

HB 1346 -- Qualified Investor Incentive Tax Credit

Sponsor: Myers

This bill authorizes the qualified investor incentive tax credit. Any qualified entity investing in a new generation cooperative or new generation processing entity will be eligible to receive a tax credit equal to the lesser of 50% of the entity's investment or \$15,000. The tax credit may be claimed on a quarterly basis and applied to the estimated quarterly tax, carried back to any of the qualified investor's three prior taxable years, carried forward to any five subsequent taxable years, assigned, transferred, or sold.

Currently, agricultural tax credits are not to exceed \$6 million in the aggregate in any fiscal year. The bill increases the maximum amount to \$20 million for fiscal years 2007 through 2010.

In order for a new generation cooperative or new generation processing entity formed after the effective date of the bill to participate in the Missouri Linked Deposit Program or the Agricultural Tax Credit Program, at least 75% of its producer members must be Missouri residents and offer qualified producers the opportunity to invest in the cooperative or processing entity prior to offering the opportunity to qualified investor entities. Any remaining investment opportunity may be offered to unqualified investors. An unqualified investor is a person investing in a new generation cooperative or new generation processing entity who has a gross yearly income of \$10 million or more, and he or she will not be eligible to receive the tax credit.