subsection shall also apply to any successor
55 to the original employer until such time as the principal and
56 interest on the certificates have been paid.]

 [178.895. 1. To provide funds for the present payment of
2 the costs of new jobs training programs, a community college
3 district may borrow money and issue and sell certificates payable
4 from a sufficient portion of the future receipts of payments
5 authorized by the agreement including disbursements from the
6 Missouri community college job training program to the special
7 fund established by the district for each project. The total amount

8 of outstanding certificates sold by all community college districts
9 shall not exceed twenty million dollars, unless an increased amount
10 is authorized in writing by a majority of members of the Missouri
11 job training joint legislative oversight committee. The certificates
12 shall be marketed through financial institutions authorized to do
13 business in Missouri. The receipts shall be pledged to the payment
14 of principal of and interest on the certificates. Certificates may be
15 sold at public sale or at private sale at par, premium, or discount
16 of not less than ninety-five percent of the par value thereof, at the
17 discretion of the board of trustees, and may bear interest at such
18 rate or rates as the board of trustees shall determine,
19 notwithstanding the provisions of section 108.170 to the
20 contrary. However, chapter 176 does not apply to the issuance of
21 these certificates. Certificates may be issued with respect to a
22 single project or multiple projects and may contain terms or
23 conditions as the board of trustees may provide by resolution
24 authorizing the issuance of the certificates.

25 2. Certificates issued to refund other certificates may be
26 sold at public sale or at private sale as provided in this section
27 with the proceeds from the sale to be used for the payment of the
28 certificates being refunded. The refunding certificates may be
29 exchanged in payment and discharge of the certificates being
30 refunded, in installments at different times or an entire issue or
31 series at one time. Refunding certificates may be sold or exchanged
32 at any time on, before, or after the maturity of the outstanding
33 certificates to be refunded. They may be issued for the purpose of
34 refunding a like, greater, or lesser principal amount of certificates
35 and may bear a higher, lower, or equivalent rate of interest than
36 the certificates being renewed or refunded.

37 3. Before certificates are issued, the board of trustees shall
38 publish once a notice of its intention to issue the certificates,
39 stating the amount, the purpose, and the project or projects for
40 which the certificates are to be issued. A person may, within
41 fifteen days after the publication of the notice, by action in the
42 circuit court of a county in the district, appeal the decision of the
43 board of trustees to issue the certificates. The action of the board

44 of trustees in determining to issue the certificates is final and
45 conclusive unless the circuit court finds that the board of trustees
46 has exceeded its legal authority. An action shall not be brought
47 which questions the legality of the certificates, the power of the
48 board of trustees to issue the certificates, the effectiveness of any
49 proceedings relating to the authorization of the project, or the
50 authorization and issuance of the certificates from and after fifteen
51 days from the publication of the notice of intention to issue.

52 4. The board of trustees shall determine if revenues
53 provided in the agreement are sufficient to secure the faithful
54 performance of obligations in the agreement.

55 5. Certificates issued under this section shall not be deemed
56 to be an indebtedness of the state or the community college district
57 or of any other political subdivision of the state and the principal
58 and interest on such certificates shall be payable only from the
59 sources provided in subdivision (1) of section 178.893 which are
60 pledged in the agreement.

61 6. The department of economic development shall
62 coordinate the new jobs training program, and may promulgate
63 rules that districts will use in developing projects with new and
64 expanding industrial new jobs training proposals which shall
65 include rules providing for the coordination of such proposals with
66 the service delivery areas established in the state to administer
67 federal funds pursuant to the federal Job Training Partnership
68 Act. No rule or portion of a rule promulgated under the authority
69 of sections 178.892 to 178.896 shall become effective unless it has
70 been promulgated pursuant to the provisions of chapter 536. All
71 rulemaking authority delegated prior to June 27, 1997, is of no
72 force and effect and repealed; however, nothing in this section shall
73 be interpreted to repeal or affect the validity of any rule filed or
74 adopted prior to June 27, 1997, if such rule complied with the
75 provisions of chapter 536. The provisions of this section and
76 chapter 536 are nonseverable and if any of the powers vested with
77 the general assembly pursuant to chapter 536, including the ability
78 to review, to delay the effective date, or to disapprove and annul a
79 rule or portion of a rule, are subsequently held unconstitutional,

80 then the purported grant of rulemaking authority and any rule so
81 proposed and contained in the order of rulemaking shall be invalid
82 and void.

83 7. No community college district may sell certificates as
84 described in this section after July 1, 2018.]

2 [178.896. 1. There is hereby established within the state
3 treasury a special fund, to be known as the "Missouri Community
4 College Job Training Program Fund", to be administered by the
5 division of job development and training. The department of
6 revenue shall credit to the community college job training program
7 fund, as received, all new jobs credit from withholding remitted by
8 employers pursuant to section 178.894. The fund shall also consist
9 of any gifts, contributions, grants or bequests received from federal,
10 private or other sources. The general assembly, however, shall not
11 provide for any transfer of general revenue funds into the
12 community college job training program fund. Moneys in the
13 Missouri community college job training program fund shall be
14 disbursed to the division of job development and training pursuant
15 to regular appropriations by the general assembly. The division
16 shall disburse such appropriated funds in a timely manner into the
17 special funds established by community college districts for
18 projects, which funds shall be used to pay program costs, including
19 the principal of, premium, if any, and interest on certificates issued
20 by the district to finance or refinance, in whole or in part, a
21 project. Such disbursements by the division of job development and
22 training shall be made to the special fund for each project in the
23 same proportion as the new jobs credit from withholding remitted
24 by the employer participating in such project bears to the total new
25 jobs credit from withholding remitted by all employers
26 participating in projects during the period for which the
27 disbursement is made. Moneys for new jobs training programs
28 established under the provisions of sections 178.892 to 178.896
29 shall be obtained from appropriations made by the general
30 assembly from the Missouri community college job training
31 program fund. All moneys remaining in the Missouri community
college job training program fund at the end of any fiscal year shall

32 not lapse to the general revenue fund, as provided in section
33 33.080, but shall remain in the Missouri community college job
34 training program fund.

35 2. The department of revenue shall develop such forms as
36 are necessary to demonstrate accurately each employer's new jobs
37 credit from withholding paid into the Missouri community college
38 job training program fund. The new jobs credit from withholding
39 shall be accounted as separate from the normal withholding tax
40 paid to the department of revenue by the
41 employer. Reimbursements made by all employers to the Missouri
42 community college job training program fund shall be no less than
43 all allocations made by the division of job development and training
44 to all community college districts for all projects. The employer
45 shall remit the amount of the new job credit to the department of
46 revenue in the same manner as provided in sections 143.191 to
47 143.265.

48 3. Sections 178.892 to 178.896 shall expire July 1, 2028.]

[348.505. 1. As used in this section, "state tax liability",
2 any state tax liability incurred by a taxpayer under the provisions
3 of chapters 143, 147, and 148, exclusive of the provisions relating
4 to the withholding of tax as provided for in sections 143.191 to
5 143.265 and related provisions.

6 2. Any eligible lender under the family farm livestock loan
7 program under section 348.500 shall be entitled to receive a tax
8 credit equal to one hundred percent of the amount of interest
9 waived by the lender under section 348.500 on a qualifying loan for
10 the first year of the loan only. The tax credit shall be evidenced by
11 a tax credit certificate issued by the agricultural and small
12 business development authority and may be used to satisfy the
13 state tax liability of the owner of such certificate that becomes
14 due in the tax year in which the interest on a qualified loan is
15 waived by the lender under section 348.500. No lender may receive
16 a tax credit under this section unless such person presents a tax
17 credit certificate to the department of revenue for payment of such
18 state tax liability. The amount of the tax credits that may be
19 issued to all eligible lenders claiming tax credits authorized in this

20 section in a fiscal year shall not exceed three hundred thousand
21 dollars.

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

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

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

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

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

50 (3) Notwithstanding any provision of law to the contrary, a
51 lender may assign, transfer or sell tax credits authorized under
52 this section, with the new owner of the tax credit receiving the
53 same rights in the tax credit as the lender. For any tax credits
54 assigned, transferred, sold, or otherwise conveyed, a notarized
55 endorsement shall be filed by the lender with the authority

56 specifying the name and address of the new owner of the tax credit
57 and the value of such tax credit; and

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

[620.470. As used in sections 620.470 to 620.481, unless the
2 context clearly requires otherwise, the following terms mean:

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

5 (2) "Fund", the Missouri job development fund as
6 established by section 620.478;

7 (3) "Industry", an entity the objective of which is to supply
8 a service or the objective of which is the commercial production and
9 sale of an article of trade or commerce. The term includes a
10 consortium of such entities organized for the purpose of providing
11 for common training to the member entities' employees, provided
12 that the consortium as a whole meets the requirements for
13 participation in this program;

14 (4) "Manufacturing", the making or processing of raw
15 materials into a finished product, especially by means of large-scale
16 machines of industry.]

[620.472. 1. The department shall establish a new or
2 expanding industry training program, the purpose of which is to
3 provide assistance for new or expanding industries for the training,
4 retraining or upgrading of the skills of potential
5 employees. Training may include preemployment training, and
6 services may include analysis of the specified training needs for
7 such company, development of training plans, and provision of
8 training through qualified training staff. Such program may fund
9 in-plant training analysis, curriculum development, assessment

10 and preselection tools, publicity for the program, instructional
11 services, rental of instructional facilities with necessary utilities,
12 access to equipment and supplies, other necessary services, overall
13 program direction, and an adequate staff to carry out an effective
14 training program. In addition, the program may fund a
15 coordinated transportation program for trainings if the training can
16 be more effectively provided outside the community where the jobs
17 are to be located. In-plant training analysis shall include fees for
18 professionals and necessary travel and expenses. Such program
19 may also provide assistance in the locating of skilled employees
20 and in the locating of additional sources of job training
21 funds. Such program shall be operated with appropriations made
22 by the general assembly from the fund.

23 2. Assistance under the new or expanding industry training
24 program may be available only for industries who certify to the
25 department that their investments relate directly to a projected
26 increase in employment which will result in the need for training
27 of newly hired employees or the retraining or upgrading of the
28 skills of existing employees for new jobs created by the new or
29 expanding industry's investment.

30 3. The department shall issue rules and regulations
31 governing the awarding of funds administered through the new or
32 expanding industry training program. When promulgating these
33 rules and regulations, the department shall consider such factors
34 as the potential number of new permanent jobs to be created, the
35 amount of private sector investment in new facilities and
36 equipment, the significance of state funding to the industry's
37 decision to locate or expand in Missouri, the economic need of the
38 affected community, and the importance of the industry to the
39 economic development of Missouri.]

2 [620.474. 1. The department shall establish a basic
3 industry retraining program, the purpose of which is to provide
4 assistance for industries in Missouri for the retraining and
5 upgrading of employees' skills which are required to support new
6 investment. Such program shall be operated with appropriations
made by the general assembly from the fund.

7 2. Assistance under the basic industry retraining program
8 may be made available for industries in Missouri which make new
9 investments without the creation of new employment.

10 3. The department shall issue rules and regulations
11 governing the awarding of funds administered through the basic
12 industry retraining fund. When promulgating these rules and
13 regulations, the department shall consider such factors as the
14 number of jobs in jeopardy of being lost if retraining does not occur,
15 the amount of private sector investment in new facilities and
16 equipment, the ratio of jobs retained versus investment, the cost of
17 normal, ongoing training required for the industry, the economic
18 need of the affected community, and the importance of the industry
19 to the economic development of Missouri.]

 [620.475. 1. The department shall establish an industry
2 quality and productivity improvement program to help industries
3 and businesses evaluate and enhance quality and productivity, and
4 to encourage the private sector to develop long-range goals to
5 improve quality and productivity and improve the competitive
6 position of private businesses. The quality and productivity
7 improvement program shall include seminars, workshops and short
8 courses on subjects such as long-range planning, new management
9 techniques, automated manufacturing, innovative uses of new
10 materials and the latest philosophies of management and quality
11 improvement. The program shall be available to existing Missouri
12 manufacturing, distribution and service businesses.

13 2. The department may develop quality and productivity
14 improvement centers at university and community college
15 campuses throughout the state as the demand and need is
16 determined. The department shall have the authority to contract
17 with individuals who possess particular knowledge, ability and
18 expertise in the various subjects which may be essential to the
19 program's goals. Seminars, workshops, short courses and specific
20 not for credit classes shall be developed on and off campus for
21 personnel engaged in manufacturing, distribution and service
22 businesses. At the discretion of the department, the University of
23 Missouri and Lincoln University extension services, the continuing

24 education offices of the regional universities and community
25 colleges may be used for the promotion and coordination of the
26 off-campus courses that are offered.

27 3. Activities eligible for reimbursement in the industry
28 quality and productivity program shall include:

29 (1) The cost of seminars, workshops, short courses and
30 specific not for credit classes;

31 (2) The wages of instructors;

32 (3) Productivity materials and supplies, including the
33 purchase of packaged productivity programs when appropriate;

34 (4) Travel directly related to the program;

35 (5) Tuition payments to third-party productivity providers
36 and to businesses; and

37 (6) Teaching and assistance provided by educational
38 institutions in the state.

39 4. No industry receiving assistance under the industry
40 quality and productivity improvement program shall be reimbursed
41 for more than fifty percent of the total costs of its participation in
42 the program.]

[620.476. Activities eligible for reimbursement by funds
2 administered through the new or expanding industry program and
3 the basic industry retraining program shall include: the wages of
4 instructors, who may or may not be employees of the industry;
5 training development costs, including the cost of training of
6 instructors; training materials and supplies, including the purchase
7 of packaged training programs when appropriate; travel directly
8 related to the training program; tuition payments to third-party
9 training providers and to the industry; teaching and assistance
10 provided by educational institutions in the state of Missouri;
11 on-the-job training; and the leasing, but not the purchase, of
12 training equipment and space.]

[620.478. 1. There is hereby established in the state
2 treasury a special fund to be known as the "Missouri Job
3 Development Fund". The fund shall consist of all moneys which
4 may be appropriated to it by the general assembly and also any
5 gifts, contributions, grants or bequests received from federal,

6 private or other sources. Appropriations made from the fund shall
7 be for the purpose of providing contractual services through the
8 department of elementary and secondary education for vocational
9 related training or retraining provided by public or private training
10 institutions within Missouri; and for contracted services through
11 the department of economic development for vocational related
12 training or retraining provided by public or private training
13 institutions located outside of Missouri; and for vocational related
14 training or retraining provided on site, within Missouri, by any
15 proprietorship, partnership or corporate entity. Except for
16 state-sponsored preemployment training, no applicant shall receive
17 more than fifty percent of its project training or retraining costs
18 from the development fund. Moneys to operate the new or
19 expanding industry training program, the basic industry retraining
20 program, the industry quality and productivity improvement
21 program and assistance to community college business and
22 technology centers shall be obtained from appropriations made by
23 the general assembly from the fund. No funds shall be awarded or
24 reimbursed to any industry for the training, retraining or
25 upgrading of skills of potential employees with the purpose of
26 replacing or supplanting employees engaged in an authorized work
27 stoppage.

28 2. The Missouri job development fund shall be able to
29 receive any block grant or other sources of funding relating to job
30 training, school-to-work transition, welfare reform, vocational and
31 technical training, housing, infrastructure development and human
32 resource investment programs which may be provided by the
33 federal government or other sources.]

2 [620.479. The department is authorized to contract with
3 other entities, including businesses, industries, other state agencies
4 and the political subdivisions of the state, for the purpose of
5 carrying out the provisions of sections 620.470 to 620.481.]

2 [620.480. To efficiently carry out the responsibilities of the
3 division of job development and training and to improve job
4 training program coordination, the commissioner of administration
5 shall authorize the division to directly negotiate with and contract

5 for job training and related services with administrative entities
6 designated pursuant to the requirements of the Job Training
7 Partnership Act and any subsequent amendments and any other
8 agencies or entities which may be designated to administer job
9 training and related services pursuant to any succeeding federal or
10 state legislative or regulatory requirements.]

[620.481. There is hereby created the "Missouri Job
2 Training Joint Legislative Oversight Committee". The committee
3 shall consist of three members of the Missouri senate appointed by
4 the president pro tem of the senate; three members of the house of
5 representatives appointed by the speaker of the house. No more
6 than two of the members of the senate and two of the members of
7 the house of representatives shall be from the same political
8 party. Members of the Missouri job training joint legislative
9 oversight committee shall report to the governor, the president pro
10 tem of the senate and the speaker of the house of representatives
11 on all assistance to industries under the provisions of sections
12 620.470 to 620.481 provided during the preceding fiscal year and
13 the customized job training program administered by the
14 department of elementary and secondary education. The report of
15 the committee shall be delivered no later than October first of each
16 year. The director of the department of economic development
17 shall report to the committee such information as the committee
18 may deem necessary for its annual report. Members of the
19 committee shall receive no compensation in addition to their salary
20 as members of the general assembly, but may receive their
21 necessary expenses while attending the meetings of the committee,
22 to be paid out of the joint contingent fund.]

[620.482. 1. The department may provide assistance,
2 through appropriations made from the Missouri job development
3 fund, to business and technology centers. Such assistance may not
4 include the lending of the state's credit for the payment of any
5 liability of the fund. Such centers may be established by Missouri
6 community colleges, or a state-owned postsecondary technical
7 college, to provide business and training services in disciplines
8 which shall include, but not be limited to, environmental health

9 and safety, industrial electrical technology, machine tool
10 technology, industrial management and technology, computer
11 consulting and computer-aided drafting, microcomputer training
12 and telecommunications training.

13 2. The department of economic development shall
14 promulgate rules and regulations as are necessary to implement
15 the provisions of sections 620.470 to 620.482. No rule or portion of
16 a rule promulgated under the authority of sections 620.470 to
17 620.482 shall become effective unless it has been promulgated
18 pursuant to the provisions of section 536.024.]

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

✓
Bill

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