

FIRST REGULAR SESSION

# HOUSE BILL NO. 747

## 92ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE COOPER (120).

Read 1<sup>st</sup> time April 14, 2003, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

2218L.011

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### AN ACT

To repeal section 135.327, RSMo, and to enact in lieu thereof one new section relating to adoption tax credits.

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

Section A. Section 135.327, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 135.327, to read as follows:

135.327. 1. Any person residing in this state who legally adopts a special needs child on or after January 1, 1988, and before January 1, 2000, shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may be applied to taxes due under chapter 143, RSMo. Any business entity providing funds to an employee to enable that employee to legally adopt a special needs child shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may be applied to taxes due under such business entity's state tax liability, except that only one ten thousand dollar credit is available for each special needs child that is adopted.

2. Any person residing in this state who proceeds in good faith with the adoption of a special needs child on or after January 1, 2000, shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to taxes due under chapter 143, RSMo. Any business entity providing funds to an employee to enable that employee to proceed in good faith with the adoption of a special needs child shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to taxes due under such business entity's state tax liability,

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

17 except that only one ten thousand dollar credit is available for each special needs child that is  
18 adopted.

19         3. Individuals and business entities may claim a tax credit for their total nonrecurring  
20 adoption expenses in each year that the expenses are incurred. A claim for fifty percent of the  
21 credit shall be allowed when the child is placed in the home. A claim for the remaining fifty  
22 percent shall be allowed when the adoption is final. The total of these tax credits shall not  
23 exceed the maximum limit of ten thousand dollars per child. [The cumulative amount of tax  
24 credits which may be claimed by taxpayers for nonrecurring adoption expenses in any one fiscal  
25 year shall not exceed two million dollars.]

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