

SECOND REGULAR SESSION

HOUSE BILL NO. 1753

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES MUNZLINGER (Sponsor), DARROUGH, JONES, MYERS,
COOPER (120), VIEBROCK, LOEHNER, QUINN, MAY, CHINN, HOBBS AND BEHNEN (Co-sponsors).

Read 1st time February 13, 2006 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

3955L.02I

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to income tax credits
for alternative fuel facilities.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be
2 known as section 135.710, to read as follows:

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

- 2 (1) "Alternative fuels", any motor fuel at least seventy percent of the volume of
3 which consists of one or more of the following:
4 (a) Ethanol;
5 (b) Natural gas;
6 (c) Compressed natural gas;
7 (d) Liquified natural gas;
8 (e) Liquified petroleum gas;
9 (f) Any mixture of biodiesel and diesel fuel, without regard to any use of kerosene;
10 (2) "Department", the department of natural resources;
11 (3) "Eligible applicant", a firm or corporation that is the owner of a qualified
12 alternative fuel vehicle refueling property;
13 (4) "Qualified alternative fuel vehicle refueling property", property in this state
14 owned by a firm or corporation and used for storing alternative fuels and for dispensing

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

15 such alternative fuels into fuel tanks of motor vehicles owned by such firm or corporation
16 or private citizens.

17 2. For all tax years beginning on or after January 1, 2007, but before January 1,
18 2010, any eligible applicant who installs and operates a qualified alternative fuel vehicle
19 refueling property shall be allowed a credit against the tax otherwise due under chapter
20 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or
21 due under chapter 147, RSMo, or chapter 148, RSMo, for any tax year in which the
22 applicant is constructing the refueling property. The credit allowed in this section per
23 eligible applicant shall not exceed the lesser of twenty thousand dollars or twenty percent
24 of the total costs directly associated with the purchase and installation of any alternative
25 fuel storage and dispensing equipment on any qualified alternative fuel vehicle refueling
26 property, which shall not include the following:

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

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

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

32 3. The tax credits allowed by this section shall be claimed by the eligible applicant
33 at the time such applicant files a return for the tax year in which the storage and
34 dispensing facilities were placed in service at a qualified alternative fuel vehicle refueling
35 property, and shall be applied against the income tax liability imposed by chapter 143,
36 RSMo, after all other credits provided by law have been applied. The cumulative amount
37 of tax credits which may be claimed by eligible applicants claiming all credits authorized
38 in this section shall not exceed the following amounts:

39 (1) In taxable year 2007, three million dollars;

40 (2) In taxable year 2008, two million dollars; and

41 (3) In taxable year 2009, one million dollars.

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

47 5. The director of revenue shall establish the procedure by which the tax credits in
48 this section may be claimed, and shall establish a procedure by which the cumulative
49 amount of tax credits is apportioned among all eligible applicants claiming the credit. To
50 the maximum extent possible, the director of revenue shall establish the procedure

51 described in this subsection in such a manner as to ensure that eligible applicants can claim
52 all the tax credits possible up to the cumulative amount of tax credits available for the
53 taxable year.

54 6. Any eligible applicant desiring to claim a tax credit under this section shall
55 submit the appropriate application for such credit with the department. The application
56 for a tax credit under this section shall include any information required by the
57 department. The department shall review the applications and certify to the department
58 of revenue each eligible applicant that qualifies for the tax credit.

59 7. The department and the department of revenue may promulgate rules to
60 implement the provisions of this section. Any rule or portion of a rule, as that term is
61 defined in section 536.010, RSMo, that is created under the authority delegated in this
62 section shall become effective only if it complies with and is subject to all of the provisions
63 of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter
64 536, RSMo, are nonseverable and if any of the powers vested with the general assembly
65 pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and
66 annul a rule are subsequently held unconstitutional, then the grant of rulemaking
67 authority and any rule proposed or adopted after August 28, 2006, shall be invalid and
68 void.

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