

FIRST REGULAR SESSION

HOUSE BILL NO. 79

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KENNEDY.

Pre-filed December 1, 2000, and 1000 copies ordered printed.

ANNE C. WALKER, Chief Clerk

0281L.021

AN ACT

To repeal section 135.348, RSMo 2000, relating to the participation of financial institutions in sponsorship and mentoring programs, and to enact in lieu thereof one new section relating to the same subject.

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

Section A. Section 135.348, RSMo 2000, is repealed and one new section enacted in lieu thereof, to be known as section 135.348, to read as follows:

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

(1) "Approved program", a sponsorship and mentoring program established pursuant to this section and approved by the department of elementary and secondary education;

(2) "Eligible student", a resident pupil of a school district who is determined by the local school board to be eligible to participate in a sponsorship and mentoring program pursuant to this section and who participates in such program for no less than eight calendar months in the tax year for which a return is filed claiming a credit authorized in this section;

(3) "Net expenditures", only those amounts paid or incurred for the participation of an eligible student participating in an approved sponsorship and mentoring program less any amounts received by the qualified taxpayer from any source for the provision of a sponsorship and mentoring program for an eligible student;

(4) "Qualified taxpayer", an employer who makes expenditures pursuant to this section.

2. For taxable years commencing on or after January 1, 1998, a qualified taxpayer shall be allowed a credit against the **state income** tax imposed by chapter 143, RSMo, **and, in addition, for all taxable years commencing on or after January 1, 2001, a credit against the**

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

16 **annual tax on gross premium receipts of insurance companies or the tax on other financial**
17 **institutions imposed by chapter 148, RSMo**, exclusive of the provisions relating to the
18 withholding of tax as provided in sections 143.191 to 143.265, RSMo, to the extent of the lesser
19 of two thousand dollars times the number of eligible students for which the qualified taxpayer
20 is allowed a credit pursuant to this section or the net expenditures made directly or through a
21 fund during a taxable year by the qualified taxpayer for the participation of an eligible student
22 in an approved sponsorship and mentoring program established pursuant to this section. No
23 credit shall be allowed for any amounts for which any other credit is claimed or allowed under
24 any other provision of state law for the same net expenditures.

25 3. The tax credit allowed by this section shall be claimed by the qualified taxpayer at the
26 time such taxpayer files a return and shall be applied against the [income] tax liability imposed
27 by [chapter] **chapters 143 and 148, RSMo, exclusive of the provisions relating to the**
28 **withholding of tax as provided in sections 143.191 to 143.265, RSMo**, after all other credits
29 provided by law have been applied. Where the amount of the credit exceeds the tax liability, the
30 difference between the credit and the tax liability shall not be refundable but may be carried
31 forward to any of the taxpayer's four subsequent taxable years.

32 4. The department of elementary and secondary education shall establish, by rule,
33 guidelines and criteria for approval of sponsorship and mentoring programs established by school
34 districts and for determining the eligibility of students for participation in sponsorship and
35 mentoring programs established pursuant to this section. Such determinations for eligibility of
36 students shall be based upon a definition of an at-risk student as established by the department
37 by rule.

38 5. A local school board may establish a sponsorship and mentoring program and apply
39 to the department of elementary and secondary education for approval of such program. A tax
40 credit may only be received pursuant to this section for expenditures for sponsorship and
41 mentoring programs approved by the department. The school board of each district which has
42 an approved program shall annually certify to the department of elementary and secondary
43 education the number of eligible students participating in the program. The principal of any
44 school in a district which has an approved program may recommend, to the local school board,
45 those students who do not meet the definition of "at-risk" students established pursuant to this
46 section, and the school board may submit the names of such students and the circumstances
47 which justify the student's participation in an approved program to the department of elementary
48 and secondary education for approval of such student's participation. If approved by the
49 department, such students shall be considered eligible students for participation in an approved
50 program.

51 6. The department of elementary and secondary education shall provide written

52 notification to the department of revenue of each eligible student participating in an approved
53 program pursuant to this section, the student's school district, the name of the qualified taxpayer
54 approved to receive a tax credit on the basis of such eligible student's participation in an
55 approved program pursuant to this section and the amount of such credit as determined in
56 subsection 2 of this section. This section is subject to appropriations.