

SECOND REGULAR SESSION

# HOUSE BILL NO. 1870

## 93RD GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES KRATKY (Sponsor), CHAPPELLE NADAL, PORTWOOD, SPRENG, VOGT, BAKER (25), SALVA, MEINERS, AVERY, NANCE, POLLOCK, YATES, RICHARD, JONES, DUSENBERG, DAY, JACKSON, COOPER (120), NIEVES, TILLEY, BOWMAN, LAMPE, HARRIS (110), WETER, MOORE, STORCH, LEMBKE, JOHNSON (90), OXFORD, WALSH, VILLA, DAUS, YAEGER, STEVENSON, WRIGHT (137), SUTHERLAND AND CUNNINGHAM (145) (Co-sponsors).

Read 1st time February 23, 2006 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

5134L.01I

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### AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to income tax credits for hiring disabled workers.

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*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 known as section 135.566, to read as follows:

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

- (1) "Disabled employee", any person who is determined to be disabled by the Social Security Administration or the Department of Veterans' Affairs, or any person who is determined to be disabled by the division of vocational rehabilitation and is participating in the division's job placement program;
- (2) "Tax credit", a credit against the tax otherwise due under chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or otherwise due under chapter 147, 148, or 153, RSMo;
- (3) "Taxpayer", any entity subject to the tax imposed in chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or the tax

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.

11 imposed in chapter 147, 148, or 153, RSMo, except "taxpayer" shall not include a resident  
12 or nonresident individual subject to the tax imposed in chapter 143, RSMo.

13       2. For all taxable years beginning on or after January 1, 2006, a taxpayer shall be  
14 allowed a tax credit for each disabled employee hired by the taxpayer. The tax credit shall  
15 be claimed in the following amounts:

16       (1) For disabled employees who work an average of at least ten hours per week in  
17 the taxable year, one thousand dollars per disabled employee;

18       (2) For disabled employees who work an average of at least twenty hours per week  
19 in the taxable year, one thousand five hundred dollars per disabled employee;

20       (3) For disabled employees who work an average of at least forty hours per week  
21 in the taxable year, three thousand dollars per disabled employee.

22       3. The amount of the tax credit claimed shall not exceed the amount of the  
23 taxpayer's state tax liability for the tax year for which the credit is claimed. No amount  
24 of credit that the taxpayer is prohibited by this section from claiming in a tax year shall be  
25 refundable, nor shall any tax credit granted under this section shall be transferable.

26       4. The department of revenue shall promulgate rules to implement the provisions  
27 of this section. Any rule or portion of a rule, as that term is defined in section 536.010,  
28 RSMo, that is created under the authority delegated in this section shall become effective  
29 only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and,  
30 if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are  
31 nonseverable and if any of the powers vested with the general assembly pursuant to  
32 chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule  
33 are subsequently held unconstitutional, then the grant of rulemaking authority and any  
34 rule proposed or adopted after August 28, 2006, shall be invalid and void.

35       5. Under section 23.253, RSMo, of the Missouri Sunset Act:

36       (1) The provisions of the new program authorized under this section shall  
37 automatically sunset six years after the effective date of this section unless reauthorized by  
38 an act of the general assembly; and

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

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

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