

HCS#2 SS SB 362 -- RESIDENTIAL TREATMENT AGENCY AND CHILD PLACING
AGENCY TAX CREDITS

SPONSOR: Stouffer (Sutherland)

COMMITTEE ACTION: Voted "do pass" by the Committee on Ways and Means by a vote of 11 to 0.

This substitute authorizes, effective January 1, 2006, an income tax credit for 50% of a donation made to a qualifying residential treatment agency or child placing agency. A residential treatment agency can apply for the tax credit in an aggregate amount that does not exceed 40% of the payments made by the Department of Social Services to the agency in the preceding 12 months. A child placing agency can apply for the tax credit in an aggregate amount that does not exceed 40% of the agency's costs in the preceding 12 months for the placement of children born in Missouri and the placement of children in the custody of the department. Both tax credits are fully transferable and may be carried back three years or forward up to four years.

FISCAL NOTE: Estimated Effect on General Revenue Fund of an Income of \$0 to a Cost of Unknown in FY 2006, FY 2007, and FY 2008. Unknown costs could exceed \$100,000. No impact on Other State Funds in FY 2006, FY 2007, and FY 2008.

PROPOSERS: Supporters say that the bill is a unique way to fund the care for children. There are 1,200 to 1,400 children in residential treatment at any one time. A donor can get a federal and state tax deduction for the donation and also receive the state tax credit.

Testifying for the bill were Senator Stouffer; Missouri Baptist Children's Home; and Missouri Children Agencies.

OPPOSERS: There was no opposition voiced to the committee.

Karla Strobel, Legislative Analyst