

SECOND REGULAR SESSION

HOUSE BILL NO. 1888

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE JACKSON.

Read 1st time February 28, 2006 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

5177L.02I

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to income tax credits for hiring veterans of the global war on terrorism.

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 135.571, to read as follows:

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

(1) "Eligible employee", any person who is a veteran of service in the armed forces of the United States, including reserve components and the national guard of this state, as defined in Sections 101(3) and 109 of Title 32, United States Code, and any other military force organized under the laws of this state, who was deployed abroad to serve in military expeditions in the global war on terrorism operations on or after September 11, 2001, as determined by the Secretary of Defense, and who has been honorably discharged or separated from such service;

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

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.

16 **2. For all taxable years beginning on or after January 1, 2006, a taxpayer shall be**
17 **allowed a tax credit for each eligible employee hired by the taxpayer. The tax credit**
18 **amount shall be equal to fifty percent of the wages paid to the eligible employee in the**
19 **taxable year.**

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

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

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

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

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

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

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