

## CONFERENCE COMMITTEE SUBSTITUTE

FOR

SENATE SUBSTITUTE

FOR

SENATE COMMITTEE SUBSTITUTE

FOR

HOUSE COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 327

1 AN ACT

2 To repeal sections 21.750, 32.105, 32.115, 99.820,  
 3 99.825, 100.286, 135.460, 135.478, 135.500, 135.535,  
 4 135.545, 135.550, 135.600, 135.630, 135.750, 135.950,  
 5 135.963, 135.967, 135.1150, 142.815, 144.030, 173.196,  
 6 173.796, 178.895, 178.896, 208.750, 238.202, 238.207,  
 7 238.208, 238.225, 238.230, 238.275, 348.300, 578.395,  
 8 620.495, 620.521, 620.523, 620.527, 620.528, 620.529,  
 9 620.530, 620.537, 620.638, 620.1039, 620.1878, and  
 10 620.1881, RSMo, and to enact in lieu thereof fifty-six  
 11 new sections relating to economic incentive and  
 12 development programs, with penalty provisions.

---

13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,  
 14 AS FOLLOWS:

15 Section A. Sections 21.750, 32.105, 32.115, 99.820, 99.825  
 16 100.286, 135.460, 135.478, 135.500, 135.535, 135.545, 135.550,  
 17 135.600, 135.630, 135.750, 135.950, 135.963, 135.967, 135.1150,  
 18 142.815, 144.030, 173.196, 173.796, 178.895, 178.896, 208.750,  
 19 238.202, 238.207, 238.208, 238.225, 238.230, 238.275, 348.300,  
 20 578.395, 620.495, 620.521, 620.523, 620.527, 620.528, 620.529,  
 21 620.530, 620.537, 620.638, 620.1039, 620.1878, and 620.1881,  
 22 RSMo, are repealed and fifty-six new sections enacted in lieu

1   thereof, to be known as sections 21.750, 32.105, 32.115, 99.812,  
2   99.820, 99.825, 99.1200, 100.286, 135.460, 135.478, 135.500,  
3   135.535, 135.545, 135.550, 135.562, 135.600, 135.630, 135.660,  
4   135.662, 135.710, 135.750, 135.950, 135.963, 135.967, 135.1150,  
5   142.815, 142.817, 143.114, 143.128, 144.030, 144.054, 144.061,  
6   144.806, 173.196, 173.796, 178.715, 178.895, 178.896, 208.750,  
7   238.202, 238.207, 238.208, 238.225, 238.230, 238.275, 348.300,  
8   578.395, 620.495, 620.504, 620.507, 620.509, 620.638, 620.1039,  
9   620.1878, 620.1881, and 620.1892, to read as follows:

10       21.750. 1. The general assembly hereby occupies and  
11 preempts the entire field of legislation touching in any way  
12 firearms, components, ammunition and supplies to the complete  
13 exclusion of any order, ordinance or regulation by any political  
14 subdivision of this state. Any existing or future orders,  
15 ordinances or regulations in this field are hereby and shall be  
16 null and void except as provided in subsection 3 of this section.

17       2. No county, city, town, village, municipality, or other  
18 political subdivision of this state shall adopt any order,  
19 ordinance or regulation concerning in any way the sale, purchase,  
20 purchase delay, transfer, ownership, use, keeping, possession,  
21 bearing, transportation, licensing, permit, registration,  
22 taxation other than sales and compensating use taxes or other  
23 controls on firearms, components, ammunition, and supplies except  
24 as provided in subsection 3 of this section.

25       3. Nothing contained in this section shall prohibit any  
26 ordinance of any political subdivision which conforms exactly  
27 with any of the provisions of sections 571.010 to 571.070, RSMo,  
28 with appropriate penalty provisions, or which regulates the open

1 carrying of firearms readily capable of lethal use or the  
2 discharge of firearms within a jurisdiction, provided such  
3 ordinance complies with the provisions of section 99.812, RSMo.

4 4. The lawful design, marketing, manufacture, distribution,  
5 or sale of firearms or ammunition to the public is not an  
6 abnormally dangerous activity and does not constitute a public or  
7 private nuisance.

8 5. No county, city, town, village or any other political  
9 subdivision nor the state shall bring suit or have any right to  
10 recover against any firearms or ammunition manufacturer, trade  
11 association or dealer for damages, abatement or injunctive relief  
12 resulting from or relating to the lawful design, manufacture,  
13 marketing, distribution, or sale of firearms or ammunition to the  
14 public. This subsection shall apply to any suit pending as of  
15 October 12, 2003, as well as any suit which may be brought in the  
16 future. Provided, however, that nothing in this section shall  
17 restrict the rights of individual citizens to recover for injury  
18 or death caused by the negligent or defective design or  
19 manufacture of firearms or ammunition.

20 6. Nothing in this section shall prevent the state, a  
21 county, city, town, village or any other political subdivision  
22 from bringing an action against a firearms or ammunition  
23 manufacturer or dealer for breach of contract or warranty as to  
24 firearms or ammunition purchased by the state or such political  
25 subdivision.

26 32.105. As used in sections 32.100 to 32.125, the following  
27 terms mean:

28 (1) "Affordable housing assistance activities", money, real

1 or personal property, or professional services expended or  
2 devoted to the construction, or rehabilitation of affordable  
3 housing units;

4 (2) "Affordable housing unit", a residential unit generally  
5 occupied by persons and families with incomes at or below the  
6 levels described in this subdivision and bearing a cost to the  
7 occupant no greater than thirty percent of the maximum eligible  
8 household income for the affordable housing unit. In the case of  
9 owner-occupied units, the cost to the occupant shall be  
10 considered the amount of the gross monthly mortgage payment,  
11 including casualty insurance, mortgage insurance, and taxes. In  
12 the case of rental units, the cost to the occupant shall be  
13 considered the amount of the gross rent. The cost to the  
14 occupant shall include the cost of any utilities, other than  
15 telephone. If any utilities are paid directly by the occupant,  
16 the maximum cost that may be paid by the occupant is to be  
17 reduced by a utility allowance prescribed by the commission.  
18 Persons or families are eligible occupants of affordable housing  
19 units if the household combined, adjusted gross income as defined  
20 by the commission is equal to or less than the following  
21 percentages of the median family income for the geographic area  
22 in which the residential unit is located, or the median family  
23 income for the state of Missouri, whichever is larger;

24 ("geographic area" means the metropolitan area or county  
25 designated as an area by the federal Department of Housing and  
26 Urban Development under Section 8 of the United States Housing  
27 Act of 1937, as amended, for purposes of determining fair market  
28 rental rates):

Percent of State or  
Geographic Area Family

Size of Household	Median Income
-------------------	---------------

One Person	35%
------------	-----

Two Persons	40%
-------------	-----

Three Persons	45%
---------------	-----

Four Persons	50%
--------------	-----

Five Persons	54%
--------------	-----

Six Persons	58%
-------------	-----

Seven Persons	62%
---------------	-----

Eight Persons	66%
---------------	-----

(3) "Business firm", person, firm, a partner in a firm, corporation or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed by the provisions of chapter 143, RSMo, including any charitable organization that is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under such chapter, or a corporation subject to the annual corporation franchise tax imposed by the provisions of chapter 147, RSMo, or an insurance company paying an annual tax on its gross premium receipts in this state, or other financial institution paying taxes to the state of Missouri or any political subdivision of this state pursuant to the provisions of chapter 148, RSMo, or an express company which pays an annual tax on its gross receipts in this state;

(4) "Commission", the Missouri housing development commission;

1           (5) "Community services", any type of counseling and  
2 advice, emergency assistance or medical care furnished to  
3 individuals or groups in the state of Missouri or transportation  
4 services at below-cost rates as provided in sections 208.250 to  
5 208.275, RSMo;

6           (6) "Crime prevention", any activity which aids in the  
7 reduction of crime in the state of Missouri;

8           (7) "Defense industry contractor", a person, corporation or  
9 other entity which will be or has been negatively impacted as a  
10 result of its status as a prime contractor of the Department of  
11 Defense or as a second or third tier contractor. A "second tier  
12 contractor" means a person, corporation or other entity which  
13 contracts to perform manufacturing, maintenance or repair  
14 services for a prime contractor of the Department of Defense, and  
15 a "third tier contractor" means a person, corporation or other  
16 entity which contracts with a person, corporation or other entity  
17 which contracts with a prime contractor of the Department of  
18 Defense;

19           (8) "Doing business", among other methods of doing business  
20 in the state of Missouri, a partner in a firm or a shareholder in  
21 an S corporation shall be deemed to be doing business in the  
22 state of Missouri if such firm or S corporation, as the case may  
23 be, is doing business in the state of Missouri;

24           (9) "Economic development", the acquisition, renovation,  
25 improvement, or the furnishing or equipping of existing buildings  
26 and real estate in distressed or blighted areas of the state when  
27 such acquisition, renovation, improvement, or the furnishing or  
28 equipping of the business development projects will result in the

1 creation or retention of jobs within the state; or, until June  
2 30, 1996, a defense conversion pilot project located in a  
3 standard metropolitan statistical area which contains a city with  
4 a population of at least three hundred fifty thousand  
5 inhabitants, which will assist Missouri-based defense industry  
6 contractors in their conversion from predominately  
7 defense-related contracting to nondefense-oriented manufacturing.  
8 Only neighborhood organizations, as defined in subdivision (13)  
9 of this section, may apply to conduct economic development  
10 projects. Prior to the approval of an economic development  
11 project, the neighborhood organization shall enter into a  
12 contractual agreement with the department of economic  
13 development. Credits approved for economic development projects  
14 may not exceed four million dollars from within any one fiscal  
15 year's allocation, except that for fiscal years 2005, 2006, and  
16 2007 credits approved for economic development projects shall not  
17 exceed six million dollars. Neighborhood assistance program tax  
18 credits for economic development projects and affordable housing  
19 assistance as defined in section 32.111 may be transferred, sold  
20 or assigned by a notarized endorsement thereof naming the  
21 transferee;

22 (10) "Education", any type of scholastic instruction or  
23 scholarship assistance to an individual who resides in the state  
24 of Missouri that enables the individual to prepare himself or  
25 herself for better opportunities or community awareness  
26 activities rendered by a statewide organization established for  
27 the purpose of archeological education and preservation;

28 (11) "Homeless assistance pilot project", the program

1 established pursuant to section 32.117;

2 (12) "Job training", any type of instruction to an  
3 individual who resides in the state of Missouri that enables the  
4 individual to acquire vocational skills so that the individual  
5 can become employable or be able to seek a higher grade of  
6 employment;

7 (13) "Neighborhood organization", any organization  
8 performing community services or economic development activities  
9 in the state of Missouri and:

10 (a) Holding a ruling from the Internal Revenue Service of  
11 the United States Department of the Treasury that the  
12 organization is exempt from income taxation pursuant to the  
13 provisions of the Internal Revenue Code; or

14 (b) Incorporated in the state of Missouri as a  
15 not-for-profit corporation pursuant to the provisions of chapter  
16 355, RSMo; or

17 (c) Designated as a community development corporation by  
18 the United States government pursuant to the provisions of Title  
19 VII of the Economic Opportunity Act of 1964;

20 (14) "Physical revitalization", furnishing financial  
21 assistance, labor, material, or technical advice to aid in the  
22 physical improvement or rehabilitation of any part or all of a  
23 neighborhood area;

24 (15) "S corporation", a corporation described in Section  
25 1361(a)(1) of the United States Internal Revenue Code and not  
26 subject to the taxes imposed by section 143.071, RSMo, by reason  
27 of section 143.471, RSMo;

28 (16) "Workfare renovation project", any project initiated



1 pursuant to sections 215.340 to 215.355, RSMo.

2 32.115. 1. The department of revenue shall grant a tax  
3 credit, to be applied in the following order until used, against:

4 (1) The annual tax on gross premium receipts of insurance  
5 companies in chapter 148, RSMo;

6 (2) The tax on banks determined pursuant to subdivision (2)  
7 of subsection 2 of section 148.030, RSMo;

8 (3) The tax on banks determined in subdivision (1) of  
9 subsection 2 of section 148.030, RSMo;

10 (4) The tax on other financial institutions in chapter 148,  
11 RSMo;

12 (5) The corporation franchise tax in chapter 147, RSMo;

13 (6) The state income tax in chapter 143, RSMo; and

14 (7) The annual tax on gross receipts of express companies  
15 in chapter 153, RSMo.

16 2. For proposals approved pursuant to section 32.110:

17 (1) The amount of the tax credit shall not exceed fifty  
18 percent of the total amount contributed during the taxable year  
19 by the business firm or, in the case of a financial institution,  
20 where applicable, during the relevant income period in programs  
21 approved pursuant to section 32.110;

22 (2) Except as provided in subsection 2 or 5 of this  
23 section, a tax credit of up to seventy percent may be allowed for  
24 contributions to programs where activities fall within the scope  
25 of special program priorities as defined with the approval of the  
26 governor in regulations promulgated by the director of the  
27 department of economic development;

28 (3) Except as provided in subsection 2 or 5 of this

1 section, the tax credit allowed for contributions to programs  
2 located in any community shall be equal to seventy percent of the  
3 total amount contributed where such community is a city, town or  
4 village which has fifteen thousand or less inhabitants as of the  
5 last decennial census and is located in a county which is either  
6 located in:

7 (a) An area that is not part of a standard metropolitan  
8 statistical area;

9 (b) A standard metropolitan statistical area but such  
10 county has only one city, town or village which has more than  
11 fifteen thousand inhabitants; or

12 (c) A standard metropolitan statistical area and a  
13 substantial number of persons in such county derive their income  
14 from agriculture.

15 Such community may also be in an unincorporated area in such  
16 county as provided in subdivision (1), (2) or (3) of this  
17 subsection. Except in no case shall the total economic benefit  
18 of the combined federal and state tax savings to the taxpayer  
19 exceed the amount contributed by the taxpayer during the tax  
20 year;

21 (4) Such tax credit allocation, equal to seventy percent of  
22 the total amount contributed, shall not exceed four million  
23 dollars in fiscal year 1999 and six million dollars in fiscal  
24 year 2000 and any subsequent fiscal year. When the maximum  
25 dollar limit on the seventy percent tax credit allocation is  
26 committed, the tax credit allocation for such programs shall then  
27 be equal to fifty percent credit of the total amount contributed.

1 Regulations establishing special program priorities are to be  
2 promulgated during the first month of each fiscal year and at  
3 such times during the year as the public interest dictates. Such  
4 credit shall not exceed two hundred and fifty thousand dollars  
5 annually except as provided in subdivision (5) of this  
6 subsection. No tax credit shall be approved for any bank, bank  
7 and trust company, insurance company, trust company, national  
8 bank, savings association, or building and loan association for  
9 activities that are a part of its normal course of business. Any  
10 tax credit not used in the period the contribution was made may  
11 be carried over the next five succeeding calendar or fiscal years  
12 until the full credit has been claimed. Except as otherwise  
13 provided for proposals approved pursuant to section 32.111,  
14 32.112 or 32.117, in no event shall the total amount of all other  
15 tax credits allowed pursuant to sections 32.100 to 32.125 exceed  
16 thirty-two million dollars in any one fiscal year, of which six  
17 million shall be credits allowed pursuant to section 135.460,  
18 RSMo. If six million dollars in credits are not approved, then  
19 the remaining credits may be used for programs approved pursuant  
20 to sections 32.100 to 32.125;

21 (5) The credit may exceed two hundred fifty thousand  
22 dollars annually and shall not be limited if community services,  
23 crime prevention, education, job training, physical  
24 revitalization or economic development, as defined by section  
25 32.105, is rendered in an area defined by federal or state law as  
26 an impoverished, economically distressed, or blighted area or as  
27 a neighborhood experiencing problems endangering its existence as  
28 a viable and stable neighborhood, or if the community services,

1 crime prevention, education, job training, physical  
2 revitalization or economic development is limited to impoverished  
3 persons.

4 3. For proposals approved pursuant to section 32.111:

5 (1) The amount of the tax credit shall not exceed  
6 fifty-five percent of the total amount invested in affordable  
7 housing assistance activities or market rate housing in  
8 distressed communities as defined in section 135.530, RSMo, by a  
9 business firm. Whenever such investment is made in the form of  
10 an equity investment or a loan, as opposed to a donation alone,  
11 tax credits may be claimed only where the loan or equity  
12 investment is accompanied by a donation which is eligible for  
13 federal income tax charitable deduction, and where the total  
14 value of the tax credits herein plus the value of the federal  
15 income tax charitable deduction is less than or equal to the  
16 value of the donation. Any tax credit not used in the period for  
17 which the credit was approved may be carried over the next ten  
18 succeeding calendar or fiscal years until the full credit has  
19 been allowed. If the affordable housing units or market rate  
20 housing units in distressed communities for which a tax is  
21 claimed are within a larger structure, parts of which are not the  
22 subject of a tax credit claim, then expenditures applicable to  
23 the entire structure shall be reduced on a prorated basis in  
24 proportion to the ratio of the number of square feet devoted to  
25 the affordable housing units or market rate housing units in  
26 distressed communities, for purposes of determining the amount of  
27 the tax credit. The total amount of tax credit granted for  
28 programs approved pursuant to section 32.111 for the fiscal year

1 beginning July 1, 1991, shall not exceed two million dollars, to  
2 be increased by no more than two million dollars each succeeding  
3 fiscal year, until the total tax credits that may be approved  
4 reaches ten million dollars in any fiscal year;

5 (2) For any year during the compliance period indicated in  
6 the land use restriction agreement, the owner of the affordable  
7 housing rental units for which a credit is being claimed shall  
8 certify to the commission that all tenants renting claimed units  
9 are income eligible for affordable housing units and that the  
10 rentals for each claimed unit are in compliance with the  
11 provisions of sections 32.100 to 32.125. The commission is  
12 authorized, in its discretion, to audit the records and accounts  
13 of the owner to verify such certification;

14 (3) In the case of owner-occupied affordable housing units,  
15 the qualifying owner occupant shall, before the end of the first  
16 year in which credits are claimed, certify to the commission that  
17 the occupant is income eligible during the preceding two years,  
18 and at the time of the initial purchase contract, but not  
19 thereafter. The qualifying owner occupant shall further certify  
20 to the commission, before the end of the first year in which  
21 credits are claimed, that during the compliance period indicated  
22 in the land use restriction agreement, the cost of the affordable  
23 housing unit to the occupant for the claimed unit can reasonably  
24 be projected to be in compliance with the provisions of sections  
25 32.100 to 32.125. Any succeeding owner occupant acquiring the  
26 affordable housing unit during the compliance period indicated in  
27 the land use restriction agreement shall make the same  
28 certification;

1           (4) If at any time during the compliance period the  
2 commission determines a project for which a proposal has been  
3 approved is not in compliance with the applicable provisions of  
4 sections 32.100 to 32.125 or rules promulgated therefor, the  
5 commission may within one hundred fifty days of notice to the  
6 owner either seek injunctive enforcement action against the  
7 owner, or seek legal damages against the owner representing the  
8 value of the tax credits, or foreclose on the lien in the land  
9 use restriction agreement, selling the project at a public sale,  
10 and paying to the owner the proceeds of the sale, less the costs  
11 of the sale and less the value of all tax credits allowed herein.  
12 The commission shall remit to the director of revenue the portion  
13 of the legal damages collected or the sale proceeds representing  
14 the value of the tax credits. However, except in the event of  
15 intentional fraud by the taxpayer, the proposal's certificate of  
16 eligibility for tax credits shall not be revoked.

17           4. For proposals approved pursuant to section 32.112, the  
18 amount of the tax credit shall not exceed fifty-five percent of  
19 the total amount contributed to a neighborhood organization by  
20 business firms. Any tax credit not used in the period for which  
21 the credit was approved may be carried over the next ten  
22 succeeding calendar or fiscal years until the full credit has  
23 been allowed. The total amount of tax credit granted for  
24 programs approved pursuant to section 32.112 shall not exceed one  
25 million dollars for each fiscal year.

26           5. The total amount of tax credits used for market rate  
27 housing in distressed communities pursuant to sections 32.100 to  
28 32.125 shall not exceed thirty percent of the total amount of all

1 tax credits authorized pursuant to sections 32.111 and 32.112.

2 6. Notwithstanding any other law to the contrary, any tax  
3 credits granted under this section may be assigned, transferred,  
4 sold, or otherwise conveyed without consent or approval. Such  
5 taxpayer, hereinafter the assignor for purposes of this section,  
6 may sell, assign, exchange, or otherwise transfer earned tax  
7 credits:

8 (1) For no less than seventy-five percent of the par value  
9 of such credits; and

10 (2) In an amount not to exceed one hundred percent of  
11 annual earned credits.

12 99.812. 1. This section shall be known as and may be cited  
13 as the "Hunting Heritage Protection Areas Act". Hunting heritage  
14 protection areas shall include all land located within the one  
15 hundred-year flood plain of the Missouri River and all land  
16 located within the one hundred-year flood plain of the  
17 Mississippi River, as designated by the Federal Emergency  
18 Management Agency as amended from time to time.

19 2. In addition to the provisions of section 99.847 no new  
20 tax increment financing project shall be authorized in any  
21 hunting heritage protection area after August 28, 2007. This  
22 subsection shall not apply to tax increment financing projects or  
23 districts approved:

24 (1) Prior to August 28, 2007, and shall allow the  
25 modification, amendment, or expansion of such projects including  
26 redevelopment project costs by not more than forty percent of  
27 such project's original projected cost and the tax increment  
28 finance district by not more than five percent of the district as

1 it existed as of August 28, 2007;

2 (2) For the purpose of flood or drainage protection and for  
3 any public infrastructure included therewith; or

4 (3) For the purpose of constructing or operating a  
5 renewable fuel production facility as defined in section 348.430,  
6 RSMo, or for the purpose of providing infrastructure necessary  
7 solely for the construction or operation of such renewable fuel  
8 production facility, provided no residential, commercial, or  
9 industrial development not directly associated with the  
10 production of renewable fuel shall occur within a hunting  
11 heritage protection area, either directly or indirectly, as a  
12 result of such tax increment financing project.

13 3. The discharge of firearms for lawful hunting, sporting,  
14 target shooting, and all other lawful purposes shall not be  
15 prohibited in hunting heritage protection areas, subject to all  
16 applicable state and federal laws, and local ordinances  
17 prohibiting hunting or the discharge of firearms adopted before  
18 August 28, 2007.

19 4. Notwithstanding the provisions of subsection 1 of this  
20 section to the contrary, hunting heritage protection areas shall  
21 not include:

22 (1) Any area with a population of not less than fifty  
23 thousand persons that has been defined and designated in the 2000  
24 United States Census as an "urbanized area" by the United States  
25 Secretary of Commerce;

26 (2) Any land ever owned by an entity regulated by the  
27 Federal Energy Regulatory Commission or any land ever used or  
28 operated by an entity regulated by the Federal Energy Regulatory



1 Commission;

2 (3) Any land used for the operation of a physical port of  
3 commerce to include customs ports, but shall not include other  
4 land managed or governed by a port authority if such other land  
5 extends beyond the actual physical port;

6 (4) Any land contained within the boundary of any home rule  
7 city with more than four hundred thousand inhabitants and located  
8 in more than one county, or any land contained within a city not  
9 within a county; or

10 (5) Any land located within one-half mile of any interstate  
11 highway, as such highways exist as of August 28, 2007.

12 99.820. 1. A municipality may:

13 (1) By ordinance introduced in the governing body of the  
14 municipality within fourteen to ninety days from the completion  
15 of the hearing required in section 99.825, approve redevelopment  
16 plans and redevelopment projects, and designate redevelopment  
17 project areas pursuant to the notice and hearing requirements of  
18 sections 99.800 to 99.865. No redevelopment project shall be  
19 approved unless a redevelopment plan has been approved and a  
20 redevelopment area has been designated prior to or concurrently  
21 with the approval of such redevelopment project and the area  
22 selected for the redevelopment project shall include only those  
23 parcels of real property and improvements thereon directly and  
24 substantially benefited by the proposed redevelopment project  
25 improvements;

26 (2) Make and enter into all contracts necessary or  
27 incidental to the implementation and furtherance of its  
28 redevelopment plan or project;

1           (3) Pursuant to a redevelopment plan, subject to any  
2 constitutional limitations, acquire by purchase, donation, lease  
3 or, as part of a redevelopment project, eminent domain, own,  
4 convey, lease, mortgage, or dispose of, land and other property,  
5 real or personal, or rights or interests therein, and grant or  
6 acquire licenses, easements and options with respect thereto, all  
7 in the manner and at such price the municipality or the  
8 commission determines is reasonably necessary to achieve the  
9 objectives of the redevelopment plan. No conveyance, lease,  
10 mortgage, disposition of land or other property, acquired by the  
11 municipality, or agreement relating to the development of the  
12 property shall be made except upon the adoption of an ordinance  
13 by the governing body of the municipality. Each municipality or  
14 its commission shall establish written procedures relating to  
15 bids and proposals for implementation of the redevelopment  
16 projects. Furthermore, no conveyance, lease, mortgage, or other  
17 disposition of land or agreement relating to the development of  
18 property shall be made without making public disclosure of the  
19 terms of the disposition and all bids and proposals made in  
20 response to the municipality's request. Such procedures for  
21 obtaining such bids and proposals shall provide reasonable  
22 opportunity for any person to submit alternative proposals or  
23 bids;

24           (4) Within a redevelopment area, clear any area by  
25 demolition or removal of existing buildings and structures;

26           (5) Within a redevelopment area, renovate, rehabilitate, or  
27 construct any structure or building;

28           (6) Install, repair, construct, reconstruct, or relocate

1 streets, utilities, and site improvements essential to the  
2 preparation of the redevelopment area for use in accordance with  
3 a redevelopment plan;

4 (7) Within a redevelopment area, fix, charge, and collect  
5 fees, rents, and other charges for the use of any building or  
6 property owned or leased by it or any part thereof, or facility  
7 therein;

8 (8) Accept grants, guarantees, and donations of property,  
9 labor, or other things of value from a public or private source  
10 for use within a redevelopment area;

11 (9) Acquire and construct public facilities within a  
12 redevelopment area;

13 (10) Incur redevelopment costs and issue obligations;

14 (11) Make payment in lieu of taxes, or a portion thereof,  
15 to taxing districts;

16 (12) Disburse surplus funds from the special allocation  
17 fund to taxing districts as follows:

18 (a) Such surplus payments in lieu of taxes shall be  
19 distributed to taxing districts within the redevelopment area  
20 which impose ad valorem taxes on a basis that is proportional to  
21 the current collections of revenue which each taxing district  
22 receives from real property in the redevelopment area;

23 (b) Surplus economic activity taxes shall be distributed to  
24 taxing districts in the redevelopment area which impose economic  
25 activity taxes, on a basis that is proportional to the amount of  
26 such economic activity taxes the taxing district would have  
27 received from the redevelopment area had tax increment financing  
28 not been adopted;

1           (c) Surplus revenues, other than payments in lieu of taxes  
2 and economic activity taxes, deposited in the special allocation  
3 fund, shall be distributed on a basis that is proportional to the  
4 total receipt of such other revenues in such account in the year  
5 prior to disbursement;

6           (13) If any member of the governing body of the  
7 municipality, a member of a commission established pursuant to  
8 subsection 2 of this section, or an employee or consultant of the  
9 municipality, involved in the planning and preparation of a  
10 redevelopment plan, or redevelopment project for a redevelopment  
11 area or proposed redevelopment area, owns or controls an  
12 interest, direct or indirect, in any property included in any  
13 redevelopment area, or proposed redevelopment area, which  
14 property is designated to be acquired or improved pursuant to a  
15 redevelopment project, he or she shall disclose the same in  
16 writing to the clerk of the municipality, and shall also so  
17 disclose the dates, terms, and conditions of any disposition of  
18 any such interest, which disclosures shall be acknowledged by the  
19 governing body of the municipality and entered upon the minutes  
20 books of the governing body of the municipality. If an  
21 individual holds such an interest, then that individual shall  
22 refrain from any further official involvement in regard to such  
23 redevelopment plan, redevelopment project or redevelopment area,  
24 from voting on any matter pertaining to such redevelopment plan,  
25 redevelopment project or redevelopment area, or communicating  
26 with other members concerning any matter pertaining to that  
27 redevelopment plan, redevelopment project or redevelopment area.  
28 Furthermore, no such member or employee shall acquire any

1 interest, direct or indirect, in any property in a redevelopment  
2 area or proposed redevelopment area after either (a) such  
3 individual obtains knowledge of such plan or project, or (b)  
4 first public notice of such plan, project or area pursuant to  
5 section 99.830, whichever first occurs;

6 (14) Charge as a redevelopment cost the reasonable costs  
7 incurred by its clerk or other official in administering the  
8 redevelopment project. The charge for the clerk's or other  
9 official's costs shall be determined by the municipality based on  
10 a recommendation from the commission, created pursuant to this  
11 section.

12 2. Prior to adoption of an ordinance approving the  
13 designation of a redevelopment area or approving a redevelopment  
14 plan or redevelopment project, the municipality shall create a  
15 commission of nine persons if the municipality is a county or a  
16 city not within a county and not a first class county with a  
17 charter form of government with a population in excess of nine  
18 hundred thousand, and eleven persons if the municipality is not a  
19 county and not in a first class county with a charter form of  
20 government having a population of more than nine hundred  
21 thousand, and twelve persons if the municipality is located in or  
22 is a first class county with a charter form of government having  
23 a population of more than nine hundred thousand, to be appointed  
24 as follows:

25 (1) In all municipalities two members shall be appointed by  
26 the school boards whose districts are included within the  
27 redevelopment plan or redevelopment area. Such members shall be  
28 appointed in any manner agreed upon by the affected districts;

1           (2) In all municipalities one member shall be appointed, in  
2 any manner agreed upon by the affected districts, to represent  
3 all other districts levying ad valorem taxes within the area  
4 selected for a redevelopment project or the redevelopment area,  
5 excluding representatives of the governing body of the  
6 municipality;

7           (3) In all municipalities six members shall be appointed by  
8 the chief elected officer of the municipality, with the consent  
9 of the majority of the governing body of the municipality;

10          (4) In all municipalities which are not counties and not in  
11 a first class county with a charter form of government having a  
12 population in excess of nine hundred thousand, two members shall  
13 be appointed by the county of such municipality in the same  
14 manner as members are appointed in subdivision (3) of this  
15 subsection;

16          (5) In a municipality which is a county with a charter form  
17 of government having a population in excess of nine hundred  
18 thousand, three members shall be appointed by the cities in the  
19 county which have tax increment financing districts in a manner  
20 in which the cities shall agree;

21          (6) [In a municipality which is located in the first class  
22 county with a charter form of government having a population in  
23 excess of nine hundred thousand, three members shall be appointed  
24 by the county of such municipality in the same manner as members  
25 are appointed in subdivision (3) of this subsection] With regard  
26 to redevelopment plans and projects approved on or after January  
27 1, 2009, when any city, town, or village in a county with a  
28 charter form of government and with more than one million

inhabitants desires to implement a tax increment financing project, such city, town, or village shall first obtain the permission of the county tax increment financing commission created in this subsection;

(7) At the option of the members appointed by the municipality, the members who are appointed by the school boards and other taxing districts may serve on the commission for a term to coincide with the length of time a redevelopment project, redevelopment plan or designation of a redevelopment area is considered for approval by the commission, or for a definite term pursuant to this subdivision. If the members representing school districts and other taxing districts are appointed for a term coinciding with the length of time a redevelopment project, plan or area is approved, such term shall terminate upon final approval of the project, plan or designation of the area by the governing body of the municipality. Thereafter the commission shall consist of the six members appointed by the municipality, except that members representing school boards and other taxing districts shall be appointed as provided in this section prior to any amendments to any redevelopment plans, redevelopment projects or designation of a redevelopment area. If any school district or other taxing jurisdiction fails to appoint members of the commission within thirty days of receipt of written notice of a proposed redevelopment plan, redevelopment project or designation of a redevelopment area, the remaining members may proceed to exercise the power of the commission. Of the members first appointed by the municipality, two shall be designated to serve for terms of two years, two shall be designated to serve for a

1 term of three years and two shall be designated to serve for a  
2 term of four years from the date of such initial appointments.  
3 Thereafter, the members appointed by the municipality shall serve  
4 for a term of four years, except that all vacancies shall be  
5 filled for unexpired terms in the same manner as were the  
6 original appointments.

7 3. The commission, subject to approval of the governing  
8 body of the municipality, may exercise the powers enumerated in  
9 sections 99.800 to 99.865, except final approval of plans,  
10 projects and designation of redevelopment areas. The commission  
11 shall hold public hearings and provide notice pursuant to  
12 sections 99.825 and 99.830. The commission shall vote on all  
13 proposed redevelopment plans, redevelopment projects and  
14 designations of redevelopment areas, and amendments thereto,  
15 within thirty days following completion of the hearing on any  
16 such plan, project or designation and shall make recommendations  
17 to the governing body within ninety days of the hearing referred  
18 to in section 99.825 concerning the adoption of or amendment to  
19 redevelopment plans and redevelopment projects and the  
20 designation of redevelopment areas. The requirements of  
21 subsection 2 of this section and this subsection shall not apply  
22 to redevelopment projects upon which the required hearings have  
23 been duly held prior to August 31, 1991.

24 99.825. 1. Prior to the adoption of an ordinance proposing  
25 the designation of a redevelopment area, or approving a  
26 redevelopment plan or redevelopment project, the commission shall  
27 fix a time and place for a public hearing and notify each taxing  
28 district located wholly or partially within the boundaries of the



1 proposed redevelopment area, plan or project. At the public  
2 hearing any interested person or affected taxing district may  
3 file with the commission written objections to, or comments on,  
4 and may be heard orally in respect to, any issues embodied in the  
5 notice. The commission shall hear and consider all protests,  
6 objections, comments and other evidence presented at the hearing.  
7 The hearing may be continued to another date without further  
8 notice other than a motion to be entered upon the minutes fixing  
9 the time and place of the subsequent hearing. Prior to the  
10 conclusion of the hearing, changes may be made in the  
11 redevelopment plan, redevelopment project, or redevelopment area,  
12 provided that each affected taxing district is given written  
13 notice of such changes at least seven days prior to the  
14 conclusion of the hearing. After the public hearing but prior to  
15 the adoption of an ordinance approving a redevelopment plan or  
16 redevelopment project, or designating a redevelopment area,  
17 changes may be made to the redevelopment plan, redevelopment  
18 projects or redevelopment areas without a further hearing, if  
19 such changes do not enlarge the exterior boundaries of the  
20 redevelopment area or areas, and do not substantially affect the  
21 general land uses established in the redevelopment plan or  
22 substantially change the nature of the redevelopment projects,  
23 provided that notice of such changes shall be given by mail to  
24 each affected taxing district and by publication in a newspaper  
25 of general circulation in the area of the proposed redevelopment  
26 not less than ten days prior to the adoption of the changes by  
27 ordinance. After the adoption of an ordinance approving a  
28 redevelopment plan or redevelopment project, or designating a

1 redevelopment area, no ordinance shall be adopted altering the  
2 exterior boundaries, affecting the general land uses established  
3 pursuant to the redevelopment plan or changing the nature of the  
4 redevelopment project without complying with the procedures  
5 provided in this section pertaining to the initial approval of a  
6 redevelopment plan or redevelopment project and designation of a  
7 redevelopment area. Hearings with regard to a redevelopment  
8 project, redevelopment area, or redevelopment plan may be held  
9 simultaneously.

10       2. If, after concluding the hearing required under this  
11 section, the commission makes a recommendation under section  
12 99.820 in opposition to a proposed redevelopment plan,  
13 redevelopment project, or designation of a redevelopment area, or  
14 any amendments thereto, a municipality that is a county with a  
15 charter form of government and with more than one million  
16 inhabitants or is within such county desiring to approve such  
17 project, plan, designation, or amendments shall do so only upon a  
18 two-thirds majority vote of the governing body of a county with a  
19 charter form of government and with more than one million  
20 inhabitants or municipality located within such county.

21       3. Tax incremental financing projects within an economic  
22 development area shall apply to and fund only the following  
23 infrastructure projects: highways, roads, streets, bridges,  
24 sewers, traffic control systems and devices, water distribution  
25 and supply systems, curbing, sidewalks and any other similar  
26 public improvements, but in no case shall it include buildings.

27       99.1200. 1. This section shall be known and may be cited  
28 as the "Distressed Areas Land Assemblage Tax Credit Act".

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

2        (1) "Acquisition costs", the purchase price for the  
3 eligible parcel, costs of environmental assessments, closing  
4 costs, real estate brokerage fees, demolition costs of vacant  
5 structures, and maintenance costs incurred to maintain an  
6 acquired eligible parcel for a period of five years after the  
7 acquisition of such eligible parcel. Acquisition costs shall not  
8 include costs for title insurance and survey, attorney's fees, or  
9 relocation costs;

10       (2) "Applicant", any person, firm, partnership, trust,  
11 limited liability company, or corporation which has:

12       (a) Incurred, within an eligible project area, acquisition  
13 costs for the acquisition of land sufficient to satisfy the  
14 requirements under subdivision (8) of subsection 2 of this  
15 section; and

16       (b) Been appointed or selected, pursuant to a redevelopment  
17 agreement by a municipal authority, as a redeveloper or similar  
18 designation, under an economic incentive act, to redevelop an  
19 urban renewal area or a redevelopment area that includes all of  
20 an eligible project area or whose redevelopment plan or  
21 redevelopment area, which encompasses all of an eligible project  
22 area, has been approved or adopted under an economic incentive  
23 act. The redevelopment agreement shall provide that the funds  
24 generated through the use or sale of the tax credits issued under  
25 this section be used to redevelop the eligible project area and,  
26 in addition to being designated the redeveloper, the applicant  
27 shall have been designated to receive economic incentives after  
28 the municipal authority has considered the amount of the tax

credits in adopting such economic incentives as provided in  
subsection 8 of this section;

(3) "Certificate", a tax credit certificate issued under  
this section;

(4) "Condemnation proceedings", any action taken by, or on  
behalf of, an applicant to initiate an action in a court of  
competent jurisdiction to use the power of eminent domain to  
acquire a parcel within the eligible project area. Condemnation  
proceedings shall include any and all actions taken after the  
submission of a notice of intended acquisition to an owner of a  
parcel within the eligible project area by a municipal authority  
or any other person or entity under section 523.250, RSMo;

(5) "Department", the Missouri department of economic  
development;

(6) "Economic incentive acts", any provision of Missouri  
law pursuant to which economic incentives are provided to  
redevelopers of a parcel or parcels to redevelop the land, such  
as tax abatement or payments in lieu of taxes, or redevelopment  
plans or redevelopment projects approved or adopted which include  
the use of economic incentives to redevelop the land. Economic  
incentive acts include, but are not limited to, the land  
clearance for redevelopment authority law, the real property tax  
increment allocation redevelopment act, the Missouri downtown and  
rural economic stimulus act, and the downtown revitalization  
preservation program;

(7) "Eligible parcel", a parcel:

(a) Which is located within an eligible project area;

(b) Which is to be redeveloped;

1 (c) On which the applicant has not commenced construction  
2 prior to August 28, 2007; and

3 (d) Which has been acquired without the commencement of any  
4 condemnation proceedings with respect to such parcel brought by  
5 or on behalf of the applicant. Any parcel acquired by the  
6 applicant from a municipal authority shall not constitute an  
7 eligible parcel;

8 (8) "Eligible project area", an area which shall have  
9 satisfied the following requirements:

10 (a) The eligible project area shall consist of at least one  
11 hundred acres and may include parcels within its boundaries that  
12 do not constitute an eligible parcel;

13 (b) At least eighty percent of the eligible project area  
14 shall be located within a Missouri qualified census tract area as  
15 designated by the United States Department of Housing and Urban  
16 Development under 26 U.S.C. Section 42;

17 (c) The eligible parcels acquired by the applicant within  
18 the eligible project area shall total at least seventy-five  
19 acres, which may consist of contiguous and noncontiguous parcels;

20 (d) The average number of parcels per acre in an eligible  
21 project area shall be four;

22 (e) Less than five percent of the acreage within the  
23 boundaries of the eligible project area shall consist of owner-  
24 occupied residences which the applicant has identified for  
25 acquisition under the urban renewal plan or the redevelopment  
26 plan pursuant to which the applicant was appointed or selected as  
27 the redeveloper or by which the person or entity was qualified as  
28 an applicant under this section on the date of the approval or

adoption of such plan;

(9) "Interest costs", interest, loan fees, and closing costs. Interest costs shall not include attorney's fees;

(10) "Municipal authority", any city, town, village, county, public body corporate and politic, political subdivision, or land trust of this state established and authorized to own land within the state;

(11) "Parcel", a single lot or tract of land, and the improvements thereon, owned by, or recorded as the property of, one or more persons or entities;

(12) "Redeveloped", the process of undertaking and carrying out a redevelopment plan or urban renewal plan pursuant to which the conditions which provided the basis for an eligible project area to be included in a redevelopment plan or urban renewal plan are to be reduced or eliminated by redevelopment or rehabilitation; and

(13) Redevelopment agreement", the redevelopment agreement or similar agreement into which the applicant entered with a municipal authority and which is the agreement for the implementation of the urban renewal plan or redevelopment plan pursuant to which the applicant was appointed or selected as the redeveloper or by which the person or entity was qualified as an applicant under this section.

3. Any applicant shall be entitled to a tax credit against the taxes imposed under chapters 143, 147, and 148, RSMo, except for sections 143.191 to 143.265, RSMo, in an amount equal to fifty percent of the acquisition costs, and one hundred percent of the interest costs incurred for a period of five years after

1 the acquisition of an eligible parcel. No tax credits shall be  
2 issued under this section until after January 1, 2008.

3 4. If the amount of such tax credit exceeds the total tax  
4 liability for the year in which the applicant is entitled to  
5 receive a tax credit, the amount that exceeds the state tax  
6 liability may be carried forward for credit against the taxes  
7 imposed under chapters 143, 147, and 148, RSMo, for the  
8 succeeding six years, or until the full credit is used, whichever  
9 occurs first. The applicant shall not be entitled to a tax  
10 credit for taxes imposed under sections 143.191 to 143.265, RSMo.  
11 Applicants entitled to receive such tax credits may transfer,  
12 sell, or assign the tax credits. Tax credits granted to a  
13 partnership, a limited liability company taxed as a partnership,  
14 or multiple owners of property shall be passed through to the  
15 partners, members, or owners respectively pro rata or pursuant to  
16 an executed agreement among the partners, members, or owners  
17 documenting an alternate distribution method.

18 5. A purchaser, transferee, or assignee of the tax credits  
19 may use acquired tax credits to offset up to one hundred percent  
20 of the tax liabilities otherwise imposed under chapters 143, 147,  
21 and 148, RSMo, except for sections 143.191 to 143.265, RSMo. A  
22 seller, transferor, or assignor shall perfect such transfer by  
23 notifying the department in writing within thirty calendar days  
24 following the effective date of the transfer and shall provide  
25 any information as may be required by the department to  
26 administer and to carry out the provisions of this section.

27 6. To claim tax credits authorized under this section, an  
28 applicant shall submit to the department an application for a

1 certificate. An applicant shall identify the boundaries of the  
2 eligible project area in the application. The department shall  
3 verify that the applicant has submitted a valid application in  
4 the form and format required by the department. On an annual  
5 basis, an applicant may file for the tax credit for the  
6 acquisition costs, and for the tax credit for the interest costs,  
7 subject to the limitations of this section. If an applicant  
8 applying for the tax credit meets the criteria required under  
9 this section, the department shall issue a certificate in the  
10 appropriate amount.

11 7. The total aggregate amount of tax credits authorized  
12 under this section shall not exceed one hundred million dollars.  
13 At no time shall the annual amount of the tax credits issued  
14 under this section exceed twelve million dollars. If the tax  
15 credits that are to be issued under this section exceed, in any  
16 year, the twelve million dollar limitation, the department shall  
17 either:

18 (1) Issue tax credits to the applicant in the amount of  
19 twelve million dollars, if there is only one applicant entitled  
20 to receive tax credits in that year; or

21 (2) Issue the tax credits on a pro rata basis to all  
22 applicants entitled to receive tax credits in that year. Any  
23 amount of tax credits, which an applicant is, or applicants are,  
24 entitled to receive on an annual basis and are not issued due to  
25 the twelve million dollar limitation, shall be carried forward  
26 for the benefit of the applicant or applicants to subsequent  
27 years. No tax credits provided under this section shall be  
28 authorized after August 28, 2013. Any tax credits which have



1 been authorized on or before August 28, 2013, but not issued, may  
2 be issued, subject to the limitations provided under this  
3 subsection, until all such authorized tax credits have been  
4 issued.

5 8. Upon issuance of any tax credits pursuant to this  
6 section, the department shall report to the municipal authority  
7 the applicant's name and address, the parcel numbers of the  
8 eligible parcels for which the tax credits were issued, the  
9 itemized acquisition costs and interest costs for which tax  
10 credits were issued, and the total value of the tax credits  
11 issued. The municipal authority and the state shall not consider  
12 the amount of the tax credits as an applicant's cost, but shall  
13 include the tax credits in any sources and uses and cost benefit  
14 analysis reviewed or created for the purpose of awarding other  
15 economic incentives. The amount of the tax credits shall not be  
16 considered an applicant's cost in the evaluation of the amount of  
17 any award of any other economic incentives, but shall be  
18 considered in measuring the reasonableness of the rate of return  
19 to the applicant with respect to such award of other economic  
20 incentives. The municipal authority shall provide the report to  
21 any relevant commission, board, or entity responsible for the  
22 evaluation and recommendation or approval of other economic  
23 incentives to assist in the redevelopment of the eligible project  
24 area.

25 9. The department may promulgate rules to implement the  
26 provisions of this section. Any rule or portion of a rule, as  
27 that term is defined in section 536.010, RSMo, that is created  
28 under the authority delegated in this section shall become

effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

100.286. 1. Within the discretion of the board, the development and reserve fund, the infrastructure development fund or the export finance fund may be pledged to secure the payment of any bonds or notes issued by the board, or to secure the payment of any loan made by the board or a participating lender which loan:

(1) Is requested to finance any project or export trade activity;

(2) Is requested by a borrower who is demonstrated to be financially responsible;

(3) Can reasonably be expected to provide a benefit to the economy of this state;

(4) Is otherwise secured by a mortgage or deed of trust on real or personal property or other security satisfactory to the board; provided that loans to finance export trade activities may be secured by export accounts receivable or inventories of exportable goods satisfactory to the board;

(5) Does not exceed five million dollars;

(6) Does not have a term longer than five years if such

1 loan is made to finance export trade activities; and

2 (7) Is, when used to finance export trade activities, made  
3 to small or medium size businesses or agricultural businesses, as  
4 may be defined by the board.

5 2. The board shall prescribe standards for the evaluation  
6 of the financial condition, business history, and qualifications  
7 of each borrower and the terms and conditions of loans which may  
8 be secured, and may require each application to include a  
9 financial report and evaluation by an independent certified  
10 public accounting firm, in addition to such examination and  
11 evaluation as may be conducted by any participating lender.

12 3. Each application for a loan secured by the development  
13 and reserve fund, the infrastructure development fund or the  
14 export finance fund shall be reviewed in the first instance by  
15 any participating lender to whom the application was submitted.  
16 If satisfied that the standards prescribed by the board are met  
17 and that the loan is otherwise eligible to be secured by the  
18 development and reserve fund, the infrastructure development fund  
19 or the export finance fund, the participating lender shall  
20 certify the same and forward the application for final approval  
21 to the board.

22 4. The securing of any loans by the development and reserve  
23 fund, the infrastructure development fund or the export finance  
24 fund shall be conditioned upon approval of the application by the  
25 board, and receipt of an annual reserve participation fee, as  
26 prescribed by the board, submitted by or on behalf of the  
27 borrower.

28 5. The securing of any loan by the export finance fund for

1 export trade activities shall be conditioned upon the board's  
2 compliance with any applicable treaties and international  
3 agreements, such as the general agreement on tariffs and trade  
4 and the subsidies code, to which the United States is then a  
5 party.

6 6. Any taxpayer, including any charitable organization that  
7 is exempt from federal income tax and whose Missouri unrelated  
8 business taxable income, if any, would be subject to the state  
9 income tax imposed under chapter 143, RSMo, shall be entitled to  
10 a tax credit against any tax otherwise due under the provisions  
11 of chapter 143, RSMo, excluding withholding tax imposed by  
12 sections 143.191 to 143.261, RSMo, chapter 147, RSMo, or chapter  
13 148, RSMo, in the amount of fifty percent of any amount  
14 contributed in money or property by the taxpayer to the  
15 development and reserve fund, the infrastructure development fund  
16 or the export finance fund during the taxpayer's tax year,  
17 provided, however, the total tax credits awarded in any calendar  
18 year beginning after January 1, 1994, shall not be the greater of  
19 ten million dollars or five percent of the average growth in  
20 general revenue receipts in the preceding three fiscal years.  
21 This limit may be exceeded only upon joint agreement by the  
22 commissioner of administration, the director of the department of  
23 economic development, and the director of the department of  
24 revenue that such action is essential to ensure retention or  
25 attraction of investment in Missouri. If the board receives, as  
26 a contribution, real property, the contributor at such  
27 contributor's own expense shall have two independent appraisals  
28 conducted by appraisers certified by the Master Appraisal

1 Institute. Both appraisals shall be submitted to the board, and  
2 the tax credit certified by the board to the contributor shall be  
3 based upon the value of the lower of the two appraisals. The  
4 board shall not certify the tax credit until the property is  
5 deeded to the board. Such credit shall not apply to reserve  
6 participation fees paid by borrowers under sections 100.250 to  
7 100.297. The portion of earned tax credits which exceeds the  
8 taxpayer's tax liability may be carried forward for up to five  
9 years.

10 7. Notwithstanding any provision of law to the contrary,  
11 any taxpayer may sell, assign, exchange, convey or otherwise  
12 transfer tax credits allowed in subsection 6 of this section  
13 under the terms and conditions prescribed in subdivisions (1) and  
14 (2) of this subsection. Such taxpayer, hereinafter the assignor  
15 for the purpose of this subsection, may sell, assign, exchange or  
16 otherwise transfer earned tax credits:

17 (1) For no less than seventy-five percent of the par value  
18 of such credits; and

19 (2) In an amount not to exceed one hundred percent of  
20 annual earned credits.

21 The taxpayer acquiring earned credits, hereinafter the assignee  
22 for the purpose of this subsection, may use the acquired credits  
23 to offset up to one hundred percent of the tax liabilities  
24 otherwise imposed by chapter 143, RSMo, excluding withholding tax  
25 imposed by sections 143.191 to 143.261, RSMo, chapter 147, RSMo,  
26 or chapter 148, RSMo. Unused credits in the hands of the  
27 assignee may be carried forward for up to five years, provided

1 all such credits shall be claimed within ten years following the  
2 tax years in which the contribution was made. The assignor shall  
3 enter into a written agreement with the assignee establishing the  
4 terms and conditions of the agreement and shall perfect such  
5 transfer by notifying the board in writing within thirty calendar  
6 days following the effective day of the transfer and shall  
7 provide any information as may be required by the board to  
8 administer and carry out the provisions of this section.

9 Notwithstanding any other provision of law to the contrary, the  
10 amount received by the assignor of such tax credit shall be  
11 taxable as income of the assignor, and the excess of the par  
12 value of such credit over the amount paid by the assignee for  
13 such credit shall be taxable as income of the assignee.

14 135.460. 1. Section 135.460 and sections 620.1100 and  
15 620.1103, RSMo, shall be known and may be cited as the "Youth  
16 Opportunities and Violence Prevention Act".

17 2. As used in this section, the term "taxpayer" shall  
18 include corporations as defined in section 143.441 or 143.471,  
19 RSMo, and individuals, individual proprietorships and  
20 partnerships.

21 3. A taxpayer shall be allowed a tax credit against the tax  
22 otherwise due pursuant to chapter 143, RSMo, excluding  
23 withholding tax imposed by sections 143.191 to 143.265, RSMo,  
24 chapter 147, RSMo, chapter 148, RSMo, or chapter 153, RSMo, in an  
25 amount equal to thirty percent for property contributions and  
26 fifty percent for monetary contributions of the amount such  
27 taxpayer contributed to the programs described in subsection 5 of  
28 this section, not to exceed two hundred thousand dollars per

1 taxable year, per taxpayer; except as otherwise provided in  
2 subdivision (5) of subsection 5 of this section. The department  
3 of economic development shall prescribe the method for claiming  
4 the tax credits allowed in this section. No rule or portion of a  
5 rule promulgated under the authority of this section shall become  
6 effective unless it has been promulgated pursuant to the  
7 provisions of chapter 536, RSMo. All rulemaking authority  
8 delegated prior to June 27, 1997, is of no force and effect and  
9 repealed; however, nothing in this section shall be interpreted  
10 to repeal or affect the validity of any rule filed or adopted  
11 prior to June 27, 1997, if such rule complied with the provisions  
12 of chapter 536, RSMo. The provisions of this section and chapter  
13 536, RSMo, are nonseverable and if any of the powers vested with  
14 the general assembly pursuant to chapter 536, RSMo, including the  
15 ability to review, to delay the effective date, or to disapprove  
16 and annul a rule or portion of a rule, are subsequently held  
17 unconstitutional, then the purported grant of rulemaking  
18 authority and any rule so proposed and contained in the order of  
19 rulemaking shall be invalid and void.

20 4. The tax credits allowed by this section shall be claimed  
21 by the taxpayer to offset the taxes that become due in the  
22 taxpayer's tax period in which the contribution was made. Any  
23 tax credit not used in such tax period may be carried over the  
24 next five succeeding tax periods. Notwithstanding any other law  
25 to the contrary, any tax credits granted under this section may  
26 be assigned, transferred, sold, or otherwise conveyed without  
27 consent or approval. Such taxpayer, hereinafter the assignor for  
28 purposes of this section, may sell, assign, exchange, or

1 otherwise transfer earned tax credits:

2 (1) For no less than seventy-five percent of the par value  
3 of such credits; and

4 (2) In an amount not to exceed one hundred percent of  
5 annual earned credits.

6 5. The tax credit allowed by this section may only be  
7 claimed for monetary or property contributions to public or  
8 private programs authorized to participate pursuant to this  
9 section by the department of economic development and may be  
10 claimed for the development, establishment, implementation,  
11 operation, and expansion of the following activities and  
12 programs:

13 (1) An adopt-a-school program. Components of the  
14 adopt-a-school program shall include donations for school  
15 activities, seminars, and functions; school-business employment  
16 programs; and the donation of property and equipment of the  
17 corporation to the school;

18 (2) Expansion of programs to encourage school dropouts to  
19 reenter and complete high school or to complete a graduate  
20 equivalency degree program;

21 (3) Employment programs. Such programs shall initially,  
22 but not exclusively, target unemployed youth living in poverty  
23 and youth living in areas with a high incidence of crime;

24 (4) New or existing youth clubs or associations;

25 (5) Employment/internship/apprenticeship programs in  
26 business or trades for persons less than twenty years of age, in  
27 which case the tax credit claimed pursuant to this section shall  
28 be equal to one-half of the amount paid to the intern or



1 apprentice in that tax year, except that such credit shall not  
2 exceed ten thousand dollars per person;

3 (6) Mentor and role model programs;

4 (7) Drug and alcohol abuse prevention training programs for  
5 youth;

6 (8) Donation of property or equipment of the taxpayer to  
7 schools, including schools which primarily educate children who  
8 have been expelled from other schools, or donation of the same to  
9 municipalities, or not-for-profit corporations or other  
10 not-for-profit organizations which offer programs dedicated to  
11 youth violence prevention as authorized by the department;

12 (9) Not-for-profit, private or public youth activity  
13 centers;

14 (10) Nonviolent conflict resolution and mediation programs;

15 (11) Youth outreach and counseling programs.

16 6. Any program authorized in subsection 5 of this section  
17 shall, at least annually, submit a report to the department of  
18 economic development outlining the purpose and objectives of such  
19 program, the number of youth served, the specific activities  
20 provided pursuant to such program, the duration of such program  
21 and recorded youth attendance where applicable.

22 7. The department of economic development shall, at least  
23 annually submit a report to the Missouri general assembly listing  
24 the organizations participating, services offered and the number  
25 of youth served as the result of the implementation of this  
26 section.

27 8. The tax credit allowed by this section shall apply to  
28 all taxable years beginning after December 31, 1995.

1           9. For the purposes of the credits described in this  
2 section, in the case of a corporation described in section  
3 143.471, RSMo, partnership, limited liability company described  
4 in section 347.015, RSMo, cooperative, marketing enterprise, or  
5 partnership, in computing Missouri's tax liability, such credits  
6 shall be allowed to the following:

7           (1) The shareholders of the corporation described in  
8 section 143.471, RSMo;

9           (2) The partners of the partnership;

10          (3) The members of the limited liability company; and

11          (4) Individual members of the cooperative or marketing  
12 enterprise.

13          Such credits shall be apportioned to the entities described in  
14 subdivisions (1) and (2) of this subsection in proportion to  
15 their share of ownership on the last day of the taxpayer's tax  
16 period.

17          135.478. As used in sections 135.481 to 135.487, the  
18 following terms mean:

19          (1) "Department", the department of economic development;

20          (2) "Director", the director of the department of economic  
21 development;

22          (3) "Distressed community", as defined in section 135.530;

23          (4) "Eligible costs for a new residence", expenses incurred  
24 for property acquisition, development, site preparation other  
25 than demolition, surveys, architectural and engineering services  
26 and construction and all other necessary and incidental expenses  
27 incurred for constructing a new market rate residence, which is  
28 or will be owner-occupied, which is not replacing a national

1 register listed or local historic structure; except that, costs  
2 paid for by the taxpayer with grants or forgivable loans, other  
3 than tax credits, provided pursuant to state or federal  
4 governmental programs are ineligible;

5 (5) "Eligible costs for rehabilitation", expenses incurred  
6 for the renovation or rehabilitation of an existing residence  
7 including site preparation, surveys, architectural and  
8 engineering services, construction, modification, expansion,  
9 remodeling, structural alteration, replacements and alterations;  
10 except that, costs paid for by the taxpayer with grants or  
11 forgivable loans other than tax credits provided pursuant to  
12 state or federal governmental programs are ineligible;

13 (6) "Eligible residence", a single-family residence forty  
14 years of age or older, located in this state and not within a  
15 distressed community as defined by section 135.530, which is  
16 occupied or intended to be or occupied long-term by the owner or  
17 offered for sale at market rate for owner-occupancy and which is  
18 either located within a United States census block group which,  
19 if in a metropolitan statistical area, has a median household  
20 income of less than ninety percent, but greater than or equal to  
21 seventy percent of the median household income for the  
22 metropolitan statistical area in which the census block group is  
23 located, or which, if located within a United States census block  
24 group in a nonmetropolitan area, has a median household income of  
25 less than ninety percent, but greater than or equal to seventy  
26 percent of the median household income for the nonmetropolitan  
27 areas in the state;

28 (7) "Flood plain", any land or area susceptible to being

1 inundated by water from any source or located in a one  
2 hundred-year flood plain area determined by Federal Emergency  
3 Management Agency mapping as subject to flooding;

4 (8) "New residence", a residence constructed on land which  
5 if located within a distressed community has either been vacant  
6 for at least two years or is or was occupied by a structure which  
7 has been condemned by the local entity in which the structure is  
8 located or which, if located outside of a distressed community  
9 but within a census block group as described in subdivision (6)  
10 or (10) of this section, either replaces a residence forty years  
11 of age or older demolished for purposes of constructing a  
12 replacement residence, or which is constructed on vacant property  
13 which has been classified for not less than forty continuous  
14 years as residential or utility, commercial, railroad or other  
15 real property pursuant to article X, section 4(b) of the Missouri  
16 Constitution, as defined in section 137.016, RSMo; except that,  
17 no new residence shall be constructed in a flood plain or on  
18 property used for agricultural purposes. In a distressed  
19 community, the term "new residence" shall include condominiums,  
20 owner-occupied units or other units intended to be owner-occupied  
21 in multiple unit structures;

22 (9) "Project", new construction, rehabilitation or  
23 substantial rehabilitation of a residence that qualifies for a  
24 tax credit pursuant to sections 135.475 to 135.487;

25 (10) "Qualifying residence", a single-family residence,  
26 forty years of age or older, located in this state which is  
27 occupied or intended to be occupied long-term by the owner or  
28 offered for sale at market rate for owner-occupancy and which is

1 located in a metropolitan statistical area or nonmetropolitan  
2 statistical area within a United States census block group which  
3 has a median household income of less than seventy percent of the  
4 median household income for the metropolitan statistical area or  
5 nonmetropolitan area, respectively, or which is located within a  
6 distressed community. A qualifying residence shall include a  
7 condominium or residence within a multiple residential structure  
8 or a structure containing multiple single-family residences which  
9 is located within a distressed community;

10 (11) "Substantial rehabilitation", rehabilitation the costs  
11 of which exceed fifty percent of either the purchase price or the  
12 cost basis of the structure immediately prior to rehabilitation;  
13 provided that, the structure is at least fifty years old  
14 notwithstanding any provision of sections 135.475 to 135.487 to  
15 the contrary;

16 (12) "Tax liability", the tax due pursuant to chapter 143,  
17 147 or 148, RSMo, other than taxes withheld pursuant to sections  
18 143.191 to 143.265, RSMo;

19 (13) "Taxpayer", any person, partnership, corporation,  
20 trust [or], limited liability company, or any charitable  
21 organization which is exempt from federal income tax and whose  
22 Missouri unrelated business taxable income, if any, would be  
23 subject to the state income tax imposed under chapter 143, RSMo.

24 135.500. 1. Sections 135.500 to 135.529 shall be known and  
25 may be cited as the "Missouri Certified Capital Company Law".

26 2. As used in sections 135.500 to 135.529, the following  
27 terms mean:

28 (1) "Affiliate of a certified company":

1           (a) Any person, directly or indirectly owning, controlling  
2 or holding power to vote ten percent or more of the outstanding  
3 voting securities or other ownership interests of the Missouri  
4 certified capital company;

5           (b) Any person ten percent or more of whose outstanding  
6 voting securities or other ownership interest are directly or  
7 indirectly owned, controlled or held with power to vote by the  
8 Missouri certified capital company;

9           (c) Any person directly or indirectly controlling,  
10 controlled by, or under common control with the Missouri  
11 certified capital company;

12           (d) A partnership in which the Missouri certified capital  
13 company is a general partner;

14           (e) Any person who is an officer, director or agent of the  
15 Missouri certified capital company or an immediate family member  
16 of such officer, director or agent;

17           (2) "Applicable percentage", one hundred percent;

18           (3) "Capital in a qualified Missouri business", any debt,  
19 equity or hybrid security, of any nature and description  
20 whatsoever, including a debt instrument or security which has the  
21 characteristics of debt but which provides for conversion into  
22 equity or equity participation instruments such as options or  
23 warrants which are acquired by a Missouri certified capital  
24 company or a qualified investing entity as a result of a transfer  
25 of cash to a business;

26           (4) "Certified capital", an investment of cash by an  
27 investor in a Missouri certified capital company;

28           (5) "Certified capital company", any partnership,

1 corporation, trust or limited liability company, whether  
2 organized on a profit or not-for-profit basis, that is located,  
3 headquartered and registered to conduct business in Missouri that  
4 has as its primary business activity, the investment of cash in  
5 qualified Missouri businesses, and which is certified by the  
6 department as meeting the criteria of sections 135.500 to  
7 135.529;

8 (6) "Department", the Missouri department of economic  
9 development;

10 (7) "Director", the director of the department of economic  
11 development or a person acting under the supervision of the  
12 director;

13 (8) "Investor", any insurance company that contributes  
14 cash;

15 (9) "Liquidating distribution", payments to investors or to  
16 the certified capital company from earnings;

17 (10) "Person", any natural person or entity, including a  
18 corporation, general or limited partnership, trust [or], limited  
19 liability company, or any charitable organization which is exempt  
20 from federal income tax and whose Missouri unrelated business  
21 taxable income, if any, would be subject to the state income tax  
22 imposed under chapter 143, RSMo;

23 (11) "Qualified distribution", any distribution or payment  
24 to equity holders of a certified capital company in connection  
25 with the following:

26 (a) Reasonable costs and expenses of forming, syndicating,  
27 managing and operating the certified capital company;

28 (b) Management fees for managing and operating the

1 certified capital company; and

2 (c) Any increase in federal or state taxes, penalties and  
3 interest, including those related to state and federal income  
4 taxes, of equity owners of a certified capital company which  
5 related to the ownership, management or operation of a certified  
6 capital company;

7 (12) "Qualified investing entity", any partnership,  
8 corporation, trust, or limited liability company, whether  
9 organized on a for-profit or not-for-profit basis, that:

10 (a) Is registered to do business in this state;

11 (b) Is a wholly owned subsidiary of a certified capital  
12 company or otherwise affiliated with and under common control  
13 with a certified capital company; and

14 (c) Has been designated as a qualified investing entity by  
15 such certified capital company.

16 Such designation shall be effective upon delivery by the  
17 certified capital company of written notice of the designation to  
18 the department. A qualified investing entity may raise debt or  
19 equity capital for investment, but such capital shall not be  
20 considered certified capital. Any qualified investment made by a  
21 qualified investing entity after the effective date of this act  
22 shall be deemed to have been made by a certified capital company  
23 that designated the qualified investing entity as such; provided  
24 that no qualified investment may be deemed to have been made by  
25 more than one certified capital company;

26 (13) "Qualified investment", the investment of cash by a  
27 Missouri certified capital company or a qualified investing



1 entity in such a manner as to acquire capital in a qualified  
2 Missouri business;

3 (14) "Qualified Missouri business", an independently owned  
4 and operated business, which is headquartered and located in  
5 Missouri and which is in need of venture capital and cannot  
6 obtain conventional financing. Such business shall have no more  
7 than two hundred employees, eighty percent of which are employed  
8 in Missouri. Such business shall be involved in commerce for the  
9 purpose of manufacturing, processing or assembling products,  
10 conducting research and development, or providing services in  
11 interstate commerce, but excluding retail, real estate, real  
12 estate development, insurance and professional services provided  
13 by accountants, lawyers or physicians. At the time a certified  
14 capital company or qualified investing entity makes an initial  
15 investment in a business, such business shall be a small business  
16 concern that meets the requirements of the United States Small  
17 Business Administration's qualification size standards for its  
18 venture capital program, as defined in Section 13 CFR 121.301 (c)  
19 of the Small Business Investment Act of 1958, as amended. Any  
20 business which is classified as a qualified Missouri business at  
21 the time of the first investment in such business by a Missouri  
22 certified capital company or qualified investing entity shall,  
23 for a period of seven years from the date of such first  
24 investment, remain classified as a qualified Missouri business  
25 and may receive follow-on investments from any Missouri certified  
26 capital company or qualified investing entity and such follow-on  
27 investments shall be qualified investments even though such  
28 business may not meet the other qualifications of this subsection

1 at the time of such follow-on investments;

2 (15) "State premium tax liability", any liability incurred  
3 by an insurance company pursuant to the provisions of section  
4 148.320, 148.340, 148.370 or 148.376, RSMo, and any other related  
5 provisions, which may impose a tax upon the premium income of  
6 insurance companies after January 1, 1997.

7 135.535. 1. A corporation, limited liability corporation,  
8 partnership or sole proprietorship, which moves its operations  
9 from outside Missouri or outside a distressed community into a  
10 distressed community, or which commences operations in a  
11 distressed community on or after January 1, 1999, and in either  
12 case has more than seventy-five percent of its employees at the  
13 facility in the distressed community, and which has fewer than  
14 one hundred employees for whom payroll taxes are paid, and which  
15 is a manufacturing, biomedical, medical devices, scientific  
16 research, animal research, computer software design or  
17 development, computer programming, including Internet, web  
18 hosting, and other information technology, wireless or wired or  
19 other telecommunications or a professional firm shall receive a  
20 forty percent credit against income taxes owed pursuant to  
21 chapter 143, 147 or 148, RSMo, other than taxes withheld pursuant  
22 to sections 143.191 to 143.265, RSMo, for each of the three years  
23 after such move, if approved by the department of economic  
24 development, which shall issue a certificate of eligibility if  
25 the department determines that the taxpayer is eligible for such  
26 credit. The maximum amount of credits per taxpayer set forth in  
27 this subsection shall not exceed one hundred twenty-five thousand  
28 dollars for each of the three years for which the credit is

1 claimed. The department of economic development, by means of  
2 rule or regulation promulgated pursuant to the provisions of  
3 chapter 536, RSMo, shall assign appropriate North American  
4 Industry Classification System numbers to the companies which are  
5 eligible for the tax credits provided for in this section. Such  
6 three-year credits shall be awarded only one time to any company  
7 which moves its operations from outside of Missouri or outside of  
8 a distressed community into a distressed community or to a  
9 company which commences operations within a distressed community.  
10 A taxpayer shall file an application for certification of the tax  
11 credits for the first year in which credits are claimed and for  
12 each of the two succeeding taxable years for which credits are  
13 claimed.

14       2. Employees of such facilities physically working and  
15 earning wages for that work within a distressed community whose  
16 employers have been approved for tax credits pursuant to  
17 subsection 1 of this section by the department of economic  
18 development for whom payroll taxes are paid shall also be  
19 eligible to receive a tax credit against individual income tax,  
20 imposed pursuant to chapter 143, RSMo, equal to one and one-half  
21 percent of their gross salary paid at such facility earned for  
22 each of the three years that the facility receives the tax credit  
23 provided by this section, so long as they were qualified  
24 employees of such entity. The employer shall calculate the  
25 amount of such credit and shall report the amount to the employee  
26 and the department of revenue.

27       3. A tax credit against income taxes owed pursuant to  
28 chapter 143, 147 or 148, RSMo, other than the taxes withheld

1 pursuant to sections 143.191 to 143.265, RSMo, in lieu of the  
2 credit against income taxes as provided in subsection 1 of this  
3 section, may be taken by such an entity in a distressed community  
4 in an amount of forty percent of the amount of funds expended for  
5 computer equipment and its maintenance, medical laboratories and  
6 equipment, research laboratory equipment, manufacturing  
7 equipment, fiber optic equipment, high speed telecommunications,  
8 wiring or software development expense up to a maximum of  
9 seventy-five thousand dollars in tax credits for such equipment  
10 or expense per year per entity and for each of three years after  
11 commencement in or moving operations into a distressed community.

12 4. A corporation, partnership or sole partnership, which  
13 has no more than one hundred employees for whom payroll taxes are  
14 paid, which is already located in a distressed community and  
15 which expends funds for such equipment pursuant to subsection 3  
16 of this section in an amount exceeding its average of the prior  
17 two years for such equipment, shall be eligible to receive a tax  
18 credit against income taxes owed pursuant to chapters 143, 147  
19 and 148, RSMo, in an amount equal to the lesser of seventy-five  
20 thousand dollars or twenty-five percent of the funds expended for  
21 such additional equipment per such entity. Tax credits allowed  
22 pursuant to this subsection or subsection 1 of this section may  
23 be carried back to any of the three prior tax years and carried  
24 forward to any of the five tax years.

25 5. An existing corporation, partnership or sole  
26 proprietorship that is located within a distressed community and  
27 that relocates employees from another facility outside of the  
28 distressed community to its facility within the distressed

1 community, and an existing business located within a distressed  
2 community that hires new employees for that facility may both be  
3 eligible for the tax credits allowed by subsections 1 and 3 of  
4 this section. To be eligible for such tax credits, such a  
5 business, during one of its tax years, shall employ within a  
6 distressed community at least twice as many employees as were  
7 employed at the beginning of that tax year. A business hiring  
8 employees shall have no more than one hundred employees before  
9 the addition of the new employees. This subsection shall only  
10 apply to a business which is a manufacturing, biomedical, medical  
11 devices, scientific research, animal research, computer software  
12 design or development, computer programming or telecommunications  
13 business, or a professional firm.

14 6. Tax credits shall be approved for applicants meeting the  
15 requirements of this section in the order that such applications  
16 are received. Certificates of tax credits issued in accordance  
17 with this section may be transferred, sold or assigned by  
18 notarized endorsement which names the transferee.

19 7. The tax credits allowed pursuant to subsections 1, 2, 3,  
20 4 and 5 of this section shall be for an amount of no more than  
21 ten million dollars for each year beginning in 1999. To the  
22 extent there are available tax credits remaining under the eight  
23 million dollar cap as provided in section 620.1881, up to one  
24 hundred thousand dollars in the remaining credits shall first be  
25 used for tax credits authorized under section 135.562. The total  
26 maximum credit for all entities already located in distressed  
27 communities and claiming credits pursuant to subsection 4 of this  
28 section shall be seven hundred and fifty thousand dollars. The

1 department of economic development in approving taxpayers for the  
2 credit as provided for in subsection 6 of this section shall use  
3 information provided by the department of revenue regarding taxes  
4 paid in the previous year, or projected taxes for those entities  
5 newly established in the state, as the method of determining when  
6 this maximum will be reached and shall maintain a record of the  
7 order of approval. Any tax credit not used in the period for  
8 which the credit was approved may be carried over until the full  
9 credit has been allowed.

10 8. A Missouri employer relocating into a distressed  
11 community and having employees covered by a collective bargaining  
12 agreement at the facility from which it is relocating shall not  
13 be eligible for the credits in subsection 1, 3, 4 or 5 of this  
14 section, and its employees shall not be eligible for the credit  
15 in subsection 2 of this section if the relocation violates or  
16 terminates a collective bargaining agreement covering employees  
17 at the facility, unless the affected collective bargaining unit  
18 concurs with the move.

19 9. Notwithstanding any provision of law to the contrary, no  
20 taxpayer shall earn the tax credits allowed in this section and  
21 the tax credits otherwise allowed in section 135.110, or the tax  
22 credits, exemptions, and refund otherwise allowed in sections  
23 135.200, 135.220, 135.225 and 135.245, respectively, for the same  
24 business for the same tax period.

25 135.545. A taxpayer shall be allowed a credit for taxes  
26 paid pursuant to chapter 143, 147 or 148, RSMo, in an amount  
27 equal to fifty percent of a qualified investment in  
28 transportation development for aviation, mass transportation,

1 including parking facilities for users of mass transportation,  
2 railroads, ports, including parking facilities and limited access  
3 roads within ports, waterborne transportation, bicycle and  
4 pedestrian paths, or rolling stock located in a distressed  
5 community as defined in section 135.530, and which are part of a  
6 development plan approved by the appropriate local agency. If  
7 the department of economic development determines the investment  
8 has been so approved, the department shall grant the tax credit  
9 in order of date received. A taxpayer may carry forward any  
10 unused tax credit for up to ten years and may carry it back for  
11 the previous three years until such credit has been fully  
12 claimed. Certificates of tax credit issued in accordance with  
13 this section may be transferred, sold or assigned by notarized  
14 endorsement which names the transferee. The tax credits allowed  
15 pursuant to this section shall be for an amount of no more than  
16 ten million dollars for each year. This credit shall apply to  
17 returns filed for all taxable years beginning on or after January  
18 1, 1999. Any unused portion of the tax credit authorized  
19 pursuant to this section shall be available for use in the future  
20 by those entities until fully claimed. For purposes of this  
21 section, a "taxpayer" shall include any charitable organization  
22 that is exempt from federal income tax and whose Missouri  
23 unrelated business taxable income, if any, would be subject to  
24 the state income tax imposed under chapter 143, RSMo.

25 135.550. 1. As used in this section, the following terms  
26 shall mean:

27 (1) "Contribution", a donation of cash, stock, bonds or  
28 other marketable securities, or real property;

1           (2) "Shelter for victims of domestic violence", a facility  
2 located in this state which meets the definition of a shelter for  
3 victims of domestic violence pursuant to section 455.200, RSMo,  
4 and which meets the requirements of section 455.220, RSMo;

5           (3) "State tax liability", in the case of a business  
6 taxpayer, any liability incurred by such taxpayer pursuant to the  
7 provisions of chapter 143, RSMo, chapter 147, RSMo, chapter 148,  
8 RSMo, and chapter 153, RSMo, exclusive of the provisions relating  
9 to the withholding of tax as provided for in sections 143.191 to  
10 143.265, RSMo, and related provisions, and in the case of an  
11 individual taxpayer, any liability incurred by such taxpayer  
12 pursuant to the provisions of chapter 143, RSMo;

13           (4) "Taxpayer", a person, firm, a partner in a firm,  
14 corporation or a shareholder in an S corporation doing business  
15 in the state of Missouri and subject to the state income tax  
16 imposed by the provisions of chapter 143, RSMo, or a corporation  
17 subject to the annual corporation franchise tax imposed by the  
18 provisions of chapter 147, RSMo, including any charitable  
19 organization which is exempt from federal income tax and whose  
20 Missouri unrelated business taxable income, if any, would be  
21 subject to the state income tax imposed under chapter 143, RSMo,  
22 or an insurance company paying an annual tax on its gross premium  
23 receipts in this state, or other financial institution paying  
24 taxes to the state of Missouri or any political subdivision of  
25 this state pursuant to the provisions of chapter 148, RSMo, or an  
26 express company which pays an annual tax on its gross receipts in  
27 this state pursuant to chapter 153, RSMo, or an individual  
28 subject to the state income tax imposed by the provisions of



chapter 143, RSMo.

2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a shelter for victims of domestic violence.

3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the taxable year that the credit is claimed, and such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However, any tax credit that cannot be claimed in the taxable year the contribution was made may be carried over to the next four succeeding taxable years until the full credit has been claimed. Notwithstanding any other law to the contrary, any tax credits granted under this section may be assigned, transferred, sold, or otherwise conveyed without consent or approval. Such taxpayer, hereinafter the assignor for purposes of this section, may sell, assign, exchange, or otherwise transfer earned tax credits:

(1) For no less than seventy-five percent of the par value of such credits; and

(2) In an amount not to exceed one hundred percent of annual earned credits.

4. Except for any excess credit which is carried over pursuant to subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such taxpayer's contribution or contributions to a shelter or shelters for victims of domestic violence in such taxpayer's taxable year has a value of at least one hundred dollars.

1           5. The director of the department of social services shall  
2 determine, at least annually, which facilities in this state may  
3 be classified as shelters for victims of domestic violence. The  
4 director of the department of social services may require of a  
5 facility seeking to be classified as a shelter for victims of  
6 domestic violence whatever information is reasonably necessary to  
7 make such a determination. The director of the department of  
8 social services shall classify a facility as a shelter for  
9 victims of domestic violence if such facility meets the  
10 definition set forth in subsection 1 of this section.

11           6. The director of the department of social services shall  
12 establish a procedure by which a taxpayer can determine if a  
13 facility has been classified as a shelter for victims of domestic  
14 violence, and by which such taxpayer can then contribute to such  
15 shelter for victims of domestic violence and claim a tax credit.  
16 Shelters for victims of domestic violence shall be permitted to  
17 decline a contribution from a taxpayer. The cumulative amount of  
18 tax credits which may be claimed by all the taxpayers  
19 contributing to shelters for victims of domestic violence in any  
20 one fiscal year shall not exceed two million dollars.

21           7. The director of the department of social services shall  
22 establish a procedure by which, from the beginning of the fiscal  
23 year until some point in time later in the fiscal year to be  
24 determined by the director of the department of social services,  
25 the cumulative amount of tax credits are equally apportioned  
26 among all facilities classified as shelters for victims of  
27 domestic violence. If a shelter for victims of domestic violence  
28 fails to use all, or some percentage to be determined by the

1 director of the department of social services, of its apportioned  
2 tax credits during this predetermined period of time, the  
3 director of the department of social services may reapportion  
4 these unused tax credits to those shelters for victims of  
5 domestic violence that have used all, or some percentage to be  
6 determined by the director of the department of social services,  
7 of their apportioned tax credits during this predetermined period  
8 of time. The director of the department of social services may  
9 establish more than one period of time and reapportion more than  
10 once during each fiscal year. To the maximum extent possible,  
11 the director of the department of social services shall establish  
12 the procedure described in this subsection in such a manner as to  
13 ensure that taxpayers can claim all the tax credits possible up  
14 to the cumulative amount of tax credits available for the fiscal  
15 year.

16 8. This section shall become effective January 1, 2000, and  
17 shall apply to all tax years after December 31, 1999.

18 135.562. 1. If any taxpayer with a federal adjusted gross  
19 income of thirty thousand dollars or less incurs costs for the  
20 purpose of making all or any portion of such taxpayer's principal  
21 dwelling accessible to an individual with a disability who  
22 permanently resides with the taxpayer, such taxpayer shall  
23 receive a tax credit against such taxpayer's Missouri income tax  
24 liability in an amount equal to the lesser of one hundred percent  
25 of such costs or two thousand five hundred dollars per taxpayer,  
26 per tax year.

27 2. Any taxpayer with a federal adjusted gross income  
28 greater than thirty thousand dollars but less than sixty thousand

dollars who incurs costs for the purpose of making all or any portion of such taxpayer's principal dwelling accessible to an individual with a disability who permanently resides with the taxpayer, shall receive a tax credit against such taxpayer's Missouri income tax liability in an amount equal to the lesser of fifty percent of such costs or two thousand five hundred dollars per taxpayer, per tax year. No taxpayer shall be eligible to receive tax credits under this section in any tax year immediately following a tax year in which such taxpayer received tax credits under the provisions of this section.

3. Tax credits issued pursuant to this section may be refundable in an amount not to exceed two thousand five hundred dollars per tax year.

4. Eligible costs for which the credit may be claimed include:

(1) Constructing entrance or exit ramps;

(2) Widening exterior or interior doorways;

(3) Widening hallways;

(4) Installing handrails or grab bars;

(5) Moving electrical outlets and switches;

(6) Installing stairway lifts;

(7) Installing or modifying fire alarms, smoke detectors, and other alerting systems;

(8) Modifying hardware of doors; or

(9) Modifying bathrooms.

5. The tax credits allowed, including the maximum amount that may be claimed, pursuant to this section shall be reduced by an amount sufficient to offset any amount of such costs a

1 taxpayer has already deducted from such taxpayer's federal  
2 adjusted gross income or to the extent such taxpayer has applied  
3 any other state or federal income tax credit to such costs.

4 6. A taxpayer shall claim a credit allowed by this section  
5 in the same taxable year as the credit is issued, and at the time  
6 such taxpayer files his or her Missouri income tax return;  
7 provided that, such return is timely filed.

8 7. The department may, in consultation with the department  
9 of social services, promulgate such rules or regulations as are  
10 necessary to administer the provisions of this section. Any rule  
11 or portion of a rule, as that term is defined in section 536.010,  
12 RSMo, that is created under the authority delegated in this  
13 section shall become effective only if it complies with and is  
14 subject to all of the provisions of chapter 536, RSMo, and, if  
15 applicable, section 536.028, RSMo. This section and chapter 536,  
16 RSMo, are nonseverable and if any of the powers vested with the  
17 general assembly pursuant to chapter 536, RSMo, to review, to  
18 delay the effective date or to disapprove and annul a rule are  
19 subsequently held unconstitutional, then the grant of rulemaking  
20 authority and any rule proposed or adopted after August 28, 2007,  
21 shall be invalid and void.

22 8. The provisions of this section shall apply to all tax  
23 years beginning on or after January 1, 2008.

24 9. The provisions of this section shall expire December 31,  
25 2013.

26 10. In no event shall the aggregate amount of all tax  
27 credits allowed pursuant to this section exceed one hundred  
28 thousand dollars in any given fiscal year. The tax credits

1 issued pursuant to this section shall be on a first-come, first-  
2 served filing basis.

3 135.600. 1. As used in this section, the following terms  
4 shall mean:

5 (1) "Contribution", a donation of cash, stock, bonds or  
6 other marketable securities, or real property;

7 (2) "Maternity home", a residential facility located in  
8 this state established for the purpose of providing housing and  
9 assistance to pregnant women who are carrying their pregnancies  
10 to term, and which is exempt from income taxation under the  
11 United States Internal Revenue Code;

12 (3) "State tax liability", in the case of a business  
13 taxpayer, any liability incurred by such taxpayer pursuant to the  
14 provisions of chapter 143, RSMo, chapter 147, RSMo, chapter 148,  
15 RSMo, and chapter 153, RSMo, exclusive of the provisions relating  
16 to the withholding of tax as provided for in sections 143.191 to  
17 143.265, RSMo, and related provisions, and in the case of an  
18 individual taxpayer, any liability incurred by such taxpayer  
19 pursuant to the provisions of chapter 143, RSMo;

20 (4) "Taxpayer", a person, firm, a partner in a firm,  
21 corporation or a shareholder in an S corporation doing business  
22 in the state of Missouri and subject to the state income tax  
23 imposed by the provisions of chapter 143, RSMo, including any  
24 charitable organization which is exempt from federal income tax  
25 and whose Missouri unrelated business taxable income, if any,  
26 would be subject to the state income tax imposed under chapter  
27 143, RSMo, or a corporation subject to the annual corporation  
28 franchise tax imposed by the provisions of chapter 147, RSMo, or

1 an insurance company paying an annual tax on its gross premium  
2 receipts in this state, or other financial institution paying  
3 taxes to the state of Missouri or any political subdivision of  
4 this state pursuant to the provisions of chapter 148, RSMo, or an  
5 express company which pays an annual tax on its gross receipts in  
6 this state pursuant to chapter 153, RSMo, or an individual  
7 subject to the state income tax imposed by the provisions of  
8 chapter 143, RSMo.

9       2. A taxpayer shall be allowed to claim a tax credit  
10 against the taxpayer's state tax liability, in an amount equal to  
11 fifty percent of the amount such taxpayer contributed to a  
12 maternity home.

13       3. The amount of the tax credit claimed shall not exceed  
14 the amount of the taxpayer's state tax liability for the taxable  
15 year that the credit is claimed, and such taxpayer shall not be  
16 allowed to claim a tax credit in excess of fifty thousand dollars  
17 per taxable year. However, any tax credit that cannot be claimed  
18 in the taxable year the contribution was made may be carried over  
19 to the next four succeeding taxable years until the full credit  
20 has been claimed.

21       4. Except for any excess credit which is carried over  
22 pursuant to subsection 3 of this section, a taxpayer shall not be  
23 allowed to claim a tax credit unless the total amount of such  
24 taxpayer's contribution or contributions to a maternity home or  
25 homes in such taxpayer's taxable year has a value of at least one  
26 hundred dollars.

27       5. The director of the department of social services shall  
28 determine, at least annually, which facilities in this state may

1 be classified as maternity homes. The director of the department  
2 of social services may require of a facility seeking to be  
3 classified as a maternity home whatever information is reasonably  
4 necessary to make such a determination. The director of the  
5 department of social services shall classify a facility as a  
6 maternity home if such facility meets the definition set forth in  
7 subsection 1 of this section.

8 6. The director of the department of social services shall  
9 establish a procedure by which a taxpayer can determine if a  
10 facility has been classified as a maternity home, and by which  
11 such taxpayer can then contribute to such maternity home and  
12 claim a tax credit. Maternity homes shall be permitted to  
13 decline a contribution from a taxpayer. The cumulative amount of  
14 tax credits which may be claimed by all the taxpayers  
15 contributing to maternity homes in any one fiscal year shall not  
16 exceed [two] three million dollars.

17 7. The director of the department of social services shall  
18 establish a procedure by which, from the beginning of the fiscal  
19 year until some point in time later in the fiscal year to be  
20 determined by the director of the department of social services,  
21 the cumulative amount of tax credits are equally apportioned  
22 among all facilities classified as maternity homes. If a  
23 maternity home fails to use all, or some percentage to be  
24 determined by the director of the department of social services,  
25 of its apportioned tax credits during this predetermined period  
26 of time, the director of the department of social services may  
27 reapportion these unused tax credits to those maternity homes  
28 that have used all, or some percentage to be determined by the



1 director of the department of social services, of their  
2 apportioned tax credits during this predetermined period of time.  
3 The director of the department of social services may establish  
4 more than one period of time and reapportion more than once  
5 during each fiscal year. To the maximum extent possible, the  
6 director of the department of social services shall establish the  
7 procedure described in this subsection in such a manner as to  
8 ensure that taxpayers can claim all the tax credits possible up  
9 to the cumulative amount of tax credits available for the fiscal  
10 year.

11 8. This section shall become effective January 1, 2000, and  
12 shall apply to all tax years after December 31, 1999.

13 9. Notwithstanding any other law to the contrary, any tax  
14 credits granted under this section may be assigned, transferred,  
15 sold, or otherwise conveyed without consent or approval. Such  
16 taxpayer, hereinafter the assignor for purposes of this section,  
17 may sell, assign, exchange, or otherwise transfer earned tax  
18 credits:

19 (1) For no less than seventy-five percent of the par value  
20 of such credits; and

21 (2) In an amount not to exceed one hundred percent of  
22 annual earned credits.

23 135.630. 1. As used in this section, the following terms  
24 mean:

25 (1) "Contribution", a donation of cash, stock, bonds, or  
26 other marketable securities, or real property;

27 (2) "Director", the director of the department of social  
28 services;

1           (3) "Pregnancy resource center", a nonresidential facility  
2 located in this state:

3           (a) Established and operating primarily to provide  
4 assistance to women with crisis pregnancies or unplanned  
5 pregnancies by offering pregnancy testing, counseling, emotional  
6 and material support, and other similar services to encourage and  
7 assist such women in carrying their pregnancies to term; and

8           (b) Where childbirths are not performed; and

9           (c) Which does not perform, induce, or refer for abortions  
10 and which does not hold itself out as performing, inducing, or  
11 referring for abortions; and

12           (d) Which provides direct client services at the facility,  
13 as opposed to merely providing counseling or referral services by  
14 telephone; and

15           (e) Which provides its services at no cost to its clients;  
16 and

17           (f) When providing medical services, such medical services  
18 must be performed in accordance with Missouri statute; and

19           (g) Which is exempt from income taxation pursuant to the  
20 Internal Revenue Code of 1986, as amended;

21           (4) "State tax liability", in the case of a business  
22 taxpayer, any liability incurred by such taxpayer pursuant to the  
23 provisions of chapters 143, 147, 148, and 153, RSMo, excluding  
24 sections 143.191 to 143.265, RSMo, and related provisions, and in  
25 the case of an individual taxpayer, any liability incurred by  
26 such taxpayer pursuant to the provisions of chapter 143, RSMo,  
27 excluding sections 143.191 to 143.265, RSMo, and related  
28 provisions;

1           (5) "Taxpayer", a person, firm, a partner in a firm,  
2 corporation, or a shareholder in an S corporation doing business  
3 in the state of Missouri and subject to the state income tax  
4 imposed by the provisions of chapter 143, RSMo, or a corporation  
5 subject to the annual corporation franchise tax imposed by the  
6 provisions of chapter 147, RSMo, or an insurance company paying  
7 an annual tax on its gross premium receipts in this state, or  
8 other financial institution paying taxes to the state of Missouri  
9 or any political subdivision of this state pursuant to the  
10 provisions of chapter 148, RSMo, or an express company which pays  
11 an annual tax on its gross receipts in this state pursuant to  
12 chapter 153, RSMo, or an individual subject to the state income  
13 tax imposed by the provisions of chapter 143, RSMo, or any  
14 charitable organization which is exempt from federal income tax  
15 and whose Missouri unrelated business taxable income, if any,  
16 would be subject to the state income tax imposed under chapter  
17 143, RSMo.

18           2. For all tax years beginning on or after January 1, 2007,  
19 a taxpayer shall be allowed to claim a tax credit against the  
20 taxpayer's state tax liability in an amount equal to fifty  
21 percent of the amount such taxpayer contributed to a pregnancy  
22 resource center.

23           3. The amount of the tax credit claimed shall not exceed  
24 the amount of the taxpayer's state tax liability for the taxable  
25 year for which the credit is claimed, and such taxpayer shall not  
26 be allowed to claim a tax credit in excess of fifty thousand  
27 dollars per taxable year. However, any tax credit that cannot be  
28 claimed in the taxable year the contribution was made may be

1 carried over to the next four succeeding taxable years until the  
2 full credit has been claimed.

3 4. Except for any excess credit which is carried over  
4 pursuant to subsection 3 of this section, a taxpayer shall not be  
5 allowed to claim a tax credit unless the total amount of such  
6 taxpayer's contribution or contributions to a pregnancy resource  
7 center or centers in such taxpayer's taxable year has a value of  
8 at least one hundred dollars.

9 5. The director shall determine, at least annually, which  
10 facilities in this state may be classified as pregnancy resource  
11 centers. The director may require of a facility seeking to be  
12 classified as a pregnancy resource center whatever information  
13 which is reasonably necessary to make such a determination. The  
14 director shall classify a facility as a pregnancy resource center  
15 if such facility meets the definition set forth in subsection 1  
16 of this section.

17 6. The director shall establish a procedure by which a  
18 taxpayer can determine if a facility has been classified as a  
19 pregnancy resource center. Pregnancy resource centers shall be  
20 permitted to decline a contribution from a taxpayer. The  
21 cumulative amount of tax credits which may be claimed by all the  
22 taxpayers contributing to pregnancy resource centers in any one  
23 fiscal year shall not exceed two million dollars. Tax credits  
24 shall be issued in the order contributions are received.

25 7. The director shall establish a procedure by which, from  
26 the beginning of the fiscal year until some point in time later  
27 in the fiscal year to be determined by the director, the  
28 cumulative amount of tax credits are equally apportioned among

1 all facilities classified as pregnancy resource centers. If a  
2 pregnancy resource center fails to use all, or some percentage to  
3 be determined by the director, of its apportioned tax credits  
4 during this predetermined period of time, the director may  
5 reapportion these unused tax credits to those pregnancy resource  
6 centers that have used all, or some percentage to be determined  
7 by the director, of their apportioned tax credits during this  
8 predetermined period of time. The director may establish more  
9 than one period of time and reapportion more than once during  
10 each fiscal year. To the maximum extent possible, the director  
11 shall establish the procedure described in this subsection in  
12 such a manner as to ensure that taxpayers can claim all the tax  
13 credits possible up to the cumulative amount of tax credits  
14 available for the fiscal year.

15 8. Each pregnancy resource center shall provide information  
16 to the director concerning the identity of each taxpayer making a  
17 contribution to the pregnancy resource center who is claiming a  
18 tax credit pursuant to this section and the amount of the  
19 contribution. The director shall provide the information to the  
20 director of revenue. The director shall be subject to the  
21 confidentiality and penalty provisions of section 32.057, RSMo,  
22 relating to the disclosure of tax information.

23 9. Notwithstanding any other law to the contrary, any tax  
24 credits granted under this section may be assigned, transferred,  
25 sold, or otherwise conveyed without consent or approval. Such  
26 taxpayer, hereinafter the assignor for purposes of this section,  
27 may sell, assign, exchange, or otherwise transfer earned tax  
28 credits:

1       (1) For no less than seventy-five percent of the par value  
2 of such credits; and

3       (2) In an amount not to exceed one hundred percent of  
4 annual earned credits.

5       10. Pursuant to section 23.253, RSMo, of the Missouri  
6 sunset act:

7       (1) Any new program authorized under this section shall  
8 automatically sunset six years after August 28, 2006, unless  
9 reauthorized by an act of the general assembly; and

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

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

16       135.660. 1. This section shall be known and may be cited  
17 as the "Qualified Beef Tax Credit Act".

18       2. As used in this section, the following terms mean:

19       (1) "Agricultural property", any real and personal  
20 property, including but not limited to buildings, structures,  
21 improvements, equipment, and livestock, that is used in or is to  
22 be used in this state by residents of this state for:

23       (a) The operation of a farm or ranch; and

24       (b) Grazing, feeding, or the care of livestock;

25       (2) "Authority", the agricultural and small business  
26 development authority established in chapter 348, RSMo;

27       (3) "Qualifying beef animal", any beef animal that is  
28 certified by the authority, that was born in this state after

August 28, 2008, that was raised and backgrounded or finished in this state by the taxpayer, and that weighs more than four hundred fifty pounds, excluding any beef animal more than thirty months of age;

(4) "Qualifying sale", the first time a qualifying beef animal is sold in this state after the qualifying beef animal's weight reaches four hundred fifty pounds, and a subsequent sale if the weight of the qualifying beef animal at the time of the subsequent sale is greater than the weight of the qualifying beef animal at the time of the first qualifying sale of such beef animal;

(5) "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, RSMo;

(6) "Taxpayer", any individual or entity who:

(a) Is 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, RSMo;

(b) In the case of an individual, is a resident of this state; and

(c) Owns or rents agricultural property.

3. For all taxable years beginning on or after January 1, 2009, but ending on or before December 31, 2016, a taxpayer shall be allowed a tax credit for each qualifying sale of a qualifying beef animal. The tax credit amount shall be based on the qualifying beef animal's weight at the time of the first qualifying sale, and shall be equal to ten cents per pound above

four hundred fifty pounds and for a subsequent qualifying sale,  
ten cents per pound above the weight of the qualifying beef  
animal at the time of the first qualifying sale of such beef  
animal or four hundred fifty pounds, whichever weight is greater.

4. The amount of the tax credit claimed shall not exceed  
the amount of the taxpayer's state tax liability for the taxable  
year for which the credit is claimed. No tax credit claimed  
under this section shall be refundable. The tax credit shall be  
claimed in the taxable year in which the qualifying sale of the  
qualifying beef occurred, but any amount of credit that the  
taxpayer is prohibited by this section from claiming in a taxable  
year may be carried forward to any of the taxpayer's five  
subsequent taxable years and carried backward to any of the  
taxpayer's three previous taxable years. The amount of tax  
credits that may be issued to all eligible applicants claiming  
tax credits authorized in this section in a fiscal year shall not  
exceed five hundred thousand dollars, and the cumulative amount  
of tax credits that may be issued to all eligible applicants  
claiming all tax credits authorized in this section shall not  
exceed five hundred thousand dollars.

5. To claim the tax credit allowed under this section, the  
taxpayer shall submit to the authority an application for the tax  
credit on a form provided by the authority. The application  
shall be filed with the authority at the end of each calendar  
year in which a qualified sale was made and for which a tax  
credit is claimed under this section. The application shall  
include any documentation and information required by the  
authority. All required information obtained by the authority



1 shall be confidential and not disclosed except by court order or  
2 as otherwise provided by law. If the taxpayer and the qualified  
3 sale meets all criteria required by this section and is approved  
4 by the authority, the authority shall issue a tax credit  
5 certificate in the appropriate amount. Tax credit certificates  
6 issued under this section may be assigned, transferred, sold, or  
7 otherwise conveyed, and the new owner of the tax credit  
8 certificate shall have the same rights in the tax credit as the  
9 original taxpayer. Whenever a tax credit certificate is  
10 assigned, transferred, sold or otherwise conveyed, a notarized  
11 endorsement shall be filed with the authority specifying the name  
12 and address of the new owner of the tax credit certificate or the  
13 value of the tax credit.

14 6. Any information provided under this section shall be  
15 confidential information, to be shared with no one except state  
16 and federal animal health officials, and shall not be subject to  
17 subpoena or other compulsory production.

18 7. The department of agriculture and the authority may  
19 promulgate rules to implement the provisions of this section.  
20 Any rule or portion of a rule, as that term is defined in section  
21 536.010, RSMo, that is created under the authority delegated in  
22 this section shall become effective only if it complies with and  
23 is subject to all of the provisions of chapter 536, RSMo, and, if  
24 applicable, section 536.028, RSMo. This section and chapter 536,  
25 RSMo, are nonseverable and if any of the powers vested with the  
26 general assembly pursuant to chapter 536, RSMo, to review, to  
27 delay the effective date, or to disapprove and annul a rule are  
28 subsequently held unconstitutional, then the grant of rulemaking

authority and any rule proposed or adopted after August 28, 2007,  
shall be invalid and void.

8. This section shall not be subject to the Missouri sunset  
act, sections 23.250 to 23.298, RSMo.

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

(1) "Adjusted purchase price", the product of:

(a) The amount paid to the issuer of a qualified equity  
investment for such qualified equity investment; and

(b) The following fraction:

a. The numerator shall be the dollar amount of qualified  
low-income community investments held by the issuer in this state  
as of the credit allowance date during the applicable tax year;  
and

b. The denominator shall be the total dollar amount of  
qualified low-income community investments held by the issuer in  
all states as of the credit allowance date during the applicable  
tax year;

c. For purposes of calculating the amount of qualified low-  
income community investments held by an issuer, an investment  
shall be considered held by an issuer even if the investment has  
been sold or repaid; provided that the issuer reinvests an amount  
equal to the capital returned to or recovered by the issuer from  
the original investment, exclusive of any profits realized, in  
another qualified low-income community investment within twelve  
months of the receipt of such capital. An issuer shall not be  
required to reinvest capital returned from qualified low-income  
community investments after the sixth anniversary of the issuance

of the qualified equity investment, the proceeds of which were used to make the qualified low-income community investment, and the qualified low-income community investment shall be considered held by the issuer through the seventh anniversary of the qualified equity investment's issuance;

(2) "Applicable percentage", zero percent for each of the first two credit allowance dates, seven percent for the third credit allowance date, and eight percent for the next four credit allowance dates;

(3) "Credit allowance date", with respect to any qualified equity investment:

(a) The date on which such investment is initially made; and

(b) Each of the six anniversary dates of such date thereafter;

(4) "Long-term debt security", any debt instrument issued by a qualified community development entity, at par value or a premium, with an original maturity date of at least seven years from the date of its issuance, with no acceleration of repayment, amortization, or prepayment features prior to its original maturity date, and with no distribution, payment, or interest features related to the profitability of the qualified community development entity or the performance of the qualified community development entity's investment portfolio. The foregoing shall in no way limit the holder's ability to accelerate payments on the debt instrument in situations where the issuer has defaulted on covenants designed to ensure compliance with this section or Section 45D of the Internal Revenue Code of 1986, as amended;

1       (5) "Qualified active low-income community business", the  
2 meaning given such term in Section 45D of the Internal Revenue  
3 Code of 1986, as amended; provided that any business that derives  
4 or projects to derive fifteen percent or more of its annual  
5 revenue from the rental or sale of real estate shall not be  
6 considered to be a qualified active low-income community  
7 business;

8       (6) "Qualified community development entity", the meaning  
9 given such term in Section 45D of the Internal Revenue Code of  
10 1986, as amended; provided that such entity has entered into an  
11 allocation agreement with the Community Development Financial  
12 Institutions Fund of the U.S. Treasury Department with respect to  
13 credits authorized by Section 45D of the Internal Revenue Code of  
14 1986, as amended;

15       (7) "Qualified Equity Investment", any equity investment  
16 in, or long-term debt security issued by, a qualified community  
17 development entity that:

18       (a) Is acquired after the effective date of this section at  
19 its original issuance solely in exchange for cash;

20       (b) Has at least eighty-five percent of its cash purchase  
21 price used by the issuer to make qualified low-income community  
22 investments; and

23       (c) Is designated by the issuer as a qualified equity  
24 investment.

25       This term shall include any qualified equity investment that does  
26 not meet the provisions of paragraph (a) of this subdivision if  
27 such investment was a qualified equity investment in the hands of

1 a prior holder;

2 (8) "Qualified low-income community investment", any  
3 capital or equity investment in, or loan to, any qualified active  
4 low-income community business. With respect to any one qualified  
5 active low-income community business, the maximum amount of  
6 qualified low-income community investments made in such business,  
7 on a collective basis with all of its affiliates, that may be  
8 used from the calculation of any numerator described in  
9 subparagraph (a) of paragraph (b) of subdivision (1) of this  
10 subsection shall be ten million dollars whether issued to one or  
11 several qualified community development entities;

12 (9) "Tax credit", a credit against the tax otherwise due  
13 under chapter 143, RSMo, excluding withholding tax imposed in  
14 sections 143.191 to 143.265, RSMo, or otherwise due under section  
15 375.916, RSMo, or chapter 147, 148, or 153, RSMo;

16 (10) "Taxpayer", any individual or entity subject to the  
17 tax imposed in chapter 143, RSMo, excluding withholding tax  
18 imposed in sections 143.191 to 143.265, RSMo, or the tax imposed  
19 in section 375.916, RSMo, or chapter 147, 148, or 153, RSMo.

20 2. A taxpayer that holds a qualified equity investment on a  
21 credit allowance date of such qualified equity investment shall  
22 be entitled to a tax credit during the taxable year including  
23 such credit allowance date. The tax credit amount shall be equal  
24 to the applicable percentage of the adjusted purchase price paid  
25 to the issuer of such qualified equity investment. The amount of  
26 the tax credit claimed shall not exceed the amount of the  
27 taxpayer's state tax liability for the tax year for which the tax  
28 credit is claimed. No tax credit claimed under this section

1 shall be refundable or transferable. Tax credits earned by a  
2 partnership, limited liability company, S-corporation, or other  
3 "pass-through" entity may be allocated to the partners, members,  
4 or shareholders of such entity for their direct use in accordance  
5 with the provisions of any agreement among such partners,  
6 members, or shareholders. Any amount of tax credit that the  
7 taxpayer is prohibited by this section from claiming in a taxable  
8 year may be carried forward to any of the taxpayer's five  
9 subsequent taxable years. The department of economic development  
10 shall limit the monetary amount of qualified equity investments  
11 permitted under this section to a level necessary to limit tax  
12 credit utilization at no more than twelve million dollars of tax  
13 credits in any fiscal year. Such limitation on qualified equity  
14 investments shall be based on the anticipated utilization of  
15 credits without regard to the potential for taxpayers to carry  
16 forward tax credits to later tax years.

17 3. The issuer of the qualified equity investment shall  
18 certify to the department of economic development the anticipated  
19 dollar amount of such investments to be made in this state during  
20 the first twelve-month period following the initial credit  
21 allowance date. If on the second credit allowance date, the  
22 actual dollar amount of such investments is different than the  
23 amount estimated, the department of economic development shall  
24 adjust the credits arising on the second allowance date to  
25 account for such difference.

26 4. The department of economic development shall recapture  
27 the tax credit allowed under this section with respect to such  
28 qualified equity investment under this section if:

1       (1) Any amount of the federal tax credit available with  
2 respect to a qualified equity investment that is eligible for a  
3 tax credit under this section is recaptured under Section 45D of  
4 the Internal Revenue Code of 1986, as amended; or

5       (2) The issuer redeems or makes principal repayment with  
6 respect to a qualified equity investment prior to the seventh  
7 anniversary of the issuance of such qualified equity investment.

8 Any tax credit that is subject to recapture shall be recaptured  
9 from the taxpayer that claimed the tax credit on a return.

10       5. The department of economic development shall promulgate  
11 rules to implement the provisions of this section, including  
12 recapture provisions on a scaled proportional basis, and to  
13 administer the allocation of tax credits issued for qualified  
14 equity investments, which shall be conducted on a first-come,  
15 first-serve basis. Any rule or portion of a rule, as that term  
16 is defined in section 536.010, RSMo, that is created under the  
17 authority delegated in this section shall become effective only  
18 if it complies with and is subject to all of the provisions of  
19 chapter 536, RSMo, and, if applicable, section 536.028, RSMo.  
20 This section and chapter 536, RSMo, are nonseverable and if any  
21 of the powers vested with the general assembly pursuant to  
22 chapter 536, RSMo, to review, to delay the effective date, or to  
23 disapprove and annul a rule are subsequently held  
24 unconstitutional, then the grant of rulemaking authority and any  
25 rule proposed or adopted after August 28, 2007, shall be invalid  
26 and void.

27       6. For fiscal years following fiscal year 2010, qualified

equity investments shall not be made under this section unless  
reauthorization is made pursuant to this subsection. For all  
fiscal years following fiscal year 2010, unless the general  
assembly adopts a concurrent resolution granting authority to the  
department of economic development to approve qualified equity  
investments for the Missouri new markets development program and  
clearly describing the amount of tax credits available for the  
next fiscal year, or otherwise complies with the provisions of  
this subsection, no qualified equity investments may be permitted  
to be made under this section. The amount of available tax  
credits contained in such a resolution shall not exceed the  
limitation provided under subsection 2 of this section. In any  
year in which the provisions of this section shall sunset  
pursuant to subsection 7 of this section, reauthorization shall  
be made by general law and not by concurrent resolution. Nothing  
in this subsection shall preclude a taxpayer who makes a  
qualified equity investment prior to the expiration of authority  
to make qualified equity investments from claiming tax credits  
relating to such qualified equity investment for each applicable  
credit allowance date.

7. Under section 23.253, RSMo, of the Missouri sunset act:

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

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



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

4 However, nothing in this subsection shall preclude a taxpayer who  
5 makes a qualified equity investment prior to sunset of this  
6 section under the provisions of section 23.253, RSMo, from  
7 claiming tax credits relating to such qualified equity investment  
8 for each credit allowance date.

9       135.710. 1. As used in this section, the following terms  
10 mean:

11       (1) "Alternative fuels", any motor fuel at least seventy  
12 percent of the volume of which consists of one or more of the  
13 following:

14       (a) Ethanol;

15       (b) Natural gas;

16       (c) Compressed natural gas;

17       (d) Liquified natural gas;

18       (e) Liquified petroleum gas;

19       (f) Any mixture of biodiesel and diesel fuel, without  
20 regard to any use of kerosene;

21       (2) "Department", the department of natural resources;

22       (3) "Eligible applicant", a business entity that is the  
23 owner of a qualified alternative fuel vehicle refueling property;

24       (4) "Qualified alternative fuel vehicle refueling  
25 property", property in this state owned by a firm or corporation  
26 and used for storing alternative fuels and for dispensing such  
27 alternative fuels into fuel tanks of motor vehicles owned by such

1 firm or corporation or private citizens.

2 2. For all tax years beginning on or after January 1, 2008,  
3 but before January 1, 2011, any eligible applicant who installs  
4 and operates a qualified alternative fuel vehicle refueling  
5 property shall be allowed a credit against the tax otherwise due  
6 under chapter 143, RSMo, excluding withholding tax imposed by  
7 sections 143.191 to 143.265, RSMo, or due under chapter 147,  
8 RSMo, or chapter 148, RSMo, for any tax year in which the  
9 applicant is constructing the refueling property. The credit  
10 allowed in this section per eligible applicant shall not exceed  
11 the lesser of twenty thousand dollars or twenty percent of the  
12 total costs directly associated with the purchase and  
13 installation of any alternative fuel storage and dispensing  
14 equipment on any qualified alternative fuel vehicle refueling  
15 property, which shall not include the following:

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

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

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

22 3. The tax credits allowed by this section shall be claimed  
23 by the eligible applicant at the time such applicant files a  
24 return for the tax year in which the storage and dispensing  
25 facilities were placed in service at a qualified alternative fuel  
26 vehicle refueling property, and shall be applied against the  
27 income tax liability imposed by chapter 143, RSMo, chapter 147,  
28 RSMo, or chapter 148, RSMo, after all other credits provided by

1 law have been applied. The cumulative amount of tax credits  
2 which may be claimed by eligible applicants claiming all credits  
3 authorized in this section shall not exceed the following  
4 amounts:

5 (1) In taxable year 2008, two million dollars;

6 (2) In taxable year 2009, one million dollars; and

7 (3) In taxable year 2010, one million dollars.

8 4. If the amount of the tax credit exceeds the eligible  
9 applicant's tax liability, the difference shall not be  
10 refundable. Any amount of credit that an eligible applicant is  
11 prohibited by this section from claiming in a taxable year may be  
12 carried forward to any of such applicant's two subsequent taxable  
13 years. Tax credits allowed under this section shall not be  
14 transferrable.

15 5. An alternative fuel vehicle refueling property, for  
16 which an eligible applicant receives tax credits under this  
17 section, which ceases to sell alternative fuel shall cause the  
18 forfeiture of such eligible applicant's tax credits provided  
19 under this section for the taxable year in which the alternative  
20 fuel vehicle refueling property ceased to sell alternative fuel  
21 and for future taxable years with no recapture of tax credits  
22 obtained by an eligible applicant with respect to such  
23 applicant's tax years which ended before the sale of alternative  
24 fuel ceased.

25 6. The director of revenue shall establish the procedure by  
26 which the tax credits in this section may be claimed, and shall  
27 establish a procedure by which the cumulative amount of tax  
28 credits is apportioned equally among all eligible applicants

1 claiming the credit. To the maximum extent possible, the  
2 director of revenue shall establish the procedure described in  
3 this subsection in such a manner as to ensure that eligible  
4 applicants can claim all the tax credits possible up to the  
5 cumulative amount of tax credits available for the taxable year.  
6 No eligible applicant claiming a tax credit under this section  
7 shall be liable for any interest or penalty for filing a tax  
8 return after the date fixed for filing such return as a result of  
9 the apportionment procedure under this subsection.

10 7. Any eligible applicant desiring to claim a tax credit  
11 under this section shall submit the appropriate application for  
12 such credit with the department. The application for a tax  
13 credit under this section shall include any information required  
14 by the department. The department shall review the applications  
15 and certify to the department of revenue each eligible applicant  
16 that qualifies for the tax credit.

17 8. The department and the department of revenue may  
18 promulgate rules to implement the provisions of this section.  
19 Any rule or portion of a rule, as that term is defined in section  
20 536.010, RSMo, that is created under the authority delegated in  
21 this section shall become effective only if it complies with and  
22 is subject to all of the provisions of chapter 536, RSMo, and, if  
23 applicable, section 536.028, RSMo. This section and chapter 536,  
24 RSMo, are nonseverable and if any of the powers vested with the  
25 general assembly pursuant to chapter 536, RSMo, to review, to  
26 delay the effective date, or to disapprove and annul a rule are  
27 subsequently held unconstitutional, then the grant of rulemaking  
28 authority and any rule proposed or adopted after August 28, 2007,

1 shall be invalid and void.

2 9. Pursuant to section 23.253, RSMo, of the Missouri sunset  
3 act:

4 (1) The provisions of the new program authorized under this  
5 section shall automatically sunset three years after the  
6 effective date of this section unless reauthorized by an act of  
7 the general assembly; and

8 (2) This section shall terminate on December thirty-first  
9 of the calendar year immediately following the calendar year in  
10 which the program authorized under this section is sunset.

11 135.750. 1. As used in this section, the following terms  
12 mean:

13 (1) "Highly compensated individual", any individual who  
14 receives compensation in excess of one million dollars in  
15 connection with a single qualified film production project;

16 (2) "Qualified film production project", any film, video,  
17 commercial, or television production, as approved by the  
18 department of economic development and the office of the Missouri  
19 film commission, that is under thirty minutes in length with an  
20 expected in-state expenditure budget in excess of fifty thousand  
21 dollars, or that is over thirty minutes in length with an  
22 expected in-state expenditure budget in excess of one hundred  
23 thousand dollars. Regardless of the production costs, "qualified  
24 film production project" shall not include any:

25 (a) News or current events programming;

26 (b) Talk show;

27 (c) Production produced primarily for industrial,  
28 corporate, or institutional purposes, and for internal use;

1 (d) Sports event or sports program;

2 (e) Gala presentation or awards show;

3 (f) Infomercial or any production that directly solicits  
4 funds;

5 (g) Political ad;

6 (h) Production that is considered obscene, as defined in  
7 section 573.010, RSMo;

8 (3) "Qualifying expenses", the sum of the total amount  
9 spent in this state for the following by a production company in  
10 connection with a qualified film production project:

11 (a) Goods and services leased or purchased by the  
12 production company. For goods with a purchase price of twenty-  
13 five thousand dollars or more, the amount included in qualifying  
14 expenses shall be the purchase price less the fair market value  
15 of the goods at the time the production is completed;

16 (b) Compensation and wages paid by the production company  
17 on which the production company remitted withholding payments to  
18 the department of revenue under chapter 143, RSMo. For purposes  
19 of this section, compensation and wages shall not include any  
20 amounts paid to a highly compensated individual;

21 (4) "Tax credit", a credit against the tax otherwise due  
22 under chapter 143, RSMo, excluding withholding tax imposed by  
23 sections 143.191 to 143.265, RSMo, or otherwise due under chapter  
24 148, RSMo;

25 (5) "Taxpayer", any individual, partnership, or corporation  
26 as described in section 143.441, 143.471, RSMo, or section  
27 148.370, RSMo, that is subject to the tax imposed in chapter 143,  
28 RSMo, excluding withholding tax imposed by sections 143.191 to

1 143.265, RSMo, or the tax imposed in chapter 148, RSMo, or any  
2 charitable organization which is exempt from federal income tax  
3 and whose Missouri unrelated business taxable income, if any,  
4 would be subject to the state income tax imposed under chapter  
5 143, RSMo.

6 2. For all taxable years beginning on or after January 1,  
7 1999, but ending on or before December 31, 2007, a taxpayer shall  
8 be granted a tax credit [against the tax otherwise due pursuant  
9 to chapter 143, RSMo, excluding withholding tax imposed by  
10 sections 143.191 to 143.261, RSMo, or chapter 148, RSMo,] for up  
11 to fifty percent of the amount of investment in production or  
12 production-related activities in [a qualified film production  
13 project. As used in this section, the term "taxpayer" means an  
14 individual, a partnership, or a corporation as described in  
15 section 143.441, 143.471, RSMo, or section 148.370, RSMo, and the  
16 term "qualified film production project" means] any film  
17 production project with an expected in-state expenditure budget  
18 in excess of three hundred thousand dollars. For all taxable  
19 years beginning on or after January 1, 2008, a taxpayer shall be  
20 allowed a tax credit for up to thirty-five percent of the amount  
21 of qualifying expenses in a qualified film production project.

22 Each film production company shall be limited to one qualified  
23 film production project per year. Activities qualifying a  
24 taxpayer for the tax credit pursuant to this subsection shall be  
25 approved by the office of the Missouri film commission and the  
26 department of economic development.

27 [2.] 3. Taxpayers shall apply for the film production tax  
28 credit by submitting an application to the department of economic

1 development, on a form provided by the department. As part of  
2 the application, the expected in-state expenditures of the  
3 qualified film production project shall be documented. In  
4 addition, the application shall include an economic impact  
5 statement, showing the economic impact from the activities of the  
6 film production project. Such economic impact statement shall  
7 indicate the impact on the region of the state in which the film  
8 production or production-related activities are located and on  
9 the state as a whole.

10       [3.] 4. For all taxable years ending on or before December  
11 31, 2007, tax credits certified pursuant to subsection 1 of this  
12 section shall not exceed one million dollars per taxpayer per  
13 year, and shall not exceed a total for all tax credits certified  
14 of one million five hundred thousand dollars per year. For all  
15 taxable years beginning on or after January 1, 2008, tax credits  
16 certified under subsection 1 of this section shall not exceed a  
17 total for all tax credits certified of ten million five hundred  
18 thousand dollars per year. Taxpayers may carry forward unused  
19 credits for up to five tax periods, provided all such credits  
20 shall be claimed within ten tax periods following the tax period  
21 in which the film production or production-related activities for  
22 which the credits are certified by the department occurred.

23       [4.] 5. Notwithstanding any provision of law to the  
24 contrary, any taxpayer may sell, assign, exchange, convey or  
25 otherwise transfer tax credits allowed in subsection 1 of this  
26 section. The taxpayer acquiring the tax credits may use the  
27 acquired credits to offset the tax liabilities otherwise imposed  
28 by chapter 143, RSMo, excluding withholding tax imposed by



1 sections 143.191 to ~~[143.261]~~ 143.265, RSMo, or chapter 148,  
2 RSMo. Unused acquired credits may be carried forward for up to  
3 five tax periods, provided all such credits shall be claimed  
4 within ten tax periods following the tax period in which the film  
5 production or production-related activities for which the credits  
6 are certified by the department occurred.

7 6. Under section 23.253, RSMo, of the Missouri sunset act:

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

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

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

18 135.950. The following terms, whenever used in sections  
19 135.950 to 135.970 mean:

20 (1) "Blighted area", an area which, by reason of the  
21 predominance of defective or inadequate street layout, unsanitary  
22 or unsafe conditions, deterioration of site improvements,  
23 improper subdivision or obsolete platting, or the existence of  
24 conditions which endanger life or property by fire and other  
25 causes, or any combination of such factors, retards the provision  
26 of housing accommodations or constitutes an economic or social  
27 liability or a menace to the public health, safety, morals, or  
28 welfare in its present condition and use;

(2) "Board", an enhanced enterprise zone board established pursuant to section 135.957;

(3) "Commencement of commercial operations" shall be deemed to occur during the first taxable year for which the new business facility is first put into use by the taxpayer in the enhanced business enterprise in which the taxpayer intends to use the new business facility;

(4) "Department", the department of economic development;

(5) "Director", the director of the department of economic development;

(6) "Employee", [a person employed by the enhanced business enterprise on:

(a) A regular, full-time basis;

(b) A part-time basis, provided such person is customarily performing such duties an average of at least twenty hours per week; or

(c) A seasonal basis, provided such person performs such duties for at least eighty percent of the season customary for the position in which such person is employed] a person employed by the enhanced business enterprise that is scheduled to work an average of at least one thousand hours per year, and such person at all times has health insurance offered to him or her, which is partially paid for by the employer;

(7) "Enhanced business enterprise", an industry or one of a cluster of industries that is either:

(a) Identified by the department as critical to the state's economic security and growth; or

(b) Will have an impact on industry cluster development, as

1 identified by the governing authority in its application for  
2 designation of an enhanced enterprise zone and approved by the  
3 department; but excluding gambling establishments (NAICS industry  
4 group 7132), retail trade (NAICS sectors 44 and 45), educational  
5 services (NAICS sector 61), religious organizations (NAICS  
6 industry group 8131), public administration (NAICS sector 92),  
7 and food and drinking places (NAICS subsector 722), however,  
8 notwithstanding the provisions of this section, headquarters or  
9 administrative offices of an otherwise excluded business may  
10 qualify for benefits if the offices serve a multistate territory.  
11 In the event a national, state, or regional headquarters  
12 operation is not the predominant activity of a project facility,  
13 the new jobs and investment of such headquarters operation is  
14 considered eligible for benefits under this section if the other  
15 requirements are satisfied. Service industries may be eligible  
16 only if a majority of its annual revenues will be derived from  
17 [services provided] out of the state;

18 (8) "Existing business facility", any facility in this  
19 state which was employed by the taxpayer claiming the credit in  
20 the operation of an enhanced business enterprise immediately  
21 prior to an expansion, acquisition, addition, or replacement;

22 (9) "Facility", any building used as an enhanced business  
23 enterprise located within an enhanced enterprise zone, including  
24 the land on which the facility is located and all machinery,  
25 equipment, and other real and depreciable tangible personal  
26 property acquired for use at and located at or within such  
27 facility and used in connection with the operation of such  
28 facility;

1           (10) "Facility base employment", the greater of the number  
2 of full-time employees located at the facility on the date of the  
3 notice of intent, or for the twelve-month period prior to the  
4 date of the notice of intent, the average number of full-time  
5 equivalent employees located at the facility, or in the event the  
6 project facility has not been in operation for a full twelve-  
7 month period, the average number of full-time equivalent  
8 employees for the number of months the facility has been in  
9 operation prior to the date of the notice of intent;

10           (11) "Facility base payroll", the total amount of taxable  
11 wages paid by the enhanced business enterprise to employees of  
12 the enhanced business enterprise located at the facility in the  
13 twelve months prior to the notice of intent, not including the  
14 payroll of owners of the enhanced business enterprise unless the  
15 enhanced business enterprise is participating in an employee  
16 stock ownership plan. For the purposes of calculating the  
17 benefits under this program, the amount of base payroll shall  
18 increase each year based on the consumer price index or other  
19 comparable measure, as determined by the department;

20           (12) "Governing authority", the body holding primary  
21 legislative authority over a county or incorporated municipality;

22           [(11)] (13) "NAICS", the 1997 edition of the North American  
23 Industry Classification System as prepared by the Executive  
24 Office of the President, Office of Management and Budget. Any  
25 NAICS sector, subsector, industry group or industry identified in  
26 this section shall include its corresponding classification in  
27 subsequent federal industry classification systems;

28           [(12)] (14) "New business facility", a facility that

1 satisfies the following requirements:

2 (a) Such facility is employed by the taxpayer in the  
3 operation of an enhanced business enterprise. Such facility  
4 shall not be considered a new business facility in the hands of  
5 the taxpayer if the taxpayer's only activity with respect to such  
6 facility is to lease it to another person or persons. If the  
7 taxpayer employs only a portion of such facility in the operation  
8 of an enhanced business enterprise, and leases another portion of  
9 such facility to another person or persons or does not otherwise  
10 use such other portions in the operation of an enhanced business  
11 enterprise, the portion employed by the taxpayer in the operation  
12 of an enhanced business enterprise shall be considered a new  
13 business facility, if the requirements of paragraphs (b), (c),  
14 and (d) of this subdivision are satisfied;

15 (b) Such facility is acquired by, or leased to, the  
16 taxpayer after December 31, 2004. A facility shall be deemed to  
17 have been acquired by, or leased to, the taxpayer after December  
18 31, 2004, if the transfer of title to the taxpayer, the transfer  
19 of possession pursuant to a binding contract to transfer title to  
20 the taxpayer, or the commencement of the term of the lease to the  
21 taxpayer occurs after December 31, 2004;

22 (c) If such facility was acquired by the taxpayer from  
23 another taxpayer and such facility was employed immediately prior  
24 to the acquisition by another taxpayer in the operation of an  
25 enhanced business enterprise, the operation of the same or a  
26 substantially similar enhanced business enterprise is not  
27 continued by the taxpayer at such facility; and

28 (d) Such facility is not a replacement business facility,

as defined in subdivision ~~[(16)]~~ (22) of this section;

~~[(13)]~~ (15) "New business facility employee", an employee of the taxpayer in the operation of a new business facility during the taxable year for which the credit allowed by section 135.967 is claimed, except that truck drivers and rail and barge vehicle operators and other operators of rolling stock for hire shall not constitute new business facility employees;

~~[(14)]~~ (16) "New business facility investment", the value of real and depreciable tangible personal property, acquired by the taxpayer as part of the new business facility, which is used by the taxpayer in the operation of the new business facility, during the taxable year for which the credit allowed by 135.967 is claimed, except that trucks, truck-trailers, truck semitrailers, rail vehicles, barge vehicles, aircraft and other rolling stock for hire, track, switches, barges, bridges, tunnels, and rail yards and spurs shall not constitute new business facility investments. The total value of such property during such taxable year shall be:

(a) Its original cost if owned by the taxpayer; or

(b) Eight times the net annual rental rate, if leased by the taxpayer. The net annual rental rate shall be the annual rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from subrentals. The new business facility investment shall be determined by dividing by twelve the sum of the total value of such property on the last business day of each calendar month of the taxable year. If the new business facility is in operation for less than an entire taxable year, the new business facility investment shall be determined by

1 dividing the sum of the total value of such property on the last  
2 business day of each full calendar month during the portion of  
3 such taxable year during which the new business facility was in  
4 operation by the number of full calendar months during such  
5 period;

6 (17) "New job", the number of employees located at the  
7 facility that exceeds the facility base employment less any  
8 decrease in the number of the employees at related facilities  
9 below the related facility base employment. No job that was  
10 created prior to the date of the notice of intent shall be deemed  
11 a new job;

12 (18) "Notice of intent", a form developed by the department  
13 which is completed by the enhanced business enterprise and  
14 submitted to the department which states the enhanced business  
15 enterprise's intent to hire new jobs and request benefits under  
16 such program;

17 (19) "Related facility", a facility operated by the  
18 enhanced business enterprise or a related company in this state  
19 that is directly related to the operation of the project  
20 facility;

21 (20) "Related facility base employment", the greater of:

22 (a) The number of employees located at all related  
23 facilities on the date of the notice of intent; or

24 (b) For the twelve-month period prior to the date of the  
25 notice of intent, the average number of employees located at all  
26 related facilities of the enhanced business enterprise or a  
27 related company located in this state;

28 [(15)] (21) "Related taxpayer":

1           (a) A corporation, partnership, trust, or association  
2 controlled by the taxpayer;

3           (b) An individual, corporation, partnership, trust, or  
4 association in control of the taxpayer; or

5           (c) A corporation, partnership, trust or association  
6 controlled by an individual, corporation, partnership, trust or  
7 association in control of the taxpayer. "Control of a  
8 corporation" shall mean ownership, directly or indirectly, of  
9 stock possessing at least fifty percent of the total combined  
10 voting power of all classes of stock entitled to vote, "control  
11 of a partnership or association" shall mean ownership of at least  
12 fifty percent of the capital or profits interest in such  
13 partnership or association, and "control of a trust" shall mean  
14 ownership, directly or indirectly, of at least fifty percent of  
15 the beneficial interest in the principal or income of such trust;  
16 ownership shall be determined as provided in Section 318 of the  
17 Internal Revenue Code of 1986, as amended;

18           [(16)] (22) "Replacement business facility", a facility  
19 otherwise described in subdivision [(12)] (14) of this section,  
20 hereafter referred to in this subdivision as "new facility",  
21 which replaces another facility, hereafter referred to in this  
22 subdivision as "old facility", located within the state, which  
23 the taxpayer or a related taxpayer previously operated but  
24 discontinued operating on or before the close of the first  
25 taxable year for which the credit allowed by this section is  
26 claimed. A new facility shall be deemed to replace an old  
27 facility if the following conditions are met:

28           (a) The old facility was operated by the taxpayer or a



1 related taxpayer during the taxpayer's or related taxpayer's  
2 taxable period immediately preceding the taxable year in which  
3 commencement of commercial operations occurs at the new facility;  
4 and

5 (b) The old facility was employed by the taxpayer or a  
6 related taxpayer in the operation of an enhanced business  
7 enterprise and the taxpayer continues the operation of the same  
8 or substantially similar enhanced business enterprise at the new  
9 facility.

10 Notwithstanding the preceding provisions of this subdivision, a  
11 facility shall not be considered a replacement business facility  
12 if the taxpayer's new business facility investment, as computed  
13 in subdivision [(14)] (16) of this section, in the new facility  
14 during the tax period for which the credits allowed in section  
15 135.967 are claimed exceed one million dollars and if the total  
16 number of employees at the new facility exceeds the total number  
17 of employees at the old facility by at least two;

18 [(17)] (23) "Same or substantially similar enhanced  
19 business enterprise", an enhanced business enterprise in which  
20 the nature of the products produced or sold, or activities  
21 conducted, are similar in character and use or are produced,  
22 sold, performed, or conducted in the same or similar manner as in  
23 another enhanced business enterprise.

24 135.963. 1. Improvements made to real property as such  
25 term is defined in section 137.010, RSMo, which are made to an  
26 enhanced business enterprise as defined in subdivision (7) of  
27 section 135.950 in an enhanced enterprise zone subsequent to the

1 date such zone or expansion thereto was designated, may, upon  
2 approval of an authorizing resolution by the governing authority  
3 having jurisdiction of the area in which the improvements are  
4 made, be exempt, in whole or in part, from assessment and payment  
5 of ad valorem taxes of one or more affected political  
6 subdivisions. In addition to enhanced business enterprises, a  
7 speculative industrial or warehouse building constructed by a  
8 public entity or a private entity if the land is leased by a  
9 public entity may be subject to such exemption.

10 2. Such authorizing resolution shall specify the percent of  
11 the exemption to be granted, the duration of the exemption to be  
12 granted, and the political subdivisions to which such exemption  
13 is to apply and any other terms, conditions, or stipulations  
14 otherwise required. A copy of the resolution shall be provided  
15 to the director within thirty calendar days following adoption of  
16 the resolution by the governing authority.

17 3. No exemption shall be granted until the governing  
18 authority holds a public hearing for the purpose of obtaining the  
19 opinions and suggestions of residents of political subdivisions  
20 to be affected by the exemption from property taxes. The  
21 governing authority shall send, by certified mail, a notice of  
22 such hearing to each political subdivision in the area to be  
23 affected and shall publish notice of such hearing in a newspaper  
24 of general circulation in the area to be affected by the  
25 exemption at least twenty days prior to the hearing but not more  
26 than thirty days prior to the hearing. Such notice shall state  
27 the time, location, date, and purpose of the hearing.

28 4. Notwithstanding subsection 1 of this section, at least

1 one-half of the ad valorem taxes otherwise imposed on subsequent  
2 improvements to real property located in an enhanced enterprise  
3 zone of enhanced business enterprises or speculative industrial  
4 or warehouse buildings as indicated in subsection 1 of this  
5 section shall become and remain exempt from assessment and  
6 payment of ad valorem taxes of any political subdivision of this  
7 state or municipality thereof for a period of not less than ten  
8 years following the date such improvements were assessed,  
9 provided the improved properties are used for enhanced business  
10 enterprises. The exemption for speculative buildings is subject  
11 to the approval of the governing authority for a period not to  
12 exceed two years, if the building is owned by a private entity  
13 and five years if the building is owned or ground leased by a  
14 public entity. This shall not preclude the building receiving an  
15 exemption for the remaining time period established by the  
16 governing authority if it was occupied by an enhanced business  
17 enterprise. The two and five year time periods indicated for  
18 speculative buildings shall not be an addition to the local  
19 abatement time period for such facility.

20 5. No exemption shall be granted for a period more than  
21 twenty-five years following the date on which the original  
22 enhanced enterprise zone was designated by the department.

23 6. The provisions of subsection 1 of this section shall not  
24 apply to improvements made to real property begun prior to August  
25 28, 2004.

26 7. The abatement referred to in this section shall not  
27 relieve the assessor or other responsible official from  
28 ascertaining the amount of the equalized assessed value of all

1 taxable property annually as required by section 99.855, 99.957,  
2 or 99.1042, RSMo, and shall not have the effect of reducing the  
3 payments in lieu of taxes referred to in subdivision (2) of  
4 subsection 1 of section 99.845, RSMo, subdivision (2) of  
5 subsection 3 of section 99.957, RSMo, or subdivision (2) of  
6 subsection 3 of section 99.1042, RSMo, unless such reduction is  
7 set forth in the plan approved by the governing body of the  
8 municipality pursuant to subdivision (1) of subsection 1 of  
9 section 99.820, section 99.942, or section 99.1027, RSMo.

10 135.967. 1. A taxpayer who establishes a new business  
11 facility may, upon approval by the department, be allowed a  
12 credit, each tax year for up to ten tax years, in an amount  
13 determined as set forth in this section, against the tax imposed  
14 by chapter 143, RSMo, excluding withholding tax imposed by  
15 sections 143.191 to 143.265, RSMo. No taxpayer shall receive  
16 multiple ten-year periods for subsequent expansions at the same  
17 facility.

18 2. Notwithstanding any provision of law to the contrary,  
19 any taxpayer who establishes a new business facility in an  
20 enhanced enterprise zone and is awarded state tax credits under  
21 this section may not also receive tax credits under sections  
22 135.100 to 135.150, sections 135.200 to 135.268, or section  
23 135.535.

24 3. No credit shall be issued pursuant to this section  
25 unless:

26 (1) The number of new business facility employees engaged  
27 or maintained in employment at the new business facility for the  
28 taxable year for which the credit is claimed equals or exceeds

two; and

(2) The new business facility investment for the taxable year for which the credit is claimed equals or exceeds one hundred thousand dollars.

4. The annual amount of credits allowed for an approved enhanced business enterprise shall be the lesser of:

(1) The annual amount authorized by the department for the enhanced business enterprise, which shall be limited to the projected state economic benefit, as determined by the department; or

(2) The sum calculated based upon the following:

(a) A credit of four hundred dollars for each new business facility employee employed within an enhanced enterprise zone;

(b) An additional credit of four hundred dollars for each new business facility employee who is a resident of an enhanced enterprise zone;

(c) An additional credit of four hundred dollars for each new business facility employee who is paid by the enhanced business enterprise a wage that exceeds the average wage paid within the county in which the facility is located, as determined by the department; and

(d) A credit equal to two percent of new business facility investment within an enhanced enterprise zone.

5. Prior to January 1, 2007, in no event shall the department authorize more than four million dollars annually to be issued for all enhanced business enterprises. After December 31, 2006, in no event shall the department authorize more than [seven] twenty-five million dollars annually to be issued for all

1 enhanced business enterprises.

2         6. If a facility, which does not constitute a new business  
3 facility, is expanded by the taxpayer, the expansion shall be  
4 considered eligible for the credit allowed by this section if:

5         (1) The taxpayer's new business facility investment in the  
6 expansion during the tax period in which the credits allowed in  
7 this section are claimed exceeds one hundred thousand dollars and  
8 if the number of new business facility employees engaged or  
9 maintained in employment at the expansion facility for the  
10 taxable year for which credit is claimed equals or exceeds two,  
11 and the total number of employees at the facility after the  
12 expansion is at least two greater than the total number of  
13 employees before the expansion; and

14         (2) The taxpayer's investment in the expansion and in the  
15 original facility prior to expansion shall be determined in the  
16 manner provided in subdivision [(12)] (14) of section 135.950.

17         7. The number of new business facility employees during any  
18 taxable year shall be determined by dividing by twelve the sum of  
19 the number of individuals employed on the last business day of  
20 each month of such taxable year. If the new business facility is  
21 in operation for less than the entire taxable year, the number of  
22 new business facility employees shall be determined by dividing  
23 the sum of the number of individuals employed on the last  
24 business day of each full calendar month during the portion of  
25 such taxable year during which the new business facility was in  
26 operation by the number of full calendar months during such  
27 period. For the purpose of computing the credit allowed by this  
28 section in the case of a facility which qualifies as a new

1 business facility under subsection 6 of this section, and in the  
2 case of a new business facility which satisfies the requirements  
3 of paragraph (c) of subdivision [(12)] (14) of section 135.950,  
4 or subdivision [(16)] (22) of section 135.950, the number of new  
5 business facility employees at such facility shall be reduced by  
6 the average number of individuals employed, computed as provided  
7 in this subsection, at the facility during the taxable year  
8 immediately preceding the taxable year in which such expansion,  
9 acquisition, or replacement occurred and shall further be reduced  
10 by the number of individuals employed by the taxpayer or related  
11 taxpayer that was subsequently transferred to the new business  
12 facility from another Missouri facility and for which credits  
13 authorized in this section are not being earned, whether such  
14 credits are earned because of an expansion, acquisition,  
15 relocation, or the establishment of a new facility.

16 8. In the case where a new business facility employee who  
17 is a resident of an enhanced enterprise zone for less than a  
18 twelve-month period is employed for less than a twelve-month  
19 period, the credits allowed by paragraph (b) of subdivision (2)  
20 of subsection 4 of this section shall be determined by  
21 multiplying four hundred dollars by a fraction, the numerator of  
22 which is the number of calendar days during the taxpayer's tax  
23 year for which such credits are claimed, in which the employee  
24 was a resident of an enhanced enterprise zone, and the  
25 denominator of which is three hundred sixty-five.

26 9. For the purpose of computing the credit allowed by this  
27 section in the case of a facility which qualifies as a new  
28 business facility pursuant to subsection 6 of this section, and

1 in the case of a new business facility which satisfies the  
2 requirements of paragraph (c) of subdivision [(12)] (14) of  
3 section 135.950 or subdivision [(16)] (22) of section 135.950,  
4 the amount of the taxpayer's new business facility investment in  
5 such facility shall be reduced by the average amount, computed as  
6 provided in subdivision [(12)] (14) of section 135.950 for new  
7 business facility investment, of the investment of the taxpayer,  
8 or related taxpayer immediately preceding such expansion or  
9 replacement or at the time of acquisition. Furthermore, the  
10 amount of the taxpayer's new business facility investment shall  
11 also be reduced by the amount of investment employed by the  
12 taxpayer or related taxpayer which was subsequently transferred  
13 to the new business facility from another Missouri facility and  
14 for which credits authorized in this section are not being  
15 earned, whether such credits are earned because of an expansion,  
16 acquisition, relocation, or the establishment of a new facility.

17 10. For a taxpayer with flow-through tax treatment to its  
18 members, partners, or shareholders, the credit shall be allowed  
19 to members, partners, or shareholders in proportion to their  
20 share of ownership on the last day of the taxpayer's tax period.

21 11. Credits may not be carried forward but shall be claimed  
22 for the taxable year during which commencement of commercial  
23 operations occurs at such new business facility, and for each of  
24 the nine succeeding taxable years for which the credit is issued.

25 12. Certificates of tax credit authorized by this section  
26 may be transferred, sold, or assigned by filing a notarized  
27 endorsement thereof with the department that names the  
28 transferee, the amount of tax credit transferred, and the value



1 received for the credit, as well as any other information  
2 reasonably requested by the department. The sale price cannot be  
3 less than seventy-five percent of the par value of such credits.

4 13. The director of revenue shall issue a refund to the  
5 taxpayer to the extent that the amount of credits allowed in this  
6 section exceeds the amount of the taxpayer's income tax.

7 14. Prior to the issuance of tax credits, the department  
8 shall verify through the department of revenue that the tax  
9 credit applicant does not owe any delinquent income, sales, or  
10 use tax or interest or penalties on such taxes, and through the  
11 department of insurance that the applicant does not owe any  
12 delinquent insurance taxes. Such delinquency shall not affect  
13 the authorization of the application for such tax credits, except  
14 that the amount of credits issued shall be reduced by the  
15 applicant's tax delinquency. If the department of revenue or the  
16 department of insurance concludes that a taxpayer is delinquent  
17 after June fifteenth but before July first of any year and the  
18 application of tax credits to such delinquency causes a tax  
19 deficiency on behalf of the taxpayer to arise, then the taxpayer  
20 shall be granted thirty days to satisfy the deficiency in which  
21 interest, penalties, and additions to tax shall be tolled. After  
22 applying all available credits toward a tax delinquency, the  
23 administering agency shall notify the appropriate department, and  
24 that department shall update the amount of outstanding delinquent  
25 tax owed by the applicant. If any credits remain after  
26 satisfying all insurance, income, sales, and use tax  
27 delinquencies, the remaining credits shall be issued to the  
28 applicant, subject to the restrictions of other provisions of

1 law.

2 135.1150. 1. This section shall be known and may be cited  
3 as the "Residential Treatment Agency Tax Credit Act".

4 2. As used in this section, the following terms mean:

5 (1) "Certificate", a tax credit certificate issued under  
6 this section;

7 (2) "Department", the Missouri department of social  
8 services;

9 (3) "Eligible monetary donation", donations received from a  
10 taxpayer by an agency that are used solely to provide direct care  
11 services to children who are residents of this state. For  
12 purposes of this section, "direct care services" include but are  
13 not limited to increasing the quality of care and service for  
14 children through improved employee compensation and training;

15 (4) "Qualified residential treatment agency" or "agency", a  
16 residential care facility that is licensed under section 210.484,  
17 RSMo, accredited by the Council on Accreditation (COA), the Joint  
18 Commission on Accreditation of Healthcare Organizations (JCAHO),  
19 or the Commission on Accreditation of Rehabilitation Facilities  
20 (CARF), and is under contract with the Missouri department of  
21 social services to provide treatment services for children who  
22 are residents or wards of residents of this state, and that  
23 receives eligible monetary donations. Any agency that operates  
24 more than one facility or at more than one location shall be  
25 eligible for the tax credit under this section only for any  
26 eligible monetary donations made to facilities or locations of  
27 the agency which are licensed and accredited;

28 (5) "Taxpayer", any of the following individuals or

1 entities who make eligible monetary donations to an agency:

2 (a) A person, firm, partner in a firm, corporation, or a  
3 shareholder in an S corporation doing business in the state of  
4 Missouri and subject to the state income tax imposed in chapter  
5 143, RSMo;

6 (b) A corporation subject to the annual corporation  
7 franchise tax imposed in chapter 147, RSMo;

8 (c) An insurance company paying an annual tax on its gross  
9 premium receipts in this state;

10 (d) Any other financial institution paying taxes to the  
11 state of Missouri or any political subdivision of this state  
12 under chapter 148, RSMo;

13 (e) An individual subject to the state income tax imposed  
14 in chapter 143, RSMo;

15 (f) Any charitable organization which is exempt from  
16 federal income tax and whose Missouri unrelated business taxable  
17 income, if any, would be subject to the state income tax imposed  
18 under chapter 143, RSMo.

19 3. For all taxable years beginning on or after January 1,  
20 2007, any taxpayer shall be allowed a credit against the taxes  
21 otherwise due under chapter 147, 148, or 143, RSMo, excluding  
22 withholding tax imposed by sections 143.191 to 143.265, RSMo, in  
23 an amount equal to fifty percent of the amount of an eligible  
24 monetary donation, subject to the restrictions in this section.  
25 The amount of the tax credit claimed shall not exceed the amount  
26 of the taxpayer's state income tax liability in the tax year for  
27 which the credit is claimed. Any amount of credit that the  
28 taxpayer is prohibited by this section from claiming in a tax

1 year shall not be refundable, but may be carried forward to any  
2 of the taxpayer's four subsequent taxable years.

3 4. To claim the credit authorized in this section, an  
4 agency may submit to the department an application for the tax  
5 credit authorized by this section on behalf of taxpayers. The  
6 department shall verify that the agency has submitted the  
7 following items accurately and completely:

8 (1) A valid application in the form and format required by  
9 the department;

10 (2) A statement attesting to the eligible monetary donation  
11 received, which shall include the name and taxpayer  
12 identification number of the individual making the eligible  
13 monetary donation, the amount of the eligible monetary donation,  
14 and the date the eligible monetary donation was received by the  
15 agency; and

16 (3) Payment from the agency equal to the value of the tax  
17 credit for which application is made.

18 If the agency applying for the tax credit meets all criteria  
19 required by this subsection, the department shall issue a  
20 certificate in the appropriate amount.

21 5. An agency may apply for tax credits in an aggregate  
22 amount that does not exceed forty percent of the payments made by  
23 the department to the agency in the preceding twelve months.

24 6. Tax credits issued under this section may be assigned,  
25 transferred, sold, or otherwise conveyed, and the new owner of  
26 the tax credit shall have the same rights in the credit as the  
27 taxpayer. Whenever a certificate is assigned, transferred, sold,

1 or otherwise conveyed, a notarized endorsement shall be filed  
2 with the department specifying the name and address of the new  
3 owner of the tax credit or the value of the credit.

4 7. The department shall promulgate rules to implement the  
5 provisions of this section. Any rule or portion of a rule, as  
6 that term is defined in section 536.010, RSMo, that is created  
7 under the authority delegated in this section shall become  
8 effective only if it complies with and is subject to all of the  
9 provisions of chapter 536, RSMo, and, if applicable, section  
10 536.028, RSMo. This section and chapter 536, RSMo, are  
11 nonseverable and if any of the powers vested with the general  
12 assembly pursuant to chapter 536, RSMo, to review, to delay the  
13 effective date, or to disapprove and annul a rule are  
14 subsequently held unconstitutional, then the grant of rulemaking  
15 authority and any rule proposed or adopted after August 28, 2006,  
16 shall be invalid and void.

17 8. Under section 23.253, RSMo, of the Missouri sunset act:

18 (1) The provisions of the new program authorized under this  
19 section shall automatically sunset six years after August 28,  
20 2006, unless reauthorized by an act of the general assembly; and

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

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

27 142.815. 1. Motor fuel used for the following nonhighway  
28 purposes is exempt from the fuel tax imposed by this chapter, and

1 a refund may be claimed by the consumer, except as provided for  
2 in subsection (1) of this section, if the tax has been paid and  
3 no refund has been previously issued:

4 (1) Motor fuel used for nonhighway purposes including fuel  
5 for farm tractors or stationary engines owned or leased and  
6 operated by any person and used exclusively for agricultural  
7 purposes and including, beginning January 1, 2006, bulk sales of  
8 one hundred gallons or more of gasoline made to farmers and  
9 delivered by the ultimate vender to a farm location for  
10 agricultural purposes only. As used in this section, the term  
11 "farmer" shall mean any person engaged in farming in an  
12 authorized farm corporation, family farm, or family farm  
13 corporation as defined in section 350.010, RSMo. At the  
14 discretion of the ultimate vender, the refund may be claimed by  
15 the ultimate vender on behalf of the consumer for sales made to  
16 farmers and to persons engaged in construction for agricultural  
17 purposes as defined in section 142.800. After December 31, 2000,  
18 the refund may be claimed only by the consumer and may not be  
19 claimed by the ultimate vender unless bulk sales of gasoline are  
20 made to a farmer after January 1, 2006, as provided in this  
21 subdivision and the farmer provides an exemption certificate to  
22 the ultimate vender, in which case the ultimate vender may make a  
23 claim for refund under section 142.824 but shall be liable for  
24 any erroneous refund;

25 (2) Kerosene sold for use as fuel to generate power in  
26 aircraft engines, whether in aircraft or for training, testing or  
27 research purposes of aircraft engines;

28 (3) Diesel fuel used as heating oil, or in railroad

1 locomotives or any other motorized flanged-wheel rail equipment,  
2 or used for other nonhighway purposes other than as expressly  
3 exempted pursuant to another provision.

4       2. Subject to the procedural requirements and conditions  
5 set out in this chapter, the following uses are exempt from the  
6 tax imposed by section 142.803 on motor fuel, and a deduction or  
7 a refund may be claimed:

8       (1) Motor fuel for which proof of export is available in  
9 the form of a terminal-issued destination state shipping paper  
10 and which is either:

11       (a) Exported by a supplier who is licensed in the  
12 destination state or through the bulk transfer system;

13       (b) Removed by a licensed distributor for immediate export  
14 to a state for which all the applicable taxes and fees (however  
15 nominated in that state) of the destination state have been paid  
16 to the supplier, as a trustee, who is licensed to remit tax to  
17 the destination state; or which is destined for use within the  
18 destination state by the federal government for which an  
19 exemption has been made available by the destination state  
20 subject to procedural rules and regulations promulgated by the  
21 director; or

22       (c) Acquired by a licensed distributor and which the tax  
23 imposed by this chapter has previously been paid or accrued  
24 either as a result of being stored outside of the bulk transfer  
25 system immediately prior to loading or as a diversion across  
26 state boundaries properly reported in conformity with this  
27 chapter and was subsequently exported from this state on behalf  
28 of the distributor;

1 The exemption pursuant to paragraph (a) of this subdivision shall  
2 be claimed by a deduction on the report of the supplier which is  
3 otherwise responsible for remitting the tax upon removal of the  
4 product from a terminal or refinery in this state. The exemption  
5 pursuant to paragraphs (b) and (c) of this subdivision shall be  
6 claimed by the distributor, upon a refund application made to the  
7 director within three years. A refund claim may be made monthly  
8 or whenever the claim exceeds one thousand dollars;

9 (2) Undyed K-1 kerosene sold at retail through dispensers  
10 which have been designed and constructed to prevent delivery  
11 directly from the dispenser into a vehicle fuel supply tank, and  
12 undyed K-1 kerosene sold at retail through nonbarricaded  
13 dispensers in quantities of not more than twenty-one gallons for  
14 use other than for highway purposes. Exempt use of undyed  
15 kerosene shall be governed by rules and regulations of the  
16 director. If no rules or regulations are promulgated by the  
17 director, then the exempt use of undyed kerosene shall be  
18 governed by rules and regulations of the Internal Revenue  
19 Service. A distributor or supplier delivering to a retail  
20 facility shall obtain an exemption certificate from the owner or  
21 operator of such facility stating that its sales conform to the  
22 dispenser requirements of this subdivision. A licensed  
23 distributor, having obtained such certificate, may provide a copy  
24 to his or her supplier and obtain undyed kerosene without the tax  
25 levied by section 142.803. Having obtained such certificate in  
26 good faith, such supplier shall be relieved of any responsibility  
27 if the fuel is later used in a taxable manner. An ultimate  
28 vendor who obtained undyed kerosene upon which the tax levied by



1 section 142.803 had been paid and makes sales qualifying pursuant  
2 to this subsection may apply for a refund of the tax pursuant to  
3 application, as provided in section 142.818, to the director  
4 provided the ultimate vendor did not charge such tax to the  
5 consumer;

6 (3) Motor fuel sold to the United States or any agency or  
7 instrumentality thereof. This exemption shall be claimed as  
8 provided in section 142.818;

9 (4) Motor fuel used solely and exclusively as fuel to  
10 propel school buses, as such term is defined under subdivision  
11 (19) of section 302.010, RSMo, on the public roads and highways  
12 of this state when leased or owned and when being operated by a  
13 public school district of this state, or leased or owned by a  
14 person under contract with such district for the provision of bus  
15 services for educational purposes. The exemption for use under  
16 this subdivision shall be made available to the school district  
17 for whose educational purposes the fuel is consumed, whether the  
18 fuel was purchased by such school district or by another under a  
19 contract to provide bus service for such school district, upon a  
20 refund application stating that the motor fuel was purchased for  
21 the exclusive use of the school districts;

22 (5) Motor fuel used solely and exclusively as fuel to  
23 propel motor vehicles on the public roads and highways of this  
24 state when leased or owned and when being operated by a federally  
25 recognized Indian tribe in the performance of essential  
26 governmental functions, such as providing police, fire, health or  
27 water services. The exemption for use pursuant to this  
28 subdivision shall be made available to the tribal government upon

1 a refund application stating that the motor fuel was purchased  
2 for the exclusive use of the tribe in performing named essential  
3 governmental services;

4       **[(5)]** (6) Motor fuel sold within an Indian reservation or  
5 within Indian country by a federally recognized Indian tribe to a  
6 member of that tribe and used in motor vehicles owned by a member  
7 of the tribe within Indian country. This exemption does not  
8 apply to sales within an Indian reservation or within Indian  
9 country by a federally recognized Indian tribe to non-Indian  
10 consumers or to Indian consumers who are not members of the tribe  
11 selling the motor fuel. This exemption shall be administered as  
12 provided in section 142.821;

13       **[(6)]** (7) That portion of motor fuel used to operate  
14 equipment attached to a motor vehicle, if the motor fuel was  
15 placed into the fuel supply tank of a motor vehicle that has a  
16 common fuel reservoir for travel on a highway and for the  
17 operation of equipment, or if the motor fuel was placed in a  
18 separate fuel tank and used only for the operation of auxiliary  
19 equipment. The exemption for use pursuant to this subdivision  
20 shall be claimed by a refund claim filed by the consumer who  
21 shall provide evidence of an allocation of use satisfactory to  
22 the director;

23       **[(7)]** (8) Motor fuel acquired by a consumer out-of-state  
24 and carried into this state, retained within and consumed from  
25 the same vehicle fuel supply tank within which it was imported,  
26 except interstate motor fuel users;

27       **[(8)]** (9) Motor fuel which was purchased tax-paid and which  
28 was lost or destroyed as a direct result of a sudden and

1 unexpected casualty or which had been accidentally contaminated  
2 so as to be unsalable as highway fuel as shown by proper  
3 documentation as required by the director. The exemption  
4 pursuant to this subdivision shall be refunded to the person or  
5 entity owning the motor fuel at the time of the contamination or  
6 loss. Such person shall notify the director in writing of such  
7 event and the amount of motor fuel lost or contaminated within  
8 ten days from the date of discovery of such loss or  
9 contamination, and within thirty days after such notice, shall  
10 file an affidavit sworn to by the person having immediate custody  
11 of such motor fuel at the time of the loss or contamination,  
12 setting forth in full the circumstances and the amount of the  
13 loss or contamination and such other information with respect  
14 thereto as the director may require;

15        **[(9)]** (10) Dyed diesel fuel or dyed kerosene used for an  
16 exempt purpose. This exemption shall be claimed as follows:

17        (a) A supplier or importer shall take a deduction against  
18 motor fuel tax owed on their monthly report for those gallons of  
19 dyed diesel fuel or dyed kerosene imported or removed from a  
20 terminal or refinery destined for delivery to a point in this  
21 state as shown on the shipping papers;

22        (b) This exemption shall be claimed by a deduction on the  
23 report of the supplier which is otherwise responsible for  
24 remitting the tax on removal of the product from a terminal or  
25 refinery in this state;

26        (c) This exemption shall be claimed by the distributor,  
27 upon a refund application made to the director within three  
28 years. A refund claim may be made monthly or whenever the claim

1 exceeds one thousand dollars.

2 142.817. Motor fuel sold to be used to operate public mass  
3 transportation service by a city transit authority, a city  
4 utilities board, or an interstate transportation authority, as  
5 such terms are defined in section 94.600, RSMo, a city, or an  
6 agency receiving funding from either the Federal Transit  
7 Administration's urban or nonurban formula transit programs is  
8 exempt from the fuel tax imposed by this chapter. The department  
9 shall promulgate rules to implement the provisions of this  
10 section. Any rule or portion of a rule, as that term is defined  
11 in section 536.010, RSMo, that is created under the authority  
12 delegated in this section shall become effective only if it  
13 complies with and is subject to all the provisions of chapter  
14 536, RSMo, and, if applicable, section 536.028, RSMo. This  
15 section and chapter 536, RSMo, are nonseverable and if any of the  
16 powers vested with the general assembly under chapter 536, RSMo,  
17 to review, to delay the effective date, or to disapprove and  
18 annul a rule are subsequently held unconstitutional, then the  
19 grant of rulemaking authority and any rule proposed or adopted  
20 after August 28, 2007, shall be invalid and void.

21 143.114. 1. As used in this section, the following terms  
22 mean:

23 (1) "Motor vehicle", any self-propelled vehicle not  
24 operated exclusively upon tracks, except farm tractors;

25 (2) "Qualified hybrid motor vehicle", any motor vehicle  
26 licensed under chapter 301, RSMo, and:

27 (a) Which meets the definition of new qualified hybrid  
28 motor vehicle in section 30B(d)(3)(A) of the Internal Revenue

1 Code of 1986, as amended;

2 (b) The original use of which commences with the taxpayer;  
3 and

4 (c) Which is acquired for use by the taxpayer and not for  
5 resale.

6 2. For the tax year beginning on January 1, 2008, any  
7 taxpayer who purchases a qualified hybrid vehicle shall be  
8 allowed to subtract from the taxpayer's Missouri adjusted gross  
9 income to determine Missouri taxable income, for the tax year in  
10 which the taxpayer purchases the vehicle, an amount equal to one  
11 thousand five hundred dollars or ten percent of the purchase  
12 price of the vehicle, whichever is less.

13 3. The director of revenue shall establish the procedure by  
14 which the deduction in this section may be claimed, and shall  
15 promulgate rules to provide for the submission of documents by  
16 the taxpayer proving the purchase price and date of the qualified  
17 hybrid motor vehicle and to implement the provisions of this  
18 section.

19 4. Any rule or portion of a rule, as that term is defined  
20 in section 536.010, RSMo, that is created under the authority  
21 delegated in this section shall become effective only if it  
22 complies with and is subject to all of the provisions of chapter  
23 536, RSMo, and, if applicable, section 536.028, RSMo. This  
24 section and chapter 536, RSMo, are nonseverable and if any of the  
25 powers vested with the general assembly pursuant to chapter 536,  
26 RSMo, to review, to delay the effective date, or to disapprove  
27 and annul a rule are subsequently held unconstitutional, then the  
28 grant of rulemaking authority and any rule proposed or adopted

1 after August 28, 2007, shall be invalid and void.

2 143.128. 1. For purposes of this section the term "E-85  
3 gasoline" shall mean ethanol blended gasoline formulated with a  
4 minimum percentage of between seventy-five and eighty-five  
5 percent by volume of ethanol. For all tax years beginning on or  
6 after January 1, 2008, a taxpayer who purchases E-85 gasoline in  
7 a tax year shall be allowed to claim a tax credit against the tax  
8 otherwise due under this chapter, excluding sections 143.191 to  
9 143.265, in the following amounts:

10 (1) For calendar year 2008, the amount of the credit shall  
11 be equal to twenty-five cents per gallon of E-85 gasoline  
12 purchased by the taxpayer;

13 (2) For calendar years 2009 and 2010, the amount of the  
14 credit shall be equal to twenty cents per gallon of E-85 gasoline  
15 purchased by the taxpayer;

16 (3) For calendar year 2011 and each subsequent calendar  
17 year, the amount of the credit shall be equal to fifteen cents  
18 per gallon of E-85 gasoline purchased by the taxpayer.

19 2. The amount of credits claimed per taxpayer annually  
20 shall not exceed five hundred dollars. The minimum amount of tax  
21 credits a taxpayer may claim shall not be less than fifty  
22 dollars. A taxpayer shall claim the credit allowed by this  
23 section at the time such taxpayer files a return. In the event  
24 the amount of the tax credit provided under this section exceeds  
25 a taxpayer's income tax liability, no refund shall result, but  
26 such excess tax credits may be carried forward to any of the  
27 taxpayer's three subsequent tax years. The aggregate amount of  
28 tax credits which may be redeemed in any fiscal year shall not

1 exceed five hundred thousand dollars. The tax credit shall be  
2 available regardless of whether the taxpayer opts to take a  
3 standard deduction. The department of revenue is authorized to  
4 adopt any rule or regulations deemed necessary for the effective  
5 administration of this section. Any rule or portion of a rule,  
6 as that term is defined in section 536.010, RSMo, that is created  
7 under the authority delegated in this section shall become  
8 effective only if it complies with and is subject to all of the  
9 provisions of chapter 536, RSMo, and if applicable, section  
10 536.028, RSMo. This section and chapter 536, RSMo, are  
11 nonseverable and if any of the powers vested with the general  
12 assembly pursuant to chapter 536, RSMo, to review, to delay the  
13 effective date, or to disapprove and annul a rule are  
14 subsequently held unconstitutional, then the grant of rulemaking  
15 authority and any rule proposed or adopted after August 28, 2007,  
16 shall be invalid and void.

17 3. Pursuant to section 23.253, RSMo, of the Missouri sunset  
18 act:

19 (1) The provisions of the new program authorized under this  
20 section shall sunset automatically four years after the effective  
21 date of this section unless reauthorized by an act of the general  
22 assembly; and

23 (2) This section shall terminate on September first of the  
24 calendar year immediately following the calendar year in which  
25 the program authorized under this section is sunset.

26 4. Nothing in this section shall be construed as  
27 authorizing, approving, or condoning the violation of a motor  
28 vehicle manufacturer's stated warranty with regard to recommended

1 fuel use.

2 144.030. 1. There is hereby specifically exempted from the  
3 provisions of sections 144.010 to 144.525 and from the  
4 computation of the tax levied, assessed or payable pursuant to  
5 sections 144.010 to 144.525 such retail sales as may be made in  
6 commerce between this state and any other state of the United  
7 States, or between this state and any foreign country, and any  
8 retail sale which the state of Missouri is prohibited from taxing  
9 pursuant to the Constitution or laws of the United States of  
10 America, and such retail sales of tangible personal property  
11 which the general assembly of the state of Missouri is prohibited  
12 from taxing or further taxing by the constitution of this state.

13 2. There are also specifically exempted from the provisions  
14 of the local sales tax law as defined in section 32.085, RSMo,  
15 section 238.235, RSMo, and sections 144.010 to 144.525 and  
16 144.600 to 144.761 and from the computation of the tax levied,  
17 assessed or payable pursuant to the local sales tax law as  
18 defined in section 32.085, RSMo, section 238.235, RSMo, and  
19 sections 144.010 to 144.525 and 144.600 to 144.745:

20 (1) Motor fuel or special fuel subject to an excise tax of  
21 this state, unless all or part of such excise tax is refunded  
22 pursuant to section 142.824, RSMo; or upon the sale at retail of  
23 fuel to be consumed in manufacturing or creating gas, power,  
24 steam, electrical current or in furnishing water to be sold  
25 ultimately at retail; or feed for livestock or poultry; or grain  
26 to be converted into foodstuffs which are to be sold ultimately  
27 in processed form at retail; or seed, limestone or fertilizer  
28 which is to be used for seeding, liming or fertilizing crops



1    which when harvested will be sold at retail or will be fed to  
2    livestock or poultry to be sold ultimately in processed form at  
3    retail; economic poisons registered pursuant to the provisions of  
4    the Missouri pesticide registration law (sections 281.220 to  
5    281.310, RSMo) which are to be used in connection with the growth  
6    or production of crops, fruit trees or orchards applied before,  
7    during, or after planting, the crop of which when harvested will  
8    be sold at retail or will be converted into foodstuffs which are  
9    to be sold ultimately in processed form at retail;

10       (2)   Materials, manufactured goods, machinery and parts  
11    which when used in manufacturing, processing, compounding,  
12    mining, producing or fabricating become a component part or  
13    ingredient of the new personal property resulting from such  
14    manufacturing, processing, compounding, mining, producing or  
15    fabricating and which new personal property is intended to be  
16    sold ultimately for final use or consumption; and materials,  
17    including without limitation, gases and manufactured goods,  
18    including without limitation, slagging materials and firebrick,  
19    which are ultimately consumed in the manufacturing process by  
20    blending, reacting or interacting with or by becoming, in whole  
21    or in part, component parts or ingredients of steel products  
22    intended to be sold ultimately for final use or consumption;

23       (3)   Materials, replacement parts and equipment purchased  
24    for use directly upon, and for the repair and maintenance or  
25    manufacture of, motor vehicles, watercraft, railroad rolling  
26    stock or aircraft engaged as common carriers of persons or  
27    property;

28       (4)   Replacement machinery, equipment, and parts and the

1 materials and supplies solely required for the installation or  
2 construction of such replacement machinery, equipment, and parts,  
3 used directly in manufacturing, mining, fabricating or producing  
4 a product which is intended to be sold ultimately for final use  
5 or consumption; and machinery and equipment, and the materials  
6 and supplies required solely for the operation, installation or  
7 construction of such machinery and equipment, purchased and used  
8 to establish new, or to replace or expand existing, material  
9 recovery processing plants in this state. For the purposes of  
10 this subdivision, a "material recovery processing plant" means a  
11 facility that has as its primary purpose the recovery of  
12 materials into a useable product or a different form which is  
13 used in producing a new product and shall include a facility or  
14 equipment which are used exclusively for the collection of  
15 recovered materials for delivery to a material recovery  
16 processing plant but shall not include motor vehicles used on  
17 highways. For purposes of this section, the terms "motor  
18 vehicle" and "highway" shall have the same meaning pursuant to  
19 section 301.010, RSMo. Material recovery is not the reuse of  
20 materials within a manufacturing process or the use of a product  
21 previously recovered. The material recovery processing plant  
22 shall qualify under the provisions of this section regardless of  
23 ownership of the material being recovered;

24 (5) Machinery and equipment, and parts and the materials  
25 and supplies solely required for the installation or construction  
26 of such machinery and equipment, purchased and used to establish  
27 new or to expand existing manufacturing, mining or fabricating  
28 plants in the state if such machinery and equipment is used

1 directly in manufacturing, mining or fabricating a product which  
2 is intended to be sold ultimately for final use or consumption;

3 (6) Tangible personal property which is used exclusively in  
4 the manufacturing, processing, modification or assembling of  
5 products sold to the United States government or to any agency of  
6 the United States government;

7 (7) Animals or poultry used for breeding or feeding  
8 purposes;

9 (8) Newsprint, ink, computers, photosensitive paper and  
10 film, toner, printing plates and other machinery, equipment,  
11 replacement parts and supplies used in producing newspapers  
12 published for dissemination of news to the general public;

13 (9) The rentals of films, records or any type of sound or  
14 picture transcriptions for public commercial display;

15 (10) Pumping machinery and equipment used to propel  
16 products delivered by pipelines engaged as common carriers;

17 (11) Railroad rolling stock for use in transporting persons  
18 or property in interstate commerce and motor vehicles licensed  
19 for a gross weight of twenty-four thousand pounds or more or  
20 trailers used by common carriers, as defined in section 390.020,  
21 RSMo, [solely] in the transportation of persons or property [in  
22 interstate commerce];

23 (12) Electrical energy used in the actual primary  
24 manufacture, processing, compounding, mining or producing of a  
25 product, or electrical energy used in the actual secondary  
26 processing or fabricating of the product, or a material recovery  
27 processing plant as defined in subdivision (4) of this  
28 subsection, in facilities owned or leased by the taxpayer, if the

1 total cost of electrical energy so used exceeds ten percent of  
2 the total cost of production, either primary or secondary,  
3 exclusive of the cost of electrical energy so used or if the raw  
4 materials used in such processing contain at least twenty-five  
5 percent recovered materials as defined in section 260.200, RSMo.  
6 There shall be a rebuttable presumption that the raw materials  
7 used in the primary manufacture of automobiles contain at least  
8 twenty-five percent recovered materials. For purposes of this  
9 subdivision, "processing" means any mode of treatment, act or  
10 series of acts performed upon materials to transform and reduce  
11 them to a different state or thing, including treatment necessary  
12 to maintain or preserve such processing by the producer at the  
13 production facility;

14 (13) Anodes which are used or consumed in manufacturing,  
15 processing, compounding, mining, producing or fabricating and  
16 which have a useful life of less than one year;

17 (14) Machinery, equipment, appliances and devices purchased  
18 or leased and used solely for the purpose of preventing, abating  
19 or monitoring air pollution, and materials and supplies solely  
20 required for the installation, construction or reconstruction of  
21 such machinery, equipment, appliances and devices, and so  
22 certified as such by the director of the department of natural  
23 resources, except that any action by the director pursuant to  
24 this subdivision may be appealed to the air conservation  
25 commission which may uphold or reverse such action;

26 (15) Machinery, equipment, appliances and devices purchased  
27 or leased and used solely for the purpose of preventing, abating  
28 or monitoring water pollution, and materials and supplies solely

1 required for the installation, construction or reconstruction of  
2 such machinery, equipment, appliances and devices, and so  
3 certified as such by the director of the department of natural  
4 resources, except that any action by the director pursuant to  
5 this subdivision may be appealed to the Missouri clean water  
6 commission which may uphold or reverse such action;

7 (16) Tangible personal property purchased by a rural water  
8 district;

9 (17) All amounts paid or charged for admission or  
10 participation or other fees paid by or other charges to  
11 individuals in or for any place of amusement, entertainment or  
12 recreation, games or athletic events, including museums, fairs,  
13 zoos and planetariums, owned or operated by a municipality or  
14 other political subdivision where all the proceeds derived  
15 therefrom benefit the municipality or other political subdivision  
16 and do not inure to any private person, firm, or corporation;

17 (18) All sales of insulin and prosthetic or orthopedic  
18 devices as defined on January 1, 1980, by the federal Medicare  
19 program pursuant to Title XVIII of the Social Security Act of  
20 1965, including the items specified in Section 1862(a)(12) of  
21 that act, and also specifically including hearing aids and  
22 hearing aid supplies and all sales of drugs which may be legally  
23 dispensed by a licensed pharmacist only upon a lawful  
24 prescription of a practitioner licensed to administer those  
25 items, including samples and materials used to manufacture  
26 samples which may be dispensed by a practitioner authorized to  
27 dispense such samples and all sales of medical oxygen, home  
28 respiratory equipment and accessories, hospital beds and

1 accessories and ambulatory aids, all sales of manual and powered  
2 wheelchairs, stairway lifts, Braille writers, electronic Braille  
3 equipment and, if purchased by or on behalf of a person with one  
4 or more physical or mental disabilities to enable them to  
5 function more independently, all sales of scooters, reading  
6 machines, electronic print enlargers and magnifiers, electronic  
7 alternative and augmentative communication devices, and items  
8 used solely to modify motor vehicles to permit the use of such  
9 motor vehicles by individuals with disabilities or sales of  
10 over-the-counter or nonprescription drugs to individuals with  
11 disabilities;

12 (19) All sales made by or to religious and charitable  
13 organizations and institutions in their religious, charitable or  
14 educational functions and activities and all sales made by or to  
15 all elementary and secondary schools operated at public expense  
16 in their educational functions and activities;

17 (20) All sales of aircraft to common carriers for storage  
18 or for use in interstate commerce and all sales made by or to  
19 not-for-profit civic, social, service or fraternal organizations,  
20 including fraternal organizations which have been declared  
21 tax-exempt organizations pursuant to Section 501(c)(8) or (10) of  
22 the 1986 Internal Revenue Code, as amended, in their civic or  
23 charitable functions and activities and all sales made to  
24 eleemosynary and penal institutions and industries of the state,  
25 and all sales made to any private not-for-profit institution of  
26 higher education not otherwise excluded pursuant to subdivision  
27 (19) of this subsection or any institution of higher education  
28 supported by public funds, and all sales made to a state relief

1 agency in the exercise of relief functions and activities;

2 (21) All ticket sales made by benevolent, scientific and  
3 educational associations which are formed to foster, encourage,  
4 and promote progress and improvement in the science of  
5 agriculture and in the raising and breeding of animals, and by  
6 nonprofit summer theater organizations if such organizations are  
7 exempt from federal tax pursuant to the provisions of the  
8 Internal Revenue Code and all admission charges and entry fees to  
9 the Missouri state fair or any fair conducted by a county  
10 agricultural and mechanical society organized and operated  
11 pursuant to sections 262.290 to 262.530, RSMo;

12 (22) All sales made to any private not-for-profit  
13 elementary or secondary school, all sales of feed additives,  
14 medications or vaccines administered to livestock or poultry in  
15 the production of food or fiber, all sales of pesticides used in  
16 the production of crops, livestock or poultry for food or fiber,  
17 all sales of bedding used in the production of livestock or  
18 poultry for food or fiber, all sales of propane or natural gas,  
19 electricity or diesel fuel used exclusively for drying  
20 agricultural crops, natural gas used in the primary manufacture  
21 or processing of fuel ethanol as defined in section 142.028,  
22 RSMo, natural gas, propane, and electricity used by an eligible  
23 new generation cooperative or an eligible new generation  
24 processing entity as defined in section 348.432, RSMo, and all  
25 sales of farm machinery and equipment, other than airplanes,  
26 motor vehicles and trailers. As used in this subdivision, the  
27 term "feed additives" means tangible personal property which,  
28 when mixed with feed for livestock or poultry, is to be used in

1 the feeding of livestock or poultry. As used in this  
2 subdivision, the term "pesticides" includes adjuvants such as  
3 crop oils, surfactants, wetting agents and other assorted  
4 pesticide carriers used to improve or enhance the effect of a  
5 pesticide and the foam used to mark the application of pesticides  
6 and herbicides for the production of crops, livestock or poultry.  
7 As used in this subdivision, the term "farm machinery and  
8 equipment" means new or used farm tractors and such other new or  
9 used farm machinery and equipment and repair or replacement parts  
10 thereon, and supplies and lubricants used exclusively, solely,  
11 and directly for producing crops, raising and feeding livestock,  
12 fish, poultry, pheasants, chukar, quail, or for producing milk  
13 for ultimate sale at retail, including field drain tile, and  
14 one-half of each purchaser's purchase of diesel fuel therefor  
15 which is:

16 (a) Used exclusively for agricultural purposes;

17 (b) Used on land owned or leased for the purpose of  
18 producing farm products; and

19 (c) Used directly in producing farm products to be sold  
20 ultimately in processed form or otherwise at retail or in  
21 producing farm products to be fed to livestock or poultry to be  
22 sold ultimately in processed form at retail;

23 (23) Except as otherwise provided in section 144.032, all  
24 sales of metered water service, electricity, electrical current,  
25 natural, artificial or propane gas, wood, coal or home heating  
26 oil for domestic use and in any city not within a county, all  
27 sales of metered or unmetered water service for domestic use;

28 (a) "Domestic use" means that portion of metered water



1 service, electricity, electrical current, natural, artificial or  
2 propane gas, wood, coal or home heating oil, and in any city not  
3 within a county, metered or unmetered water service, which an  
4 individual occupant of a residential premises uses for  
5 nonbusiness, noncommercial or nonindustrial purposes. Utility  
6 service through a single or master meter for residential  
7 apartments or condominiums, including service for common areas  
8 and facilities and vacant units, shall be deemed to be for  
9 domestic use. Each seller shall establish and maintain a system  
10 whereby individual purchases are determined as exempt or  
11 nonexempt;

12 (b) Regulated utility sellers shall determine whether  
13 individual purchases are exempt or nonexempt based upon the  
14 seller's utility service rate classifications as contained in  
15 tariffs on file with and approved by the Missouri public service  
16 commission. Sales and purchases made pursuant to the rate  
17 classification "residential" and sales to and purchases made by  
18 or on behalf of the occupants of residential apartments or  
19 condominiums through a single or master meter, including service  
20 for common areas and facilities and vacant units, shall be  
21 considered as sales made for domestic use and such sales shall be  
22 exempt from sales tax. Sellers shall charge sales tax upon the  
23 entire amount of purchases classified as nondomestic use. The  
24 seller's utility service rate classification and the provision of  
25 service thereunder shall be conclusive as to whether or not the  
26 utility must charge sales tax;

27 (c) Each person making domestic use purchases of services  
28 or property and who uses any portion of the services or property

1 so purchased for a nondomestic use shall, by the fifteenth day of  
2 the fourth month following the year of purchase, and without  
3 assessment, notice or demand, file a return and pay sales tax on  
4 that portion of nondomestic purchases. Each person making  
5 nondomestic purchases of services or property and who uses any  
6 portion of the services or property so purchased for domestic  
7 use, and each person making domestic purchases on behalf of  
8 occupants of residential apartments or condominiums through a  
9 single or master meter, including service for common areas and  
10 facilities and vacant units, under a nonresidential utility  
11 service rate classification may, between the first day of the  
12 first month and the fifteenth day of the fourth month following  
13 the year of purchase, apply for credit or refund to the director  
14 of revenue and the director shall give credit or make refund for  
15 taxes paid on the domestic use portion of the purchase. The  
16 person making such purchases on behalf of occupants of  
17 residential apartments or condominiums shall have standing to  
18 apply to the director of revenue for such credit or refund;

19 (24) All sales of handicraft items made by the seller or  
20 the seller's spouse if the seller or the seller's spouse is at  
21 least sixty-five years of age, and if the total gross proceeds  
22 from such sales do not constitute a majority of the annual gross  
23 income of the seller;

24 (25) Excise taxes, collected on sales at retail, imposed by  
25 Sections 4041, 4061, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and  
26 4271 of Title 26, United States Code. The director of revenue  
27 shall promulgate rules pursuant to chapter 536, RSMo, to  
28 eliminate all state and local sales taxes on such excise taxes;

1           (26) Sales of fuel consumed or used in the operation of  
2 ships, barges, or waterborne vessels which are used primarily in  
3 or for the transportation of property or cargo, or the conveyance  
4 of persons for hire, on navigable rivers bordering on or located  
5 in part in this state, if such fuel is delivered by the seller to  
6 the purchaser's barge, ship, or waterborne vessel while it is  
7 afloat upon such river;

8           (27) All sales made to an interstate compact agency created  
9 pursuant to sections 70.370 to 70.441, RSMo, or sections 238.010  
10 to 238.100, RSMo, in the exercise of the functions and activities  
11 of such agency as provided pursuant to the compact;

12           (28) Computers, computer software and computer security  
13 systems purchased for use by architectural or engineering firms  
14 headquartered in this state. For the purposes of this  
15 subdivision, "headquartered in this state" means the office for  
16 the administrative management of at least four integrated  
17 facilities operated by the taxpayer is located in the state of  
18 Missouri;

19           (29) All livestock sales when either the seller is engaged  
20 in the growing, producing or feeding of such livestock, or the  
21 seller is engaged in the business of buying and selling,  
22 bartering or leasing of such livestock;

23           (30) All sales of barges which are to be used primarily in  
24 the transportation of property or cargo on interstate waterways;

25           (31) Electrical energy or gas, whether natural, artificial  
26 or propane, water, or other utilities which are ultimately  
27 consumed in connection with the manufacturing of cellular glass  
28 products or in any material recovery processing plant as defined

1 in subdivision (4) of subsection 2 of this section;

2 (32) Notwithstanding other provisions of law to the  
3 contrary, all sales of pesticides or herbicides used in the  
4 production of crops, aquaculture, livestock or poultry;

5 (33) Tangible personal property and utilities purchased for  
6 use or consumption directly or exclusively in the research and  
7 development of agricultural biotechnology and plant genomics  
8 products, and prescription pharmaceuticals consumed by humans or  
9 animals;

10 (34) All sales of grain bins for storage of grain for  
11 resale;

12 (35) All sales of feed which are developed for and used in  
13 the feeding of pets owned by a commercial breeder when such sales  
14 are made to a commercial breeder, as defined in section 273.325,  
15 RSMo, and licensed pursuant to sections 273.325 to 273.357, RSMo;

16 (36) All purchases by a contractor on behalf of an entity  
17 located in another state, provided that the entity is authorized  
18 to issue a certificate of exemption for purchases to a contractor  
19 under the provisions of that state's laws. For purposes of this  
20 subdivision, the term "certificate of exemption" shall mean any  
21 document evidencing that the entity is exempt from sales and use  
22 taxes on purchases pursuant to the laws of the state in which the  
23 entity is located. Any contractor making purchases on behalf of  
24 such entity shall maintain a copy of the entity's exemption  
25 certificate as evidence of the exemption. If the exemption  
26 certificate issued by the exempt entity to the contractor is  
27 later determined by the director of revenue to be invalid for any  
28 reason and the contractor has accepted the certificate in good

1 faith, neither the contractor or the exempt entity shall be  
2 liable for the payment of any taxes, interest and penalty due as  
3 the result of use of the invalid exemption certificate.

4 Materials shall be exempt from all state and local sales and use  
5 taxes when purchased by a contractor for the purpose of  
6 fabricating tangible personal property which is used in  
7 fulfilling a contract for the purpose of constructing, repairing  
8 or remodeling facilities for the following:

9 (a) An exempt entity located in this state, if the entity  
10 is one of those entities able to issue project exemption  
11 certificates in accordance with the provisions of section  
12 144.062; or

13 (b) An exempt entity located outside the state if the  
14 exempt entity is authorized to issue an exemption certificate to  
15 contractors in accordance with the provisions of that state's law  
16 and the applicable provisions of this section;

17 (37) [Tangible personal property purchased for use or  
18 consumption directly or exclusively in research or  
19 experimentation activities performed by life science companies  
20 and so certified as such by the director of the department of  
21 economic development or the director's designees; except that,  
22 the total amount of exemptions certified pursuant to this section  
23 shall not exceed one million three hundred thousand dollars in  
24 state and local taxes per fiscal year. For purposes of this  
25 subdivision, the term "life science companies" means companies  
26 whose primary research activities are in agriculture,  
27 pharmaceuticals, biomedical or food ingredients, and whose North  
28 American Industry Classification System (NAICS) Codes fall under

1 industry 541710 (biotech research or development laboratories),  
2 621511 (medical laboratories) or 541940 (veterinary services).  
3 The exemption provided by this subdivision shall expire on June  
4 30, 2003;

5 (38)] All sales or other transfers of tangible personal  
6 property to a lessor who leases the property under a lease of one  
7 year or longer executed or in effect at the time of the sale or  
8 other transfer to an interstate compact agency created pursuant  
9 to sections 70.370 to 70.441, RSMo, or sections 238.010 to  
10 238.100, RSMo; and

11 [(39)] (38) Sales of tickets to any collegiate athletic  
12 championship event that is held in a facility owned or operated  
13 by a governmental authority or commission, a quasi-governmental  
14 agency, a state university or college or by the state or any  
15 political subdivision thereof, including a municipality, and that  
16 is played on a neutral site and may reasonably be played at a  
17 site located outside the state of Missouri. For purposes of this  
18 subdivision, "neutral site" means any site that is not located on  
19 the campus of a conference member institution participating in  
20 the event.

21 144.054. 1. As used in this section, the following terms  
22 mean:

23 (1) "Processing", any mode of treatment, act, or series of  
24 acts performed upon materials to transform or reduce them to a  
25 different state or thing, including treatment necessary to  
26 maintain or preserve such processing by the producer at the  
27 production facility;

28 (2) "Recovered materials", those materials which have been

1 diverted or removed from the solid waste stream for sale, use,  
2 reuse, or recycling, whether or not they require subsequent  
3 separation and processing.

4 2. In addition to all other exemptions granted under this  
5 chapter, there is hereby specifically exempted from the  
6 provisions of sections 144.010 to 144.525 and 144.600 to 144.761,  
7 and from the computation of the tax levied, assessed, or payable  
8 under sections 144.010 to 144.525 and 144.600 to 144.761,  
9 electrical energy and gas, whether natural, artificial, or  
10 propane, water, coal, and other energy sources, chemicals,  
11 machinery, equipment, and materials used or consumed in the  
12 manufacturing, processing, compounding, mining, or producing of  
13 any product, or used or consumed in the processing of recovered  
14 materials, or used in research and development related to  
15 manufacturing, processing, compounding, mining, or producing any  
16 product. The exemptions granted in subsection 2 of this section  
17 shall not apply to local sales tax as defined in section 32.085,  
18 RSMo, and the provisions of subsection 2 of this section shall be  
19 in addition to any state and local sales tax exemption provided  
20 in section 144.030.

21 144.061. For fiscal year 2008, there shall hereby be  
22 exempted from state sales tax, sales of new motor vehicles  
23 designed to operate on eighty-five percent ethanol fuel.

24 144.806. 1. In addition to the exemptions granted pursuant  
25 to the provisions of section 144.030, there shall also be  
26 specifically exempted from the provisions of sections 144.010 to  
27 144.525, sections 144.600 to 144.748, section 144.805, and  
28 section 238.235, RSMo, and the provisions of any local sales tax

1 law, as defined in section 32.085, RSMo, and from the computation  
2 of the tax levied, assessed, or payable pursuant to sections  
3 144.010 to 144.525, sections 144.600 to 144.748, and section  
4 238.235, RSMo, and the provisions of any local sales tax law, as  
5 defined in section 32.085, RSMo, all aviation jet fuel sold to an  
6 air common carrier for immediate consumption or shipment in the  
7 conduct of its business as an air common carrier or affiliate  
8 carrier, on a transoceanic flight. As used in this subsection,  
9 the term "immediate consumption or shipment", shall mean that the  
10 delivery of the aviation jet fuel by the seller is directly to an  
11 aircraft for consumption or transportation on a transoceanic  
12 flight and not for storage by the purchaser or any third party.  
13 The term "transoceanic flight" shall mean a flight destined for  
14 or continuing from a location situated on the other side of the  
15 Atlantic or Pacific ocean.

16 2. To qualify for the exemption prescribed in subsection 1  
17 of this section, the air common carrier shall furnish to the  
18 seller a certificate in writing to the effect that an exemption  
19 pursuant to this section is applicable to the aviation jet fuel  
20 so purchased, stored, used, and consumed.

21 3. For purposes of determining eligibility for the state  
22 sales and use tax exemption on aviation jet fuel provided under  
23 section 144.805, sales of such fuel for transoceanic flights  
24 exempt from taxation under this section shall be treated as  
25 though subject to sales tax and such tax shall be deemed paid for  
26 purposes of calculating the maximum aggregate calendar year  
27 amount of state sales and use tax required for the exemption  
28 provided under section 144.805, however, no state sales or use



1 tax liability shall accrue for purchases of fuel exempted under  
2 this section.

3 4. The director of revenue shall adopt appropriate rules  
4 and regulations to implement the provisions of this section. Any  
5 rule or portion of a rule, as that term is defined in section  
6 536.010, RSMo, that is created under the authority delegated in  
7 this section shall become effective only if it complies with and  
8 is subject to all of the provisions of chapter 536, RSMo, and, if  
9 applicable, section 536.028, RSMo. This section and chapter 536,  
10 RSMo, are nonseverable and if any of the powers vested with the  
11 general assembly pursuant to chapter 536, RSMo, to review, to  
12 delay the effective date, or to disapprove and annul a rule are  
13 subsequently held unconstitutional, then the grant of rulemaking  
14 authority and any rule proposed or adopted after August 28, 2007,  
15 shall be invalid and void.

16 173.196. 1. Any business firm, as defined in section  
17 32.105, RSMo, may make a donation to the "Missouri Higher  
18 Education Scholarship Donation Fund", which is hereby created in  
19 the state treasury. A donating business firm shall receive a tax  
20 credit as provided in this section equal to fifty percent of the  
21 amount of the donation, except that tax credits shall be awarded  
22 each fiscal year in the order donations are received and the  
23 amount of tax credits authorized shall total no more than two  
24 hundred and fifty thousand dollars for each fiscal year.

25 2. The department of revenue shall grant tax credits  
26 approved under this section which shall be applied in the order  
27 specified in subsection 1 of section 32.115, RSMo, until used.  
28 The tax credits provided under this section shall be refundable,

1 and any tax credit not used in the fiscal year in which approved  
2 may be carried over the next five succeeding calendar or fiscal  
3 years until the full credit has been claimed. Notwithstanding  
4 any other law to the contrary, any tax credits granted under this  
5 section may be assigned, transferred, sold, or otherwise conveyed  
6 without consent or approval. Such taxpayer, hereinafter the  
7 assignor for purposes of this section, may sell, assign,  
8 exchange, or otherwise transfer earned tax credits:

9 (1) For no less than seventy-five percent of the par value  
10 of such credits; and

11 (2) In an amount not to exceed one hundred percent of  
12 annual earned credits.

13 3. No tax credit authorized under this section may be  
14 applied against any tax applied in a tax year beginning prior to  
15 January 1, 1995.

16 4. All revenues credited to the fund shall be used, subject  
17 to appropriations, to provide scholarships authorized under  
18 sections 173.197 to 173.199, and for no other purpose.

19 5. For all tax years beginning on or after January 1, 2005,  
20 no tax credits shall be authorized, awarded, or issued to any  
21 person or entity claiming any tax credit under this section.

22 173.796. 1. As used in this section, the term "taxpayer"  
23 means an individual, a partnership, or a corporation as described  
24 in section 143.441 or 143.471, RSMo, and includes any charitable  
25 organization which is exempt from federal income tax and whose  
26 Missouri unrelated business taxable income, if any, would be  
27 subject to the state income tax imposed under chapter 143, RSMo.

28 2. Any taxpayer may make a contribution to the fund.

1 Within the limits specified in subsection 3 of this section, a  
2 taxpayer shall be allowed a credit against the taxes imposed  
3 pursuant to chapter 143, RSMo, except for sections 143.191 to  
4 143.265, RSMo, on that individual or entity of up to fifty  
5 percent of the total amount contributed to the fund, not to  
6 exceed one hundred thousand dollars per taxpayer.

7 3. The department of revenue shall administer the tax  
8 credits pursuant to this section, and shall certify eligibility  
9 for the tax credits in the order applications are received. The  
10 total amount of tax credits certified in any one calendar year  
11 shall not exceed five million dollars annually. Contributions of  
12 up to one hundred thousand dollars per annum per taxpayer may be  
13 certified by the department of revenue as a qualified  
14 contribution for purposes of receiving a tax credit under this  
15 program.

16 4. If the amount of tax credit exceeds the total tax  
17 liability for the year in which the tax credit is claimed, the  
18 amount that exceeds the state tax liability may be carried  
19 forward for credit against the taxes imposed pursuant to chapter  
20 143, RSMo, except for sections 143.191 to 143.265, RSMo, for the  
21 succeeding ten years, or until the full credit is used, whichever  
22 occurs first.

23 5. For all tax years beginning on or after January 1, 2005,  
24 no tax credits shall be authorized, awarded, or issued to any  
25 person or entity claiming any tax credit under this section.

26 6. The provisions of this section shall become effective  
27 January 1, 1999.

28 178.715. 1. Residents of the counties of Butler, Stoddard,

Wayne, Ripley, New Madrid, Pemiscot, Dunklin, Mississippi, Cape Girardeau, Bollinger, and Scott may organize a vocational school district in the manner provided in sections 178.770 to 178.780. Prior to the organization of a district under sections 178.770 to 178.890, the coordinating board for higher education shall establish standards for the organization of the district which shall include among other things:

\_\_\_\_\_ (1) Whether a vocational school is needed in the proposed district;

\_\_\_\_\_ (2) Whether the assessed valuation of taxable, tangible property in the proposed district is sufficient to support adequately the proposed vocational school; and

\_\_\_\_\_ (3) Whether there were a sufficient number of graduates of high school in the proposed district during the preceding year to support a vocational school in the proposed district.

2. When a district is organized, it shall be a body corporate and a subdivision of the state of Missouri and shall be known as "The Vocational School District of ....., Missouri" and, in that name, may sue and be sued, levy and collect taxes within the limitations of sections 178.770 to 178.890, issue bonds and possess the same corporate powers as common and seven-director school districts in this state, other than urban districts, except as herein otherwise provided.

178.895. 1. To provide funds for the present payment of the costs of new jobs training programs, a community college district may borrow money and issue and sell certificates payable from a sufficient portion of the future receipts of payments authorized by the agreement including disbursements from the

1 Missouri community college job training program to the special  
2 fund established by the district for each project. The total  
3 amount of outstanding certificates sold by all junior college  
4 districts shall not exceed twenty million dollars, unless an  
5 increased amount is authorized in writing by a majority of  
6 members of the Missouri job training joint legislative oversight  
7 committee. The certificates shall be marketed through financial  
8 institutions authorized to do business in Missouri. The receipts  
9 shall be pledged to the payment of principal of and interest on  
10 the certificates. Certificates may be sold at public sale or at  
11 private sale at par, premium, or discount of not less than  
12 ninety-five percent of the par value thereof, at the discretion  
13 of the board of trustees, and may bear interest at such rate or  
14 rates as the board of trustees shall determine, notwithstanding  
15 the provisions of section 108.170, RSMo, to the contrary.  
16 However, chapter 176, RSMo, does not apply to the issuance of  
17 these certificates. Certificates may be issued with respect to a  
18 single project or multiple projects and may contain terms or  
19 conditions as the board of trustees may provide by resolution  
20 authorizing the issuance of the certificates.

21       2. Certificates issued to refund other certificates may be  
22 sold at public sale or at private sale as provided in this  
23 section with the proceeds from the sale to be used for the  
24 payment of the certificates being refunded. The refunding  
25 certificates may be exchanged in payment and discharge of the  
26 certificates being refunded, in installments at different times  
27 or an entire issue or series at one time. Refunding certificates  
28 may be sold or exchanged at any time on, before, or after the

1 maturity of the outstanding certificates to be refunded. They  
2 may be issued for the purpose of refunding a like, greater, or  
3 lesser principal amount of certificates and may bear a higher,  
4 lower, or equivalent rate of interest than the certificates being  
5 renewed or refunded.

6         3. Before certificates are issued, the board of trustees  
7 shall publish once a notice of its intention to issue the  
8 certificates, stating the amount, the purpose, and the project or  
9 projects for which the certificates are to be issued. A person  
10 may, within fifteen days after the publication of the notice, by  
11 action in the circuit court of a county in the district, appeal  
12 the decision of the board of trustees to issue the certificates.  
13 The action of the board of trustees in determining to issue the  
14 certificates is final and conclusive unless the circuit court  
15 finds that the board of trustees has exceeded its legal  
16 authority. An action shall not be brought which questions the  
17 legality of the certificates, the power of the board of trustees  
18 to issue the certificates, the effectiveness of any proceedings  
19 relating to the authorization of the project, or the  
20 authorization and issuance of the certificates from and after  
21 fifteen days from the publication of the notice of intention to  
22 issue.

23         4. The board of trustees shall determine if revenues  
24 provided in the agreement are sufficient to secure the faithful  
25 performance of obligations in the agreement.

26         5. Certificates issued under this section shall not be  
27 deemed to be an indebtedness of the state or the community  
28 college district or of any other political subdivision of the

1 state and the principal and interest on such certificates shall  
2 be payable only from the sources provided in subdivision (1) of  
3 section 178.893 which are pledged in the agreement.

4 6. The department of economic development shall coordinate  
5 the new jobs training program, and may promulgate rules that  
6 districts will use in developing projects with new and expanding  
7 industrial new jobs training proposals which shall include rules  
8 providing for the coordination of such proposals with the service  
9 delivery areas established in the state to administer federal  
10 funds pursuant to the federal Job Training Partnership Act. No  
11 rule or portion of a rule promulgated under the authority of  
12 sections 178.892 to 178.896 shall become effective unless it has  
13 been promulgated pursuant to the provisions of chapter 536, RSMo.  
14 All rulemaking authority delegated prior to June 27, 1997, is of  
15 no force and effect and repealed; however, nothing in this  
16 section shall be interpreted to repeal or affect the validity of  
17 any rule filed or adopted prior to June 27, 1997, if such rule  
18 complied with the provisions of chapter 536, RSMo. The  
19 provisions of this section and chapter 536, RSMo, are  
20 nonseverable and if any of the powers vested with the general  
21 assembly pursuant to chapter 536, RSMo, including the ability to  
22 review, to delay the effective date, or to disapprove and annul a  
23 rule or portion of a rule, are subsequently held  
24 unconstitutional, then the purported grant of rulemaking  
25 authority and any rule so proposed and contained in the order of  
26 rulemaking shall be invalid and void.

27 7. No community college district may sell certificates as  
28 described in this section after July 1, [2008] 2018.

1           178.896. 1. There is hereby established within the state  
2 treasury a special fund, to be known as the "Missouri Community  
3 College Job Training Program Fund", to be administered by the  
4 division of job development and training. The department of  
5 revenue shall credit to the community college job training  
6 program fund, as received, all new jobs credit from withholding  
7 remitted by employers pursuant to section 178.894. The fund  
8 shall also consist of any gifts, contributions, grants or  
9 bequests received from federal, private or other sources. The  
10 general assembly, however, shall not provide for any transfer of  
11 general revenue funds into the community college job training  
12 program fund. Moneys in the Missouri community college job  
13 training program fund shall be disbursed to the division of job  
14 development and training pursuant to regular appropriations by  
15 the general assembly. The division shall disburse such  
16 appropriated funds in a timely manner into the special funds  
17 established by community college districts for projects, which  
18 funds shall be used to pay program costs, including the principal  
19 of, premium, if any, and interest on certificates issued by the  
20 district to finance or refinance, in whole or in part, a project.  
21 Such disbursements by the division of job development and  
22 training shall be made to the special fund for each project in  
23 the same proportion as the new jobs credit from withholding  
24 remitted by the employer participating in such project bears to  
25 the total new jobs credit from withholding remitted by all  
26 employers participating in projects during the period for which  
27 the disbursement is made. Moneys for new jobs training programs  
28 established under the provisions of sections 178.892 to 178.896



1 shall be obtained from appropriations made by the general  
2 assembly from the Missouri community college job training program  
3 fund. All moneys remaining in the Missouri community college job  
4 training program fund at the end of any fiscal year shall not  
5 lapse to the general revenue fund, as provided in section 33.080,  
6 RSMo, but shall remain in the Missouri community college job  
7 training program fund.

8         2. The department of revenue shall develop such forms as  
9 are necessary to demonstrate accurately each employer's new jobs  
10 credit from withholding paid into the Missouri community college  
11 job training program fund. The new jobs credit from withholding  
12 shall be accounted as separate from the normal withholding tax  
13 paid to the department of revenue by the employer.

14 Reimbursements made by all employers to the Missouri community  
15 college job training program fund shall be no less than all  
16 allocations made by the division of job development and training  
17 to all community college districts for all projects. The  
18 employer shall remit the amount of the new job credit to the  
19 department of revenue in the same manner as provided in sections  
20 143.191 to 143.265, RSMo.

21         3. Sections 178.892 to 178.896 shall expire July 1, [2018]  
22 2028.

23         208.750. 1. Sections 208.750 to 208.775 shall be known and  
24 may be cited as the "Family Development Account Program".

25         2. For purposes of sections 208.750 to 208.775, the  
26 following terms mean:

27         (1) "Account holder", a person who is the owner of a family  
28 development account;

(2) "Community-based organization", any religious or charitable association formed pursuant to chapter 352, RSMo, or any nonprofit corporation formed under chapter 355, RSMo, that is

approved by the director of the department of economic development to implement the family development account program;

(3) "Department", the department of economic development;

(4) "Director", the director of the department of economic development;

(5) "Family development account", a financial instrument established pursuant to section 208.760;

(6) "Family development account reserve fund", the fund created by an approved community-based organization for the purposes of funding the costs incurred in the administration of the program and for providing matching funds for moneys in family development accounts;

(7) "Federal poverty level", the most recent poverty income guidelines published in the calendar year by the United States Department of Health and Human Services;

(8) "Financial institution", any bank, trust company, savings bank, credit union or savings and loan association as defined in chapter 362, 369 or 370, RSMo, and with an office in Missouri which is approved by the director for participation in the program;

(9) "Program", the Missouri family development account program established in sections 208.750 to 208.775;

(10) "Program contributor", a person or entity, including any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any,

1 would be subject to the state income tax imposed under chapter  
2 143, RSMo, who makes a contribution to a family development  
3 account reserve fund and is not the account holder.

4 238.202. 1. As used in sections 238.200 to 238.275, the  
5 following terms mean:

6 (1) "Board", the board of directors of a district;

7 (2) "Commission", the Missouri highways and transportation  
8 commission;

9 (3) "District", a transportation development district  
10 organized under sections 238.200 to 238.275;

11 (4) "Local transportation authority", a county, city, town,  
12 village, county highway commission, special road district,  
13 interstate compact agency, or any local public authority or  
14 political subdivision having jurisdiction over any bridge,  
15 street, highway, dock, wharf, ferry, lake or river port, airport,  
16 railroad, light rail or other transit improvement or service;

17 (5) "Project" includes any bridge, street, road, highway,  
18 access road, interchange, intersection, signing, signalization,  
19 parking lot, bus stop, station, garage, terminal, hangar,  
20 shelter, rest area, dock, wharf, lake or river port, airport,  
21 railroad, light rail, or other mass transit and any similar or  
22 related improvement or infrastructure.

23 2. For the purposes of sections 11(c), 16 and 22 of article  
24 X of the Constitution of Missouri, section 137.073, RSMo, and as  
25 used in sections 238.200 to 238.275, the following terms shall  
26 have the meanings given:

27 (1) "Approval of the required majority" or "direct voter  
28 approval", a simple majority;

1           (2) "Qualified electors", "qualified voters" or "voters",  
2   [if] within the proposed or established district, any persons  
3   [eligible to be registered voters reside within the proposed  
4   district, such persons] residing therein who have registered to  
5   vote pursuant to chapter 115, RSMo, [or if no persons eligible to  
6   be registered voters reside within the proposed district,] and  
7   the owners of real property [located within the proposed  
8   district], who shall receive one vote per acre, provided that any  
9   registered voter who also owns property must elect whether to  
10 vote as an owner or a registered voter;

11           (3) "Registered voters", persons qualified and registered  
12 to vote pursuant to chapter 115, RSMo.

13           238.207. 1. Whenever the creation of a district is  
14 desired, not less than fifty registered voters from each county  
15 partially or totally within the proposed district may file a  
16 petition requesting the creation of a district. However, if no  
17 persons eligible to be registered voters reside within the  
18 district, the owners of record of all of the real property,  
19 except public streets, located within the proposed district may  
20 file a petition requesting the creation of a district. The  
21 petition shall be filed in the circuit court of any county  
22 partially or totally within the proposed district.

23           2. Alternatively, the governing body of any local  
24 transportation authority within any county in which a proposed  
25 project may be located may file a petition in the circuit court  
26 of that county, requesting the creation of a district.

27           3. The proposed district area shall be contiguous and may  
28 contain all or any portion of one or more municipalities and

counties; provided:

(1) Property separated only by public streets, easements or rights-of-way shall be considered contiguous;

(2) In the case of a district formed pursuant to a petition filed by the owners of record of all of the real property located within the proposed district, the proposed district area need not contain contiguous properties if:

(a) The petition provides that the only funding method for project costs will be a sales tax;

(b) The court finds that all of the real property located within the proposed district will benefit by the projects to be undertaken by the district; and

(c) Each parcel within the district is within five miles of every other parcel; and

(3) In the case of a district created pursuant to subsection 5 of this section, property separated only by public streets, easements, or rights-of-way or connected by a single public street, easement, or right-of-way shall be considered contiguous.

4. The petition shall set forth:

(1) The name, voting residence and county of residence of each individual petitioner, or, if no persons eligible to be registered voters reside within the proposed district, the name and address of each owner of record of real property located within the proposed district, or shall recite that the petitioner is the governing body of a local transportation authority acting in its official capacity;

(2) The name and address of each respondent. Respondents

1 must include the commission and each affected local  
2 transportation authority within the proposed district, except a  
3 petitioning local transportation authority;

4 (3) A specific description of the proposed district  
5 boundaries including a map illustrating such boundaries;

6 (4) A general description of each project proposed to be  
7 undertaken by that district, including a description of the  
8 approximate location of each project;

9 (5) The estimated project costs and the anticipated  
10 revenues to be collected from the project;

11 (6) The name of the proposed district;

12 [(6)] (7) The number of members of the board of directors  
13 of the proposed district, which shall be not less than five or  
14 more than fifteen;

15 [(7)] (8) A statement that the terms of office of initial  
16 board members shall be staggered in approximately equal numbers  
17 to expire in one, two or three years;

18 [(8)] (9) If the petition was filed by registered voters or  
19 by a governing body, a request that the question be submitted to  
20 the qualified voters within the limits of the proposed district  
21 whether they will establish a transportation development district  
22 to develop a specified project or projects;

23 [(9)] (10) A proposal for funding the district initially,  
24 pursuant to the authority granted in sections 238.200 to 238.275,  
25 together with a request that the funding proposal be submitted to  
26 the qualified voters [residing] within the limits of the proposed  
27 district; provided, however, the funding method of special  
28 assessments may also be approved as provided in subsection 1 of

1 section 238.230; and

2        ~~[(10)]~~ (11) A statement that the proposed district shall  
3 not be an undue burden on any owner of property within the  
4 district and is not unjust or unreasonable.

5        5. (1) As an alternative to the methods described in  
6 subsections 1 and 2 of this section, if two or more local  
7 transportation authorities have adopted resolutions calling for  
8 the joint establishment of a district, the governing body of any  
9 one such local transportation authority may file a petition in  
10 the circuit court of any county in which the proposed project is  
11 located requesting the creation of a district.

12        (2) The proposed district area shall be contiguous and may  
13 contain all or any portion of one or more municipalities and  
14 counties. Property separated only by public streets, easements,  
15 or rights-of-way or connected by a single public street,  
16 easement, or right-of-way shall be considered contiguous.

17        (3) The petition shall set forth:

18        (a) That the petitioner is the governing body of a local  
19 transportation authority acting in its official capacity;

20        (b) The name of each local transportation authority within  
21 the proposed district. The resolution of the governing body of  
22 each local transportation authority calling for the joint  
23 establishment of the district shall be attached to the petition;

24        (c) The name and address of each respondent. Respondents  
25 must include the commission and each affected local  
26 transportation authority within the proposed district, except a  
27 petitioning local transportation authority;

28        (d) A specific description of the proposed district

boundaries including a map illustrating such boundaries;

(e) A general description of each project proposed to be undertaken by the district, including a description of the approximate location of each project;

(f) The name of the proposed district;

(g) The number of members of the board of directors of the proposed district;

(h) A request that the question be submitted to the qualified voters within the limits of the proposed district whether they will establish a transportation development district to develop the projects described in the petition;

(i) A proposal for funding the district initially, pursuant to the authority granted in sections 238.200 to 238.275, together with a request that the imposition of the funding proposal be submitted to the qualified voters residing within the limits of the proposed district; provided, however, the funding method of special assessments may also be approved as provided in subsection 1 of section 238.230; and

(j) A statement that the proposed district shall not be an undue burden on any owner of property within the district and is not unjust or unreasonable.

238.208. 1. The owners of property adjacent to a transportation district formed under the Missouri transportation development district act may petition the court by unanimous petition to add their property to the district. If the property owners within the transportation development district unanimously approve of the addition of property, the adjacent properties in the petition shall be added to the district. Any property added



1 under this section shall be subject to all projects, taxes, and  
2 special assessments in effect as of the date of the court order  
3 adding the property to the district. The owners of the added  
4 property shall be allowed to vote at the next election scheduled  
5 for the district to fill vacancies on the board and on any other  
6 question submitted to them by the board under this chapter. The  
7 owners of property added under this section shall have one vote  
8 per acre in the same manner as provided in subdivision (2) of  
9 subsection 2 of section 238.220.

10 2. The owners of all of the property located in a  
11 transportation development district formed under this chapter  
12 may, by unanimous petition filed with the board of directors of  
13 the district, remove any property from the district, so long as  
14 such removal will not materially affect any obligations of the  
15 district.

16 238.225. 1. Before construction or funding of any project,  
17 the district shall submit the proposed project, [together with  
18 the proposed plans and specifications,] to the commission for its  
19 prior approval [of the project]. If the commission by minute  
20 finds that the project will improve or is a necessary or  
21 desirable extension of the state highways and transportation  
22 system, the commission may preliminarily approve the project  
23 subject to the district providing plan and specifications for the  
24 proposed project and making any revisions in the plans and  
25 specifications required by the commission and the district and  
26 commission entering into a mutually satisfactory agreement  
27 regarding development and future maintenance of the project.  
28 After such preliminary approval, the district may impose and

1 collect such taxes and assessments as may be included in the  
2 commission's preliminary approval. After the commission approves  
3 the final construction plans and specifications, the district  
4 shall obtain prior commission approval of any modification of  
5 such plans or specifications.

6 2. If the proposed project is not intended to be merged  
7 into the state highways and transportation system under the  
8 commission's jurisdiction, the district shall also submit the  
9 proposed project and proposed plans and specifications to the  
10 local transportation authority that will become the owner of the  
11 project for its prior approval.

12 3. In those instances where a local transportation  
13 authority is required to approve a project and the commission  
14 determines that it has no direct interest in that project, the  
15 commission may decline to consider the project. Approval of the  
16 project shall then vest exclusively with the local transportation  
17 authority subject to the district making any revisions in the  
18 plans and specifications required by the local transportation  
19 authority and the district and the local transportation authority  
20 entering into a mutually satisfactory agreement regarding  
21 development and future maintenance of the project. After the  
22 local transportation authority approves the final construction  
23 plans and specifications, the district shall obtain prior  
24 approval of the local transportation authority before modifying  
25 such plans or specifications.

26 238.230. 1. If approved by:

27 (1) A majority of the qualified voters voting on the  
28 question in the district; or

1           (2) The owners of record of all of the real property  
2 located within the district who shall indicate their approval by  
3 signing a special assessment petition;

4     the district may make one or more special assessments for those  
5 project improvements which specially benefit the properties  
6 within the district. Improvements which may confer special  
7 benefits within a district include but are not limited to  
8 improvements which are intended primarily to serve traffic  
9 originating or ending within the district, to reduce local  
10 traffic congestion or circuitry of travel, or to improve the  
11 safety of motorists or pedestrians within the district.

12           2. The ballot question shall be substantially in the  
13 following form:

14           Shall the ..... Transportation Development  
15 District be authorized to levy special assessments against  
16 property benefited within the district for the purpose of  
17 providing revenue for the development of a project (or projects)  
18 in the district (insert general description of the project or  
19 projects, if necessary), said special assessments to be levied  
20 ratably against each tract, lot or parcel of property within the  
21 district which is benefited by such project in proportion to the  
22 (insert method of allocating special assessments), in an amount  
23 not to exceed \$ ..... per annum per (insert unit of  
24 measurement)?

25           3. The special assessment petition shall be substantially  
26 in the following form:

27           The ..... Transportation  
28 Development District shall be authorized to levy special

1 assessments against property benefited within the district for  
2 the purpose of providing revenue for the development of a project  
3 (or projects) in the district (insert general description of the  
4 project or projects, if necessary), said special assessments to  
5 be levied pro rata against each tract, lot or parcel or property  
6 within the district which is benefited by such project in  
7 proportion to the (insert method of allocating special  
8 assessments), in an amount not to exceed \$..... per annum per  
9 (insert unit of measurement).

10 4. If a proposal for making a special assessment fails, the  
11 district board of directors may, with the prior approval of the  
12 commission or the local transportation authority which will  
13 assume ownership of the completed project, delete from the  
14 project any portion which was to be funded by special assessment  
15 and which is not otherwise required for project integrity.

16 5. A district may establish different classes of real  
17 property within the district for purposes of levying differing  
18 rates of special assessments. The levy rate for special  
19 assessments may vary for each class or subclass based on the  
20 level of benefit derived by each class or subclass of real  
21 property from projects funded by the district.

22 238.275. 1. Within six months after development and  
23 initial maintenance costs of its completed project have been  
24 paid, the district shall pursuant to contract transfer ownership  
25 and control of the project to the commission or a local  
26 transportation authority which shall be responsible for all  
27 future maintenance costs pursuant to contract. Such transfer may  
28 be made sooner with the consent of the recipient.

1           2. At such time as a district has completed its project and  
2 has transferred ownership of the project to the commission or  
3 other local transportation authority for maintenance, or at such  
4 time as the board determines that it is unable to complete its  
5 project due to lack of funding or for any other reason, the board  
6 shall submit for a vote in an election held throughout the  
7 district the question of whether the district should be  
8 abolished. The question shall be submitted in substantially the  
9 following form:

10           Shall the ..... Transportation Development  
11 District be abolished?

12           3. The district board shall not propose the question to  
13 abolish the district while there are outstanding claims or causes  
14 of action pending against the district, while the district  
15 liabilities exceed its assets, or while the district is  
16 insolvent, in receivership or under the jurisdiction of the  
17 bankruptcy court. Prior to submitting the question to abolish  
18 the district to a vote, the state auditor shall audit the  
19 district to determine the financial status of the district, and  
20 whether the district may be abolished pursuant to law.

21           4. While the district still exists, it shall continue to  
22 accrue all revenues to which it is entitled at law.

23           5. Upon receipt of certification by the appropriate  
24 election authorities that the majority of those voting within the  
25 district have voted to abolish the district, and if the state  
26 auditor has determined that the district's financial condition is  
27 such that it may be abolished pursuant to law, then the board  
28 shall:

1           (1) Sell any remaining district real or personal property  
2 it wishes, and then transfer the proceeds and any other real or  
3 personal property owned by the district, including revenues due  
4 and owing the district, to the commission or any appropriate  
5 local transportation authority assuming maintenance and control  
6 of the project, for its further use and disposition;

7           (2) Terminate the employment of any remaining district  
8 employees, and otherwise conclude its affairs;

9           (3) At a public meeting of the district, declare by a  
10 majority vote that the district has been abolished effective that  
11 date; and

12           (4) Cause copies of that resolution under seal to be filed  
13 with the secretary of state, the director of revenue, the  
14 commission, and with each local transportation authority affected  
15 by the district. Upon the completion of the final act specified  
16 in this subsection, the legal existence of the district shall  
17 cease.

18           348.300. As used in sections 348.300 to 348.318, the  
19 following terms mean:

20           (1) "Commercial activity located in Missouri", any  
21 research, development, prototype fabrication, and subsequent  
22 precommercialization activity, or any activity related thereto,  
23 conducted in Missouri for the purpose of producing a service or a  
24 product or process for manufacture, assembly or sale or  
25 developing a service based on such a product or process by any  
26 person, corporation, partnership, joint venture, unincorporated  
27 association, trust or other organization doing business in  
28 Missouri. Subsequent to January 1, 1999, a commercial activity

1 located in Missouri shall mean only such activity that is located  
2 within a distressed community, as defined in section 135.530,  
3 RSMo;

4 (2) "Follow-up capital", capital provided to a commercial  
5 activity located in Missouri in which a qualified fund has  
6 previously invested seed capital or start-up capital and which  
7 does not exceed ten times the amount of such seed and start-up  
8 capital;

9 (3) "Person", any individual, corporation, partnership, or  
10 other entity, including any charitable corporation which is  
11 exempt from federal income tax and whose Missouri unrelated  
12 business taxable income, if any, would be subject to the state  
13 income tax imposed under chapter 143, RSMo;

14 (4) "Qualified contribution", cash contribution to a  
15 qualified fund;

16 [(4)] (5) "Qualified economic development organization",  
17 any corporation organized under the provisions of chapter 355,  
18 RSMo, which has as of January 1, 1991, obtained a contract with  
19 the department of economic development to operate an innovation  
20 center to promote, assist and coordinate the research and  
21 development of new services, products or processes in the state  
22 of Missouri; and the Missouri technology corporation organized  
23 pursuant to the provisions of sections 348.253 to 348.266;

24 [(5)] (6) "Qualified fund", any corporation, partnership,  
25 joint venture, unincorporated association, trust or other  
26 organization which is established under the laws of Missouri  
27 after December 31, 1985, which meets all of the following  
28 requirements established by this subdivision. The fund shall

1 have as its sole purpose and business the making of investments,  
2 of which at least ninety percent of the dollars invested shall be  
3 qualified investments. The fund shall enter into a contract with  
4 one or more qualified economic development organizations which  
5 shall entitle the qualified economic development organizations to  
6 receive not less than ten percent of all distributions of equity  
7 and dividends or other earnings of the fund. Such contracts  
8 shall require the qualified fund to transfer to the Missouri  
9 technology corporation organized pursuant to the provisions of  
10 sections 348.253 to 348.266, this interest and make corresponding  
11 distributions thereto in the event the qualified economic  
12 development organization holding such interest is dissolved or  
13 ceases to do business for a period of one year or more;

14 [(6)] (7) "Qualified investment", any investment of seed  
15 capital, start-up capital, or follow-up capital in any commercial  
16 activity located in Missouri;

17 [(7) "Person", any individual, corporation, partnership or  
18 other entity;]

19 (8) "Seed capital", capital provided to a commercial  
20 activity located in Missouri for research, development and  
21 precommercialization activities to prove a concept for a new  
22 product or process or service, and for activities related  
23 thereto;

24 (9) "Start-up capital", capital provided to a commercial  
25 activity located in Missouri for use in preproduction product  
26 development or service development or initial marketing thereof,  
27 and for activities related thereto;

28 (10) "State tax liability", any state tax liability



1 incurred by a taxpayer under the provisions of chapters 143, 147  
2 and 148, RSMo, exclusive of the provisions relating to the  
3 withholding of tax as provided for in sections 143.191 to  
4 143.265, RSMo, and related provisions;

5 (11) "Uninvested capital", the amount of any distribution,  
6 other than of earnings, by a qualified fund made within five  
7 years of the issuance of a certificate of tax credit as provided  
8 by sections 348.300 to 348.318; or the portion of all qualified  
9 contributions to a qualified fund which are not invested as  
10 qualified investments within five years of the issuance of a  
11 certificate of tax credit as provided by sections 348.300 to  
12 348.318 to the extent that the amount not so invested exceeds ten  
13 percent of all such qualified contributions.

14 578.395. 1. Any person, firm, limited liability company,  
15 or corporation who resells or offers to resell any ticket for  
16 admission, or any other evidence of the right of entry, to any  
17 public sporting event for a price in excess of the price printed  
18 on the ticket is guilty of the offense of ticket scalping. For  
19 purposes of this section, if a seller requires, as a precondition  
20 of the resale of a ticket, the purchase or rental of other goods  
21 or services at a price in excess of the fair market value of such  
22 goods or services, the excess amount shall be deemed to be part  
23 of the purchase price of the ticket.

24 2. Nothing in this section shall prohibit nor shall be  
25 deemed to prohibit a seller[, with consent of the sponsor of such  
26 sporting event,] from collecting a reasonable service charge from  
27 a ticket purchaser in return for services actually rendered.

28 3. Any person violating this section [upon conviction shall

1 be] is guilty of a misdemeanor and, except as provided in  
2 subsection 4 of this section, shall be punished as follows:

3 (1) For the first offense, by a fine of not less than fifty  
4 dollars nor more than three hundred dollars or by imprisonment in  
5 the county jail for a term of not less than fifteen days;

6 (2) For the second offense, by a fine of not less than  
7 three hundred dollars nor more than five hundred dollars or by  
8 imprisonment in the county jail for a term of not less than sixty  
9 days nor more than six months;

10 (3) For the third and each subsequent offense, by a fine of  
11 not less than five hundred dollars nor more than one thousand  
12 dollars or imprisonment in the county jail for a term of not less  
13 than six months nor more than one year.

14 4. In lieu of any fine imposed under subsection 3 of this  
15 section, the court may invoke the provisions of subsection 2 of  
16 section 560.016, RSMo, against any person convicted of a second  
17 or subsequent offense of this section.

18 5. (1) Nothing in this section or in any law or ordinance  
19 of any city, county, or other political subdivision shall  
20 prohibit or be deemed to prohibit a person, firm, limited  
21 liability company, or corporation from reselling or offering to  
22 resell via the Internet an admission ticket, at any price, or  
23 charging any fee in connection with the resale or offering of an  
24 admission ticket to any athletic contest, dance, theater,  
25 concert, circus, or other amusement, if such Internet web site's  
26 operator guarantees a full refund or future credit of the amount  
27 paid for the ticket under each of the following conditions:

28 (a) The ticketed event is cancelled;

1       **(b) The purchaser is denied admission to the ticketed**  
2 **event, using the purchased ticket, unless such denial is due to**  
3 **the action or omission of the purchaser.**

4       **(2) The Internet web site's guarantee under this subsection**  
5 **shall be clearly posted and all prospective purchasers shall be**  
6 **directed to such guaranty before completion of the resale**  
7 **transaction.**

8       **(3) A refund issued under any of the conditions provided in**  
9 **this subsection shall include any service, handling, or**  
10 **processing fees unless such fees are declared nonrefundable under**  
11 **the terms of the guarantee.**

12       **(4) The provisions of this subsection do not apply to**  
13 **student or other discounted tickets issued by institutions of**  
14 **higher education or any other state or federal not-for-profit**  
15 **institutions.**

16       620.495. 1. This section shall be known as the "Small  
17 Business Incubators Act".

18       2. As used in this section, unless the context clearly  
19 indicates otherwise, the following words and phrases shall mean:

20       (1) "Department", the department of economic development;

21       (2) "Incubator", a program in which small units of space  
22 may be leased by a tenant and in which management maintains or  
23 provides access to business development services for use by  
24 tenants or a program without infrastructure in which participants  
25 avail themselves of business development services to assist in  
26 the growth of their start-up small businesses;

27       (3) "Local sponsor" or "sponsor", an organization which  
28 enters into a written agreement with the department to establish,

1 operate and administer a small business incubator program or to  
2 provide funding to an organization which operates such a program;

3 (4) "Participant", a sole proprietorship, business  
4 partnership or corporation operating a business for profit  
5 through which the owner avails himself or herself of business  
6 development services in an incubator program;

7 (5) "Tenant", a sole proprietorship, business partnership  
8 or corporation operating a business for profit and leasing or  
9 otherwise occupying space in an incubator.

10 3. There is hereby established under the direction of the  
11 department a loan, loan guarantee and grant program for the  
12 establishment, operation and administration of small business  
13 incubators, to be known as the "Small Business Incubator  
14 Program". A local sponsor may submit an application to the  
15 department to obtain a loan, loan guarantee or grant to establish  
16 an incubator. Each application shall:

17 (1) Demonstrate that a program exists that can be  
18 transformed into an incubator at a specified cost;

19 (2) Demonstrate the ability to directly provide or arrange  
20 for the provision of business development services for tenants  
21 and participants of the incubator. These services shall include,  
22 but need not be limited to, financial consulting assistance,  
23 management and marketing assistance, business education, and  
24 physical services;

25 (3) Demonstrate a potential for sustained use of the  
26 incubator program by eligible tenants and participants, through a  
27 market study or other means;

28 (4) Demonstrate the ability to manage and operate the

1 incubator program;

2 (5) Include such other information as the department may  
3 require through its guidelines.

4 4. The department shall review and accept applications  
5 based on the following criteria:

6 (1) Ability of the local sponsor to carry out the  
7 provisions of this section;

8 (2) Economic impact of the incubator on the community;

9 (3) Conformance with areawide and local economic  
10 development plans, if such exist;

11 (4) Location of the incubator, in order to encourage  
12 geographic distribution of incubators across the state.

13 5. Loans, loan guarantees and grants shall be administered  
14 in the following manner:

15 (1) Loans awarded or guaranteed and grants awarded shall be  
16 used only for the acquisition and leasing of land and existing  
17 buildings, the rehabilitation of buildings or other facilities,  
18 construction of new facilities, the purchase of equipment and  
19 furnishings which are necessary for the creation and operation of  
20 the incubator, and business development services including, but  
21 not limited to, business management advising and business  
22 education;

23 (2) Loans, loan guarantees and grants may not exceed fifty  
24 percent of total eligible project costs;

25 (3) Payment of interest and principal on loans may be  
26 deferred at the discretion of the department.

27 6. A local sponsor, or the organization receiving  
28 assistance through the local sponsor, shall have the following

responsibilities and duties in establishing and operating an incubator with assistance from the small business incubator program:

(1) Secure title on a facility for the program or a lease of a facility for the program;

(2) Manage the physical development of the incubator program, including the provision of common conference or meeting space;

(3) Furnish and equip the program to provide business services to the tenants and participants;

(4) Market the program and secure eligible tenants and participants;

(5) Provide financial consulting, marketing and management assistance services or arrange for the provision of these services for tenants and participants of the incubator, including assistance in accessing private financial markets;

(6) Set rental and service fees;

(7) Encourage the sharing of ideas between tenants and participants and otherwise aid the tenants and participants in an innovative manner while they are within the incubator;

(8) Establish policies and criteria for the acceptance of tenants and participants into the incubator and for the termination of occupancy of tenants so as to maximize the opportunity to succeed for the greatest number of tenants, consistent with those specified in this section.

7. The department:

(1) May adopt such rules, statements of policy, procedures, forms and guidelines as may be necessary for the implementation

1 of this section;

2 (2) May make loans, loan guarantees and grants to local  
3 sponsors for incubators;

4 (3) Shall ensure that local sponsors receiving loans, loan  
5 guarantees or grants meet the conditions of this section;

6 (4) Shall receive and evaluate annual reports from local  
7 sponsors. Such annual reports shall include, but need not be  
8 limited to, a financial statement for the incubator, evidence  
9 that all tenants and participants in the program are eligible  
10 under the terms of this section, and a list of companies in the  
11 incubator.

12 8. The department of economic development is also hereby  
13 authorized to review any previous loans made under this program  
14 and, where appropriate in the department's judgment, convert such  
15 loans to grant status.

16 9. On or before January first of each year, the department  
17 shall provide a report to the governor, the chief clerk of the  
18 house of representatives and the secretary of the senate which  
19 shall include, but need not be limited to:

20 (1) The number of applications for incubators submitted to  
21 the department;

22 (2) The number of applications for incubators approved by  
23 the department;

24 (3) The number of incubators created through the small  
25 business incubator program;

26 (4) The number of tenants and participants engaged in each  
27 incubator;

28 (5) The number of jobs provided by each incubator and

1 tenants and participant of each incubator;

2 (6) The occupancy rate of each incubator;

3 (7) The number of firms still operating in the state after  
4 leaving incubators and the number of jobs they have provided.

5 10. There is hereby established in the state treasury a  
6 special fund to be known as the "Missouri Small Business  
7 Incubators Fund", which shall consist of all moneys which may be  
8 appropriated to it by the general assembly, and also any gifts,  
9 contributions, grants or bequests received from federal, private  
10 or other sources. Moneys for loans, loan guarantees and grants  
11 under the small business incubator program may be obtained from  
12 appropriations made by the general assembly from the Missouri  
13 small business incubators fund. Any moneys remaining in the  
14 Missouri small business incubators fund at the end of any fiscal  
15 year shall not lapse to the general revenue fund, as provided in  
16 section 33.080, RSMo, but shall remain in the Missouri small  
17 business incubators fund.

18 11. For any taxable year beginning after December 31, 1989,  
19 a taxpayer, including any charitable organization which is exempt  
20 from federal income tax and whose Missouri unrelated business  
21 taxable income, if any, would be subject to the state income tax  
22 imposed under chapter 143, RSMo, shall be entitled to a tax  
23 credit against any tax otherwise due under the provisions of  
24 chapter 143, RSMo, or chapter 147, RSMo, or chapter 148, RSMo,  
25 excluding withholding tax imposed by sections 143.191 to 143.265,  
26 RSMo, in the amount of fifty percent of any amount contributed by  
27 the taxpayer to the Missouri small business incubators fund  
28 during the taxpayer's tax year or any contribution by the



1 taxpayer to a local sponsor after the local sponsor's application  
2 has been accepted and approved by the department. The tax credit  
3 allowed by this subsection shall be claimed by the taxpayer at  
4 the time he files his return and shall be applied against the  
5 income tax liability imposed by chapter 143, RSMo, or chapter  
6 147, RSMo, or chapter 148, RSMo, after all other credits provided  
7 by law have been applied. That portion of earned tax credits  
8 which exceeds the taxpayer's tax liability may be carried forward  
9 for up to five years. The aggregate of all tax credits  
10 authorized under this section shall not exceed five hundred  
11 thousand dollars in any taxable year.

12 12. Notwithstanding any provision of Missouri law to the  
13 contrary, any taxpayer may sell, assign, exchange, convey or  
14 otherwise transfer tax credits allowed in subsection 11 of this  
15 section under the terms and conditions prescribed in subdivisions  
16 (1) and (2) of this subsection. Such taxpayer, hereinafter the  
17 assignor for the purpose of this subsection, may sell, assign,  
18 exchange or otherwise transfer earned tax credits:

19 (1) For no less than seventy-five percent of the par value  
20 of such credits; and

21 (2) In an amount not to exceed one hundred percent of  
22 annual earned credits.

23 The taxpayer acquiring earned credits, hereinafter the assignee  
24 for the purpose of this subsection, may use the acquired credits  
25 to offset up to one hundred percent of the tax liabilities  
26 otherwise imposed by chapter 143, RSMo, or chapter 147, RSMo, or  
27 chapter 148, RSMo, excluding withholding tax imposed by sections

1 143.191 to 143.265, RSMo. Unused credits in the hands of the  
2 assignee may be carried forward for up to five years. The  
3 assignor shall enter into a written agreement with the assignee  
4 establishing the terms and conditions of the agreement and shall  
5 perfect such transfer by notifying the department of economic  
6 development in writing within thirty calendar days following the  
7 effective day of the transfer and shall provide any information  
8 as may be required by the department of economic development to  
9 administer and carry out the provisions of this section. The  
10 director of the department of economic development shall  
11 prescribe the method for submitting applications for claiming the  
12 tax credit allowed under subsection 11 of this section and shall,  
13 if the application is approved, certify to the director of  
14 revenue that the taxpayer claiming the credit has satisfied all  
15 the requirements specified in this section and is eligible to  
16 claim the credit.

17 620.504. 1. There is hereby established the "Missouri  
18 Workforce Investment Board", hereinafter referred to as "the  
19 board" in sections 620.504 to 620.509.

20 2. The purpose of the board is to provide workforce  
21 investment activities, through statewide and local workforce  
22 investment systems, that increase the employment, retention, and  
23 earnings of participants, and increase occupational skill  
24 attainment by participants, and, as a result, improve the quality  
25 of the workforce, reduce welfare dependency, and enhance the  
26 productivity and competitiveness of the state of Missouri. The  
27 board shall be the state's advisory board pertaining to workforce  
28 preparation policy.

1       3. The board shall meet the requirements of the federal  
2 Workforce Investment Act of 1998, hereinafter referred to as the  
3 "WIA", P.L. 105-220, as amended. Should another federal law  
4 supplant the WIA, all references in sections 620.504 to 620.509  
5 to the WIA shall apply as well to the new federal law.

6       4. Composition of the board shall comply with the WIA.  
7 Board members appointed by the governor shall be subject to the  
8 advice and consent of the senate. Consistent with the  
9 requirements of the WIA, the governor shall designate one member  
10 of the board to be its chairperson.

11       5. Except as otherwise provided in subsection 6 of this  
12 section, each member of the board shall serve for a term of four  
13 years, subject to the pleasure of the governor, and until a  
14 successor is duly appointed. In the event of a vacancy on the  
15 board, the vacancy shall be filled in the same manner as the  
16 original appointment and said replacement shall serve the  
17 remainder of the original appointee's unexpired term.

18       6. Of the members initially appointed to the board,  
19 one-fourth shall be appointed for a term of four years,  
20 one-fourth shall be appointed for a term of three years,  
21 one-fourth shall be appointed for a term of two years, and  
22 one-fourth shall be appointed for a term of one year.

23       7. Board members shall receive no compensation, but shall  
24 be reimbursed for all necessary expenses actually incurred in the  
25 performance of their duties.

26       620.507. 1. The board shall establish bylaws governing its  
27 organization, operation, and procedure consistent with sections  
28 620.504 to 620.509, and consistent with the WIA.

1       2. The board shall meet at least four times each year at  
2 the call of the chairperson.

3       3. In order to assure objective management and oversight,  
4 the board shall not operate programs or provide services directly  
5 to eligible participants, but shall exist solely to plan,  
6 coordinate, and monitor the provisions of such programs and  
7 services. A member of the board may not vote on a matter under  
8 consideration by the board that regards the provision of services  
9 by the member or by an entity that the member represents or would  
10 provide direct financial benefit to the member or the immediate  
11 family of the member. A member of the board may not engage in  
12 any other activity determined by the governor to constitute a  
13 conflict of interest.

14       4. The composition and the roles and responsibilities of  
15 the board membership may be amended to comply with any succeeding  
16 federal or state legislative or regulatory requirements governing  
17 workforce investment activities, except that the procedure for  
18 such change shall be outlined in state rules and regulations and  
19 adopted in the bylaws of the board.

20       5. The department of economic development shall provide  
21 professional, technical, and clerical staff for the board.

22       6. The board may promulgate any rules and regulations  
23 necessary to administer the provisions of sections 620.504 to  
24 620.509. Any rule or portion of a rule, as that term is defined  
25 in section 536.010, RSMo, that is created under the authority  
26 delegated in this section shall become effective only if it  
27 complies with and is subject to all of the provisions of chapter  
28 536, RSMo, and, if applicable, section 536.028, RSMo. This

1 section and chapter 536, RSMo, are nonseverable and if any of the  
2 powers vested with the general assembly pursuant to chapter 536,  
3 RSMo, to review, to delay the effective date, or to disapprove  
4 and annul a rule are subsequently held unconstitutional, then the  
5 grant of rulemaking authority and any rule proposed or adopted  
6 after August 28, 2007, shall be invalid and void.

7 620.509. 1. The board shall assist the governor with the  
8 functions described in section 111(d) of the WIA 29 U.S.C. 2821d  
9 and any regulations issued pursuant to the WIA.

10 2. The board shall submit an annual report of its  
11 activities to the governor, the speaker of the house of  
12 representatives, and the president pro tem of the senate no later  
13 than January thirty-first of each year.

14 3. Nothing in sections 620.504 to 620.509 shall be  
15 construed to require or allow the board to assume or supersede  
16 the statutory authority granted to, or impose any duties or  
17 requirements on, the state coordinating board for higher  
18 education, the governing boards of the state's public colleges  
19 and universities, the state board of education, or any local  
20 educational agencies.

21 620.638. As used in sections 620.635 to 620.653, the  
22 following terms mean:

23 (1) "Board", the Missouri seed capital investment board, as  
24 established pursuant to section 620.641;

25 (2) "Committed contributions", the total amount of  
26 qualified contributions that are committed to a qualifying fund  
27 by contractual agreement;

28 (3) "Corporation", the Missouri technology corporation as

1 established pursuant to section 348.251, RSMo;

2 (4) "Department", the department of economic development;

3 (5) "Director", the director of the department of economic  
4 development;

5 (6) "Follow-up capital", capital provided to a qualified  
6 business in which a qualified fund has previously invested seed  
7 capital or start-up capital. No more than forty percent of the  
8 qualified contributions to a qualified fund may be used for  
9 follow-up capital, and no qualified contributions which generate  
10 tax credits before the second round of allocations as authorized  
11 by section 620.650 shall be used for follow-up capital  
12 investments;

13 (7) "Person", any individual, corporation, partnership,  
14 limited liability company or other entity, including any  
15 charitable organization which is exempt from federal income tax  
16 and whose Missouri unrelated business taxable income, if any,  
17 would be subject to the state income tax imposed under chapter  
18 143, RSMo;

19 (8) "Positive cash flow", total cash receipts from sales or  
20 services, but not from investments or loans, exceeding total cash  
21 expenditures as calculated on a fiscal year basis;

22 (9) "Qualified business", any independently owned and  
23 operated business which is headquartered and located in Missouri  
24 and which is involved in or intends to be involved in commerce  
25 for the purpose of manufacturing, processing or assembling  
26 products, conducting research and development, or providing  
27 services in interstate commerce. Such a business shall maintain  
28 its headquarters in Missouri for a period of at least three years

1 from the date of receipt of a qualified investment or be subject  
2 to penalties pursuant to section 620.017;

3 (10) "Qualified contribution", cash contributions to a  
4 qualified fund pursuant to the terms of contractual agreements  
5 made between the qualified fund and a qualified economic  
6 development organization authorized by the board to enter into  
7 such contracts;

8 (11) "Qualified economic development organization", any  
9 corporation organized pursuant to the provisions of chapter 355,  
10 RSMo, that, as of January 1, 1991, had obtained a contract with  
11 the department to operate an innovation center to promote, assist  
12 and coordinate the research and development of new services,  
13 products or processes in this state;

14 (12) "Qualified fund", a fund established by any  
15 corporation, partnership, joint venture, unincorporated  
16 association, trust or other organization established pursuant to  
17 the laws of Missouri and approved by the board or the  
18 corporation;

19 (13) "Qualified investment", any investment of seed  
20 capital, start-up capital or follow-up capital in a qualified  
21 business that does not cause more than ten percent of all the  
22 qualified contributions to a qualified fund to be invested in a  
23 single qualified business;

24 (14) "Seed capital", capital provided to a qualified  
25 business for research, development and precommercialization  
26 activities to prove a concept for a new product, process or  
27 service, and for activities related thereto; provided that, seed  
28 capital shall not be provided to any business which in a past

1   fiscal year has experienced a positive cash flow;

2           (15) "Start-up capital", capital provided to a qualified  
3   business for use in preproduction product development, service  
4   development or initial marketing thereof; provided that, start-up  
5   capital shall not be provided to any business which has  
6   experienced a positive cash flow in a past fiscal year;

7           (16) "Uninvested capital", that portion of any qualified  
8   contribution to a qualified fund, other than management fees not  
9   to exceed three percent per year of committed contributions,  
10   qualified investments and other expenses or fees authorized by  
11   the board, that is not invested as a qualified investment within  
12   ten years of its receipt.

13           620.1039. 1. As used in this section, the term "taxpayer"  
14   means an individual, a partnership, or any charitable  
15   organization which is exempt from federal income tax and whose  
16   Missouri unrelated business taxable income, if any, would be  
17   subject to the state income tax imposed under chapter 143, RSMo,  
18   or a corporation as described in section 143.441 or 143.471,  
19   RSMo, or section 148.370, RSMo, and the term "qualified research  
20   expenses" has the same meaning as prescribed in 26 U.S.C. 41.

21           2. For tax years beginning on or after January 1, 2001, the  
22   director of the department of economic development may authorize  
23   a taxpayer to receive a tax credit against the tax otherwise due  
24   pursuant to chapter 143, RSMo, or chapter 148, RSMo, other than  
25   the taxes withheld pursuant to sections 143.191 to 143.265, RSMo,  
26   in an amount up to six and one-half percent of the excess of the  
27   taxpayer's qualified research expenses, as certified by the  
28   director of the department of economic development, within this



1 state during the taxable year over the average of the taxpayer's  
2 qualified research expenses within this state over the  
3 immediately preceding three taxable years; except that, no tax  
4 credit shall be allowed on that portion of the taxpayer's  
5 qualified research expenses incurred within this state during the  
6 taxable year in which the credit is being claimed, to the extent  
7 such expenses exceed two hundred percent of the taxpayer's  
8 average qualified research expenses incurred during the  
9 immediately preceding three taxable years.

10 3. The director of economic development shall prescribe the  
11 manner in which the tax credit may be applied for. The tax  
12 credit authorized by this section may be claimed by the taxpayer  
13 to offset the tax liability imposed by chapter 143, RSMo, or  
14 chapter 148, RSMo, that becomes due in the tax year during which  
15 such qualified research expenses were incurred. Where the amount  
16 of the credit exceeds the tax liability, the difference between  
17 the credit and the tax liability may only be carried forward for  
18 the next five succeeding taxable years or until the full credit  
19 has been claimed, whichever first occurs. The application for  
20 tax credits authorized by the director pursuant to subsection 2  
21 of this section shall be made no later than the end of the  
22 taxpayer's tax period immediately following the tax period for  
23 which the credits are being claimed.

24 4. Certificates of tax credit issued pursuant to this  
25 section may be transferred, sold or assigned by filing a  
26 notarized endorsement thereof with the department which names the  
27 transferee and the amount of tax credit transferred. The  
28 director of economic development may allow a taxpayer to

1 transfer, sell or assign up to forty percent of the amount of the  
2 certificates of tax credit issued to and not claimed by such  
3 taxpayer pursuant to this section during any tax year commencing  
4 on or after January 1, 1996, and ending not later than December  
5 31, 1999. Such taxpayer shall file, by December 31, 2001, an  
6 application with the department which names the transferee, the  
7 amount of tax credit desired to be transferred, and a  
8 certification that the funds received by the applicant as a  
9 result of the transfer, sale or assignment of the tax credit  
10 shall be expended within three years at the state university for  
11 the sole purpose of conducting research activities agreed upon by  
12 the department, the taxpayer and the state university. Failure  
13 to expend such funds in the manner prescribed pursuant to this  
14 section shall cause the applicant to be subject to the provisions  
15 of section 620.017.

16 5. No rule or portion of a rule promulgated under the  
17 authority of this section shall become effective unless it has  
18 been promulgated pursuant to the provisions of chapter 536, RSMo.  
19 All rulemaking authority delegated prior to June 27, 1997, is of  
20 no force and effect and repealed; however, nothing in this  
21 section shall be interpreted to repeal or affect the validity of  
22 any rule filed or adopted prior to June 27, 1997, if such rule  
23 complied with the provisions of chapter 536, RSMo. The  
24 provisions of this section and chapter 536, RSMo, are  
25 nonseverable and if any of the powers vested with the general  
26 assembly pursuant to chapter 536, RSMo, including the ability to  
27 review, to delay the effective date, or to disapprove and annul a  
28 rule or portion of a rule, are subsequently held

1 unconstitutional, then the purported grant of rulemaking  
2 authority and any rule so proposed and contained in the order of  
3 rulemaking shall be invalid and void.

4 6. The aggregate of all tax credits authorized pursuant to  
5 this section shall not exceed nine million seven hundred thousand  
6 dollars in any year.

7 7. For all tax years beginning on or after January 1, 2005,  
8 no tax credits shall be approved, awarded, or issued to any  
9 person or entity claiming any tax credit under this section.

10 620.1878. For the purposes of sections 620.1875 to  
11 620.1890, the following terms shall mean:

12 (1) "Approval", a document submitted by the department to  
13 the qualified company that states the benefits that may be  
14 provided by this program;

15 (2) "Average wage", the new payroll divided by the number  
16 of new jobs;

17 [(2)] (3) "Commencement of operations", the starting date  
18 for the qualified company's first new employee, which must be no  
19 later than twelve months from the date of the [proposal]  
20 approval;

21 [(3)] (4) "County average wage", the average wages in each  
22 county as determined by the department for the most recently  
23 completed full calendar year. However, if the computed county  
24 average wage is above the statewide average wage, the statewide  
25 average wage shall be deemed the county average wage for such  
26 county for the purpose of determining eligibility. The  
27 department shall publish the county average wage for each county  
28 at least annually. Notwithstanding the provisions of this

1 subdivision to the contrary, for any qualified company that in  
2 conjunction with their project is relocating employees from a  
3 Missouri county with a higher county average wage, the company  
4 shall obtain the endorsement of the governing body of the  
5 community from which jobs are being relocated or the county  
6 average wage for their project shall be the county average wage  
7 for the county from which the employees are being relocated;

8       [(4)] (5) "Department", the Missouri department of economic  
9 development;

10       [(5)] (6) "Director", the director of the department of  
11 economic development;

12       [(6)] (7) "Employee", a person employed by a qualified  
13 company on a full-time basis, who receives an annual salary equal  
14 to or less than the average salary for the county in which the  
15 employee is employed or deemed to be employed;

16       [(7) "Full-time equivalent employees", employees of the  
17 qualified company converted to reflect an equivalent of the  
18 number of full-time, year-round employees. The method for  
19 converting part-time and seasonal employees into an equivalent  
20 number of full-time, year-round employees shall be published in a  
21 rule promulgated by the department as authorized in section  
22 620.1884;]

23       (8) "Full-time[, year-round] employee", an employee of the  
24 qualified company that [works] is scheduled to work an average of  
25 at least thirty-five hours per week for a twelve-month period,  
26 and one for which the qualified company offers health insurance  
27 and pays at least fifty percent of such insurance premiums;

28       (9) "High-impact project", a qualified company that, within

1 two years from commencement of operations, creates one hundred or  
2 more new jobs;

3 (10) "Local incentives", the present value of the dollar  
4 amount of direct benefit received by a qualified company for a  
5 project facility from one or more local political subdivisions,  
6 but shall not include loans or other funds provided to the  
7 qualified company that must be repaid by the qualified company to  
8 the political subdivision;

9 (11) "NAICS", the 1997 edition of the North American  
10 Industry Classification System as prepared by the Executive  
11 Office of the President, Office of Management and Budget. Any  
12 NAICS sector, subsector, industry group or industry identified in  
13 this section shall include its corresponding classification in  
14 subsequent federal industry classification systems;

15 (12) "New direct local revenue", the present value of the  
16 dollar amount of direct net new tax revenues of the local  
17 political subdivisions likely to be produced by the project over  
18 a ten-year period as calculated by the department, excluding  
19 local earnings tax, and net new utility revenues, provided the  
20 local incentives include a discount or other direct incentives  
21 from utilities owned or operated by the political subdivision;

22 (13) "New investment", the purchase or leasing of new  
23 tangible assets to be placed in operation at the project  
24 facility, which will be directly related to the new jobs;

25 (14) "New job", the number of full-time[, year-round]  
26 employees located at the project facility that exceeds the  
27 project facility base employment less any decrease in the number  
28 of full-time [equivalent] employees at related facilities below

1 the related facility base employment. No job that was created  
2 prior to the date of the notice of intent shall be deemed a new  
3 job;

4 (15) "New payroll", [the amount of wages paid by a  
5 qualified company to employees in new jobs] the amount of taxable  
6 wages of full-time employees, excluding owners, located at the  
7 project facility that exceeds the project facility base payroll.  
8 If full-time employment at related facilities is below the  
9 related facility base employment, any decrease in payroll for  
10 full-time employees at the related facilities below that related  
11 facility base payroll shall also be subtracted to determine new  
12 payroll;

13 (16) "Notice of intent", a form developed by the  
14 department, completed by the qualified company and submitted to  
15 the department which states the qualified company's intent to  
16 hire new jobs and request benefits under this program;

17 (17) "Percent of local incentives", the amount of local  
18 incentives divided by the amount of new direct local revenue;

19 (18) "Program", the Missouri quality jobs program provided  
20 in sections 620.1875 to 620.1890;

21 (19) "Project facility", the building used by a qualified  
22 company at which the new jobs and new investment will be located.  
23 A project facility may include separate buildings that are  
24 located within one mile of each other such that their purpose and  
25 operations are interrelated;

26 (20) "Project facility base employment", the greater of the  
27 number of full-time employees located at the project facility on  
28 the date the notice of intent or for the twelve-month period

1 prior to the date of the [proposal] notice of intent, the average  
2 number of full-time [equivalent] employees located at the project  
3 facility. In the event the project facility has not been in  
4 operation for a full twelve-month period, [project facility base  
5 employment is] the average number of full-time [equivalent]  
6 employees for the number of months the project facility has been  
7 in operation prior to the date of the [proposal] notice of  
8 intent;

9 (21) "Project facility base payroll", the total amount of  
10 taxable wages paid by the qualified company to full-time  
11 employees of the qualified company located at the project  
12 facility in the twelve months prior to the notice of intent, not  
13 including the payroll of the owners of the qualified company  
14 unless the qualified company is participating in an employee  
15 stock ownership plan. For purposes of calculating the benefits  
16 under this program, the amount of base payroll shall increase  
17 each year based on an appropriate measure, as determined by the  
18 department;

19 (22) "Project period", the time period that the benefits  
20 are provided to a qualified company;

21 [(22) "Proposal", a document submitted by the department to  
22 the qualified company that states the benefits that may be  
23 provided by this program. The effective date of such proposal  
24 cannot be prior to the commencement of operations. The proposal  
25 shall not offer benefits regarding any jobs created prior to its  
26 effective date unless the proposal is for a job retention  
27 project;]

28 (23) "Qualified company", a firm, partnership, joint

1 venture, association, private or public corporation whether  
2 organized for profit or not, or headquarters of such entity  
3 registered to do business in Missouri that is the owner or  
4 operator of a project facility, offers health insurance to all  
5 full-time employees of all facilities located in this state, and  
6 pays at least fifty percent of such insurance premiums. For the  
7 purposes of sections 620.1875 to 620.1890, the term "qualified  
8 company" shall not include:

- 9 (a) Gambling establishments (NAICS industry group 7132);
- 10 (b) Retail trade establishments (NAICS sectors 44 and 45);
- 11 (c) Food and drinking places (NAICS subsector 722);
- 12 (d) [Utilities regulated by the Missouri public service  
13 commission] Public utilities (NAICS 221 including water and sewer  
14 services);
- 15 (e) Any company that is delinquent in the payment of any  
16 nonprotested taxes or any other amounts due the state or federal  
17 government or any other political subdivision of this state; [or]
- 18 (f) Any company that has filed for or has publicly  
19 announced its intention to file for bankruptcy protection;
- 20 (g) Educational services (NAIC sector 61);
- 21 (h) Religious organizations (NAIC industry group 8131); or
- 22 (i) Public administration (NAIC sector 92).

23 Notwithstanding any provision of this section to the contrary,  
24 the headquarters or administrative offices of an otherwise  
25 excluded business may qualify for benefits if the offices serve a  
26 multistate territory. In the event a national, state, or  
27 regional headquarters operation is not the predominant activity



1 of a project facility, the new jobs and investment of such  
2 headquarters operation is considered eligible for benefits under  
3 this section if the other requirements are satisfied;

4 (24) "Related company" means:

5 (a) A corporation, partnership, trust, or association  
6 controlled by the qualified company;

7 (b) An individual, corporation, partnership, trust, or  
8 association in control of the qualified company; or

9 (c) Corporations, partnerships, trusts or associations  
10 controlled by an individual, corporation, partnership, trust or  
11 association in control of the qualified company. As used in this  
12 subdivision, ["]control of a corporation["] shall mean ownership,  
13 directly or indirectly, of stock possessing at least fifty  
14 percent of the total combined voting power of all classes of  
15 stock entitled to vote, ["]control of a partnership or  
16 association["] shall mean ownership of at least fifty percent of  
17 the capital or profits interest in such partnership or  
18 association, ["]control of a trust["] shall mean ownership,  
19 directly or indirectly, of at least fifty percent of the  
20 beneficial interest in the principal or income of such trust, and  
21 ownership shall be determined as provided in Section 318 of the  
22 Internal Revenue Code of 1986, as amended;

23 (25) "Related facility", a facility operated by the  
24 qualified company or a related company located in this state that  
25 is directly related to the operations of the project facility;

26 (26) "Related facility base employment", the greater of the  
27 number of full-time employees located at all related facilities  
28 on the date of the notice of intent or for the twelve-month

1 period prior to the date of the [proposal] notice of intent, the  
2 average number of full-time [equivalent] employees located at all  
3 related facilities of the qualified company or a related company  
4 located in this state;

5 (27) "Related facility base payroll", the total amount of  
6 taxable wages paid by the qualified company to full-time  
7 employees of the qualified company located at a related facility  
8 in the twelve months prior to the filing of the notice of intent,  
9 not including the payroll of the owners of the qualified company  
10 unless the qualified company is participating in an employee  
11 stock ownership plan. For purposes of calculating the benefits  
12 under this program, the amount of related facility base payroll  
13 shall increase each year based on an appropriate measure, as  
14 determined by the department;

15 (28) "Rural area", a county in Missouri with a population  
16 less than seventy-five thousand or that does not contain an  
17 individual city with a population greater than fifty thousand  
18 according to the most recent federal decennial census;

19 [(28)] (29) "Small and expanding business project", a  
20 qualified company that within two years of the date of the  
21 [proposal] approval creates a minimum of twenty new jobs if the  
22 project facility is located in a rural area or a minimum of forty  
23 new jobs if the project facility is not located in a rural area  
24 and creates fewer than one hundred new jobs regardless of the  
25 location of the project facility;

26 [(29)] (30) "Tax credits", tax credits issued by the  
27 department to offset the state income taxes imposed by [chapter]  
28 chapters 143 and 148, RSMo, or which may be sold or refunded as

1 provided for in this program;

2       [(30)] (31) "Technology business project", a qualified  
3 company that within two years of the date of the [proposal]  
4 approval creates a minimum of ten new jobs [with at least  
5 seventy-five percent of the new jobs directly] involved in the  
6 operations of a technology company as determined by a regulation  
7 promulgated by the department under the provisions of section  
8 620.1884 [and] or classified by NAICS codes; or which researches,  
9 develops, or manufactures power system technology for:  
10 aerospace; space; defense; hybrid vehicles; or implantable or  
11 wearable medical devices;

12       [(31)] (32) "Withholding tax", the state tax imposed by  
13 sections 143.191 to 143.265, RSMo. For purposes of this program,  
14 the withholding tax shall be computed using a schedule as  
15 determined by the department based on average wages.

16       620.1881. 1. The department of economic development shall  
17 respond within thirty days to a company who provides a notice of  
18 intent with either [a proposal] an approval or a rejection of the  
19 notice of intent. The department shall give preference to  
20 qualified companies and projects targeted at an area of the state  
21 which has recently been classified as a disaster area by the  
22 federal government. Failure to respond on behalf of the  
23 department of economic development shall result in the notice of  
24 intent being deemed [a proposal] an approval for the purposes of  
25 this section. A qualified company who is provided [a proposal]  
26 an approval for a project shall be allowed a benefit as provided  
27 in this program in the amount and duration provided in this  
28 section. A qualified company may receive additional periods for

1 subsequent new jobs at the same facility after the full initial  
2 period if the minimum thresholds are met as set forth in sections  
3 620.1875 to 620.1890. There is no limit on the number of periods  
4 a qualified company may participate in the program, as long as  
5 the minimum thresholds are achieved and the qualified company  
6 provides the department with the required reporting and is in  
7 proper compliance for this program or other state programs. A  
8 qualified company may elect to file a notice of intent to start a  
9 new project period concurrent with an existing project period if  
10 the minimum thresholds are achieved and the qualified company  
11 provides the department with the required reporting and is in  
12 proper compliance for this program and other state programs;  
13 however, the qualified company may not receive any further  
14 benefit under the original [proposal] approval for jobs created  
15 after the date of the new notice of intent, and any jobs created  
16 before the new notice of intent may not be included as new jobs  
17 for the purpose of benefit calculation in relation to the new  
18 [proposal] approval.

19 2. Notwithstanding any provision of law to the contrary,  
20 any qualified company that is awarded benefits under this program  
21 may not [also] simultaneously receive tax credits or exemptions  
22 under sections 135.100 to 135.150, sections 135.200 to 135.286,  
23 section 135.535, or sections 135.900 to 135.906, RSMo, [for the  
24 same new jobs] at the same project facility. The benefits  
25 available to the company under any other state programs for which  
26 the company is eligible and which utilize withholding tax from  
27 the new jobs of the company must first be credited to the other  
28 state program before the withholding retention level applicable

1 under the Missouri quality jobs act will begin to accrue. These  
2 other state programs include, but are not limited to, the new  
3 jobs training program under sections 178.892 to 178.896, RSMo,  
4 the job retention program under sections 178.760 to 178.764,  
5 RSMo, the real property tax increment allocation redevelopment  
6 act, sections 99.800 to 99.865, RSMo, or the Missouri downtown  
7 and rural economic stimulus act under sections 99.915 to 99.980,  
8 RSMo. If any qualified company also participates in the new jobs  
9 training program in sections 178.892 to 178.896, RSMo, the  
10 company shall retain no withholding tax, but the department shall  
11 issue a refundable tax credit for the full amount of benefit  
12 allowed under this subdivision. The calendar year annual maximum  
13 amount of tax credits which may be issued to a qualifying company  
14 that also participates in the new job training program shall be  
15 increased by an amount equivalent to the withholding tax retained  
16 by that company under the new jobs training program. However, if  
17 the combined benefits of the quality jobs program and the new  
18 jobs training program exceed the projected state benefit of the  
19 project, as determined by the department of economic development  
20 through a cost-benefit analysis, the increase in the maximum tax  
21 credits shall be limited to the amount that would not cause the  
22 combined benefits to exceed the projected state benefit. Any  
23 taxpayer who is awarded benefits under this program who knowingly  
24 hires individuals who are not allowed to work legally in the  
25 United States shall immediately forfeit such benefits and shall  
26 repay the state an amount equal to any state tax credits already  
27 redeemed and any withholding taxes already retained.

28 3. The types of projects and the amount of benefits to be

provided are:

(1) Small and expanding business projects: in exchange for the consideration provided by the new tax revenues and other economic [stimulus] stimuli that will be generated by the new jobs created by the program, a qualified company may retain an amount equal to the withholding tax as calculated under subdivision (32) of section 620.1878 from the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265, RSMo, for a period of three years from the date the required number of new jobs were created if the average wage of the new payroll equals or exceeds the county average wage or for a period of five years from the date the required number of new jobs were created if the average wage of the new payroll equals or exceeds one hundred twenty percent of the county average wage;

(2) Technology business projects: in exchange for the consideration provided by the new tax revenues and other economic [stimulus] stimuli that will be generated by the new jobs created by the program, a qualified company may retain an amount equal to a maximum of five percent of new payroll for a period of five years from the date the required number of jobs were created from the withholding tax of the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265, RSMo, if the average wage of the new payroll equals or exceeds the county average wage. An additional one-half percent of new payroll may be added to the five percent maximum if the average wage of the new payroll in any year exceeds one hundred twenty percent of the

1 county average wage in the county in which the project facility  
2 is located, plus an additional one-half percent of new payroll  
3 may be added if the average wage of the new payroll in any year  
4 exceeds one hundred forty percent of the average wage in the  
5 county in which the project facility is located. The department  
6 shall issue a refundable tax credit for any difference between  
7 the amount of benefit allowed under this subdivision and the  
8 amount of withholding tax retained by the company, in the event  
9 the withholding tax is not sufficient to provide the entire  
10 amount of benefit due to the qualified company under this  
11 subdivision. The calendar year annual maximum amount of tax  
12 credits that may be issued to any qualified company for a project  
13 or combination of projects is five hundred thousand dollars;

14 (3) High impact projects: in exchange for the  
15 consideration provided by the new tax revenues and other economic  
16 [stimulus] stimuli that will be generated by the new jobs created  
17 by the program, a qualified company may retain an amount from the  
18 withholding tax of the new jobs that would otherwise be withheld  
19 and remitted by the qualified company under the provisions of  
20 sections 143.191 to 143.265, RSMo, equal to three percent of new  
21 payroll for a period of five years from the date the required  
22 number of jobs were created if the average wage of the new  
23 payroll equals or exceeds the county average wage of the county  
24 in which the project facility is located. The percentage of  
25 payroll allowed under this subdivision shall be three and  
26 one-half percent of new payroll if the average wage of the new  
27 payroll in any year exceeds one hundred twenty percent of the  
28 county average wage in the county in which the project facility

1 is located. The percentage of payroll allowed under this  
2 subdivision shall be four percent of new payroll if the average  
3 wage of the new payroll in any year exceeds one hundred forty  
4 percent of the county average wage in the county in which the  
5 project facility is located. An additional one percent of new  
6 payroll may be added to these percentages if local incentives  
7 equal between ten percent and twenty-four percent of the new  
8 direct local revenue; an additional two percent of new payroll is  
9 added to these percentages if the local incentives equal between  
10 twenty-five percent and forty-nine percent of the new direct  
11 local revenue; or an additional three percent of payroll is added  
12 to these percentages if the local incentives equal fifty percent  
13 or more of the new direct local revenue. The department shall  
14 issue a refundable tax credit for any difference between the  
15 amount of benefit allowed under this subdivision and the amount  
16 of withholding tax retained by the company, in the event the  
17 withholding tax is not sufficient to provide the entire amount of  
18 benefit due to the qualified company under this subdivision. The  
19 calendar year annual maximum amount of tax credits that may be  
20 issued to any qualified company for a project or combination of  
21 projects is seven hundred fifty thousand dollars. The calendar  
22 year annual maximum amount of tax credit that may be issued to  
23 any qualified company for a project or combination of projects  
24 may be increased up to one million dollars if the number of new  
25 jobs will exceed five hundred and if such action is proposed by  
26 the department and approved by the quality jobs advisory task  
27 force established in section 620.1887; provided, however, until  
28 such time as the initial at-large members of the quality jobs



1 advisory task force are appointed, this determination shall be  
2 made by the director of the department of economic development.  
3 In considering such a request, the task force shall rely on  
4 economic modeling and other information supplied by the  
5 department when requesting the increased limit on behalf of the  
6 project;

7 (4) Job retention projects: a qualified company may  
8 receive a tax credit for the retention of jobs in this state,  
9 provided the qualified company and the project meets all of the  
10 following conditions:

11 (a) For each of the twenty-four months preceding the year  
12 in which application for the program is made the qualified  
13 company must have maintained at least one thousand full-time[,  
14 year-round] employees at the employer's site in the state at  
15 which the jobs are based, and the average wage of such employees  
16 must meet or exceed the county average wage;

17 (b) The qualified company retained at the project facility  
18 the level of full-time[, year-round] employees that existed in  
19 the taxable year immediately preceding the year in which  
20 application for the program is made;

21 (c) The qualified company is considered to have a  
22 significant statewide effect on the economy, and has been  
23 determined to represent a substantial risk of relocation from the  
24 state by the quality jobs advisory task force established in  
25 section 620.1887; provided, however, until such time as the  
26 initial at-large members of the quality jobs advisory task force  
27 are appointed, this determination shall be made by the director  
28 of the department of economic development;

1           (d) The qualified company in the project facility will  
2 cause to be invested a minimum of seventy million dollars in new  
3 investment prior to the end of two years or will cause to be  
4 invested a minimum of thirty million dollars in new investment  
5 prior to the end of two years and maintain an annual payroll of  
6 at least seventy million dollars during each of the years for  
7 which a credit is claimed; and

8           (e) The local taxing entities shall provide local  
9 incentives of at least fifty percent of the new direct local  
10 revenues created by the project over a ten-year period.

11 The quality jobs advisory task force may recommend to the  
12 department of economic development that appropriate penalties be  
13 applied to the company for violating the agreement. The amount  
14 of the job retention credit granted may be equal to up to fifty  
15 percent of the amount of withholding tax generated by the  
16 full-time[, year-round] jobs at the project facility for a period  
17 of five years. The calendar year annual maximum amount of tax  
18 credit that may be issued to any qualified company for a job  
19 retention project or combination of job retention projects shall  
20 be seven hundred fifty thousand dollars per year, but the maximum  
21 amount may be increased up to one million dollars if such action  
22 is proposed by the department and approved by the quality jobs  
23 advisory task force established in section 620.1887; provided,  
24 however, until such time as the initial at-large members of the  
25 quality jobs advisory task force are appointed, this  
26 determination shall be made by the director of the department of  
27 economic development. In considering such a request, the task

1 force shall rely on economic modeling and other information  
2 supplied by the department when requesting the increased limit on  
3 behalf of the job retention project. In no event shall the total  
4 amount of all tax credits issued for the entire job retention  
5 program under this subdivision exceed three million dollars  
6 annually. Notwithstanding the above, no tax credits shall be  
7 issued for job retention projects approved by the department  
8 after August 30, 2007;

9 (5) Small business job retention and flood survivor relief:  
10 a qualified company may receive a tax credit under sections  
11 620.1875 to 620.1890 for the retention of jobs and flood survivor  
12 relief in this state for each job retained over a three-year  
13 period, provided that:

14 (a) The qualified company did not receive any state or  
15 federal benefits, incentives, or tax relief or abatement in  
16 locating its facility in a flood plain;

17 (b) The qualified company and related companies have fewer  
18 than one hundred employees at the time application for the  
19 program is made;

20 (c) The average wage of the qualified company's and related  
21 companies' employees meets or exceeds the county average wage;

22 (d) All of the qualified company's and related companies'  
23 facilities are located in this state;

24 (e) The facilities at the primary business site in this  
25 state have been directly damaged by flood water rising above the  
26 level of a five hundred year flood at least two years, but fewer  
27 than eight years, prior to the time application is made;

28 (f) The qualified company made significant efforts to

1 protect the facilities prior to any impending danger from rising  
2 floodwaters;

3 (g) For each year it receives tax credits under sections  
4 620.1875 to 620.1890, the qualified company and related companies  
5 retained, at the company's facilities in this state, at least the  
6 level of full-time employees that existed in the taxable year  
7 immediately preceding the year in which application for the  
8 program is made; and

9 (h) In the years it receives tax credits under sections  
10 620.1875 to 620.1890, the company cumulatively invests at least  
11 two million dollars in capital improvements in facilities and  
12 equipment located at such facilities that are not located within  
13 a five hundred year flood plain as designated by the Federal  
14 Emergency Management Agency, and amended from time to time.

15 The amount of the small business job retention and flood survivor  
16 relief credit granted may be equal to up to one hundred percent  
17 of the amount of withholding tax generated by the full-time jobs  
18 at the project facility for a period of three years. The  
19 calendar year annual maximum amount of tax credits that may be  
20 issued to any qualified company for a small business job  
21 retention and survivor relief project shall be two hundred fifty  
22 thousand dollars per year, but the maximum amount may be  
23 increased up to five hundred thousand dollars if such action is  
24 proposed by the department and approved by the quality jobs  
25 advisory task force established in section 620.1887. In  
26 considering such a request, the task force shall rely on economic  
27 modeling and other information supplied by the department when

requesting an increase in the limit on behalf of the small business job retention and flood survivor relief project. In no event shall the total amount of all tax credits issued for the entire small business job retention and flood survivor relief program under this subdivision exceed five hundred thousand dollars annually. Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued for small business job retention and flood survivor relief projects approved by the department after August 30, 2010.

4. The qualified company shall provide an annual report of the number of jobs and such other information as may be required by the department to document the basis for the benefits of this program. The department may withhold the approval of any benefits until it is satisfied that proper documentation has been provided, and shall reduce the benefits to reflect any reduction in full-time[, year-round] employees or new payroll. Upon approval by the department, the qualified company may begin the retention of the withholding taxes when it reaches the minimum number of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be issued upon satisfaction by the department that the qualified company has exceeded the county average wage and the minimum number of new jobs. In such annual report, if the average wage is below the county average wage, the qualified company has not maintained the employee insurance as required, or if the number of new jobs is below the minimum, the qualified company shall not receive tax credits or retain the withholding tax for the balance of the benefit period. In the case of a qualified company that

1 initially filed a notice of intent and received an approval from  
2 the department for high impact benefits and the minimum number of  
3 new jobs in an annual report is below the minimum for high impact  
4 projects, the company shall not receive tax credits for the  
5 balance of the benefit period but may continue to retain the  
6 withholding taxes if it otherwise meets the requirements of a  
7 small and expanding business under this program.

8         5. The maximum calendar year annual tax credits issued for  
9 the entire program shall not exceed ~~[twelve]~~ fifty million  
10 dollars. Notwithstanding any provision of law to the contrary,  
11 the maximum annual tax credits authorized under section 135.535,  
12 RSMo, are hereby reduced from ten million dollars to eight  
13 million dollars, with the balance of two million dollars  
14 transferred to this program. There shall be no limit on the  
15 amount of withholding taxes that may be retained by approved  
16 companies under this program.

17         6. The department shall allocate the annual tax credits  
18 based on the date of the ~~[proposal]~~ approval, reserving such tax  
19 credits based on the department's best estimate of new jobs and  
20 new payroll of the project, and the other factors in the  
21 determination of benefits of this program. However, the annual  
22 issuance of tax credits is subject to the annual verification of  
23 the actual new payroll. The allocation of tax credits for the  
24 period assigned to a project shall expire if, within two years  
25 from the date of commencement of operations, or ~~[proposal]~~  
26 approval if applicable, the minimum thresholds have not been  
27 achieved. The qualified company may retain authorized amounts  
28 from the withholding tax under this section once the minimum new

1 jobs thresholds are met for the duration of the project period.  
2 No benefits shall be provided under this program until the  
3 qualified company meets the minimum new jobs thresholds. In the  
4 event the qualified company does not meet the minimum new job  
5 threshold, the qualified company may submit a new notice of  
6 intent or the department may provide a new [proposal] approval  
7 for a new project of the qualified company at the project  
8 facility or other facilities.

9 7. For a qualified company with flow-through tax treatment  
10 to its members, partners, or shareholders, the tax credit shall  
11 be allowed to members, partners, or shareholders in proportion to  
12 their share of ownership on the last day of the qualified  
13 company's tax period.

14 8. Tax credits may be claimed against taxes otherwise  
15 imposed by chapters 143 and 148, RSMo, and may not be carried  
16 forward but shall be claimed within one year of the close of the  
17 taxable year for which they were issued, except as provided under  
18 subdivision (4) of subsection 3 of this section.

19 9. Tax credits authorized by this section may be  
20 transferred, sold, or assigned by filing a notarized endorsement  
21 thereof with the department that names the transferee, the amount  
22 of tax credit transferred, and the value received for the credit,  
23 as well as any other information reasonably requested by the  
24 department.

25 10. Prior to the issuance of tax credits, the department  
26 shall verify through the department of revenue that the tax  
27 credit applicant does not owe any delinquent income, sales, or  
28 use tax or interest or penalties on such taxes, and through the

1 department of insurance that the applicant does not owe any  
2 delinquent insurance taxes. Such delinquency shall not affect  
3 the authorization of the application for such tax credits, except  
4 that at issuance credits shall be first applied to the  
5 delinquency and any amount issued shall be reduced by the  
6 applicant's tax delinquency. If the department of revenue or the  
7 department of insurance concludes that a taxpayer is delinquent  
8 after June fifteenth but before July first of any year and the  
9 application of tax credits to such delinquency causes a tax  
10 deficiency on behalf of the taxpayer to arise, then the taxpayer  
11 shall be granted thirty days to satisfy the deficiency in which  
12 interest, penalties, and additions to tax shall be tolled. After  
13 applying all available credits toward a tax delinquency, the  
14 administering agency shall notify the appropriate department and  
15 that department shall update the amount of outstanding delinquent  
16 tax owed by the applicant. If any credits remain after  
17 satisfying all insurance, income, sales, and use tax  
18 delinquencies, the remaining credits shall be issued to the  
19 applicant, subject to the restrictions of other provisions of  
20 law.

21 11. Except as provided under subdivision (4) of subsection  
22 3 of this section, the director of revenue shall issue a refund  
23 to the qualified company to the extent that the amount of credits  
24 allowed in this section exceeds the amount of the qualified  
25 company's income tax.

26 [11.] 12. An employee of a qualified company will receive  
27 full credit for the amount of tax withheld as provided in section  
28 [143.221] 143.211, RSMo.



1       [12.] 13. If any provision of sections 620.1875 to 620.1890  
2 or application thereof to any person or circumstance is held  
3 invalid, the invalidity shall not affect other provisions or  
4 application of these sections which can be given effect without  
5 the invalid provisions or application, and to this end, the  
6 provisions of sections 620.1875 to 620.1890 are hereby declared  
7 severable.

8       620.1892. 1. This section shall be known and may be cited  
9 as the "Small Business and Entrepreneurial Growth Act".

10       2. Unless otherwise modified in this section, the  
11 definitions provided in section 620.1878 shall apply to this  
12 section. For purposes of this section, the following terms shall  
13 mean:

14       (1) "Department", the department of economic development;

15       (2) "Eligible small business project", a project approved  
16 by the department of economic development through which a small  
17 business employer meets all of the following qualifications:

18       (a) The small business employer is in one of the following  
19 industries:

20       a. Agribusiness (NAICS codes 115111, 115112, 115113,  
21 115114, 115115, 115116, 115210, 115310, 212391, 212392, 212393,  
22 311111, 311119, 311211, 311212, 311213, 311221, 311222, 311223,  
23 311225, 311230, 311311, 311312, 311313, 311320, 311330, 311340,  
24 311411, 311412, 311421, 311422, 311423, 311511, 311512, 311513,  
25 311514, 311520, 311611, 311612, 311613, 311615, 311711, 311712,  
26 311812, 311813, 311821, 311822, 311823, 311830, 311911, 311919,  
27 311920, 311930, 311941, 311942, 311991, 311999, 312111, 312112,  
28 312113, 312120, 312130, 312140, 312210, 312221, 312229, 313111,

1 313112, 313113, 313210, 313221, 313222, 313230, 313241, 313249,  
2 313311, 313312, 314911, 314999, 315111, 315119, 315191, 315192,  
3 315211, 315212, 315221, 315222, 315223, 315224, 315225, 315228,  
4 315231, 315232, 315233, 315234, 315239, 315291, 315292, 315299,  
5 315991, 315992, 315993, 315999, 316110, 316211, 316212, 316213,  
6 316214, 316219, 316991, 316992, 316993, 316999, 321920, 322130,  
7 322211, 322212, 322213, 322214, 322215, 322221, 322222, 322223,  
8 322224, 322225, 322226, 322291, 325311, 325312, 325314, 325320,  
9 326111, 326112, 326160, 327213, 332115, 332431, 333111, 333294,  
10 423820, 424510, 424520, 424590, 424910, 493120, 493130, 523130,  
11 523140, 541940);  
12 b. Automotive (NAICS codes 335110, 335911, 335931, 336111,  
13 336112, 336120, 336211, 336212, 336311, 336312, 336321, 336322,  
14 336330, 336340, 336350, 336360, 336370, 336391, 336399);  
15 c. Defense (NAICS codes 325920, 332312, 332992, 332993,  
16 334220, 334511, 336414, 336415, 336419, 336992, 339113, 541710);  
17 d. Energy (NAICS codes 221111, 221112, 221113, 221119,  
18 237130, 325193, 331319, 331422, 332410, 334512, 334515, 335311,  
19 335312, 335313, 335921, 335929, 541618, 541990, 562213);  
20 e. Financial services (NAICS codes 521110, 522110, 522120,  
21 522130, 522190, 522210, 522220, 522291, 522292, 522293, 522294,  
22 522298, 522310, 522320, 522390, 523110, 523120, 523130, 523140,  
23 523210, 523910, 523920, 523930, 523991, 523999, 524113, 524114,  
24 524126, 524127, 524128, 524130, 524291, 524292, 524298, 525110,  
25 525120, 525190, 525910, 525920, 525930, 525990, 541211, 541213,  
26 541214, 541219);  
27 f. Information technology (NAICS codes 334210, 334220,  
28 334411, 334412, 334413, 334414, 334415, 334416, 334417, 334418,

334419, 511210, 517110, 517211, 517212, 541511, 541512, 541513,  
541618, 541710);

g. Life sciences (NAICS codes 311221, 311222, 311223,  
325193, 325199, 325221, 325311, 325312, 325314, 325320, 325411,  
325412, 325413, 325414, 334510, 334516, 334517, 339111, 339112,  
339113, 339114, 339115, 339116, 541380, 621511, 621512);

h. Transportation logistics (NAICS codes 332439, 423110,  
423120, 423130, 423140, 423210, 423220, 423310, 423320, 423330,  
423390, 423410, 423420, 423430, 423440, 423450, 423460, 423490,  
423510, 423520, 423610, 423620, 423690, 423710, 423720, 423730,  
423740, 423810, 423820, 423830, 423840, 423850, 423860, 423910,  
423920, 423930, 423940, 423990, 424110, 424120, 424130, 424210,  
424310, 424320, 424330, 424340, 424410, 424420, 424430, 424440,  
424450, 424460, 424470, 424480, 424490, 424510, 424520, 424590,  
424610, 424690, 424710, 424720, 424810, 424820, 424910, 424920,  
424930, 424940, 424950, 424990, 481112, 481212, 482111, 482112,  
483211, 484110, 484121, 484122, 484220, 484230, 488111, 488119,  
488190, 488210, 488310, 488320, 488330, 488390, 488490, 488510,  
488991, 492110, 493110, 493120, 493130, 493190, 541614);

(b) The small business employer offers health insurance and  
pays at least fifty percent of such insurance premiums for its  
full-time employees;

(c) The small business employer will create a minimum of  
ten new jobs at the project facility within one year from the  
date of the proposal;

(d) The number of jobs added through the project by the  
small business employer does not exceed the minimum number of  
jobs required to be eligible for benefits under any program of

1 the Missouri quality job act;

2 (e) Wages for the new jobs created through the project by  
3 the small business employer are at least one hundred percent of  
4 the average county wage as determined by the department; and

5 (f) The project is not eligible for any benefits under the  
6 Missouri quality jobs act;

7 (3) "Small business employer", a firm, partnership, joint  
8 venture, association, or a private or public corporation, whether  
9 organized for profit or not, provided that the term shall not  
10 include:

11 (a) Any company that is delinquent in the payment of any  
12 nonprotested taxes or any other amounts due to the state or  
13 federal government or any other political subdivision of this  
14 state; or

15 (b) Any company that has filed for or has publicly  
16 announced its intention to file for bankruptcy protection.

17 3. For all taxable years beginning on or after January 1,  
18 2008, a small business employer shall be allowed to receive  
19 benefits for an eligible small business project. Benefits under  
20 this section shall include all tax withheld under sections  
21 143.191 to 143.265, RSMo, from the newly created jobs for a  
22 period of one year from the date the tenth new employee is hired.

23 4. A company seeking to claim benefits under this section  
24 shall submit an application to the department. An employer who  
25 receives benefits under this section shall not also receive tax  
26 credits or exemptions under sections 135.100 to 135.150, 135.200  
27 to 135.286, 135.900 to 135.906, or 135.950 to 135.973, or section  
28 135.535, RSMo. The benefits available to the company under any

1 other state program for which the company is eligible and which  
2 utilizes withholding tax from the new jobs of the company shall  
3 first be credited to the other state program before the  
4 withholding retention level applicable under this section will  
5 begin to accrue. Other state programs include, but are not  
6 limited to, the real property tax increment allocation  
7 redevelopment act, sections 99.800 to 99.865, RSMo; the Missouri  
8 downtown and rural economic stimulus act, sections 99.915 to  
9 99.980, RSMo; and the downtown revitalization preservation  
10 program, sections 99.1080 to 99.1092, RSMo. An employer who  
11 received benefits under this section shall not subsequently apply  
12 for additional benefits under this section unless its payroll  
13 amount increased by an additional forty percent due to the  
14 addition of new jobs.

15 5. The department shall not approve any application for  
16 jobs or payroll added prior to January 1, 2008. The maximum  
17 calendar year annual retention amount approved under this section  
18 shall not exceed five hundred thousand dollars.

19 6. The department shall not approve any application  
20 submitted after December 31, 2008.

21 7. The department may promulgate rules to implement the  
22 provisions of this section. Any rule or portion of a rule, as  
23 that term is defined in section 536.010, RSMo, that is created  
24 under the authority delegated in this section shall become  
25 effective only if it complies with and is subject to all of the  
26 provisions of chapter 536, RSMo, and, if applicable, section  
27 536.028, RSMo. This section and chapter 536, RSMo, are  
28 nonseverable and if any of the powers vested with the general

assembly under chapter 536, RSMo, to review, to delay the  
effective date, or to disapprove and annul a rule are  
subsequently held unconstitutional, then the grant of rulemaking  
authority and any rule proposed or adopted after August 28, 2007,  
shall be invalid and void.

[620.521. Sections 620.521 to 620.530 shall be  
known and may be cited as the "Missouri Training and  
Employment Council Act". ]

[620.523. 1. There is hereby established the  
"Missouri Training and Employment Council".

2. The Missouri training and employment council  
shall study and make recommendations regarding the  
improvement of the state's job training service  
delivery network. Such recommendations will consider  
improved federal and state resource use and expanded  
coordination of state job training and employment  
activities with other related activities. Using the  
results of interdepartmental collaboration at early  
stages of policy formation, the council shall propose a  
statewide training and employment policy and a  
periodically updated plan of services for achieving  
Missouri's objective of full employment. The council  
shall serve as a forum for public and private sector  
representation to encourage cooperative uses of  
training and employment funding, facilities and staff  
resources for a more comprehensive and coordinated  
statewide system.

3. The Missouri training and employment council  
shall consist of thirty members appointed by the  
governor with the advice and consent of the senate.  
The governor shall designate one nongovernmental member  
to be chairman. The council shall be composed as  
follows:

(1) Thirty percent of the membership shall be  
representatives of business, industry and agriculture,  
including individuals who are representatives of  
business, industry, and agriculture on private industry  
councils, job service employer committees or local  
education advisory committees within the state;

(2) Thirty percent of the membership shall be:

(a) Members of the general assembly and state  
agencies and organizations. One representative each  
from the department of economic development, the  
department of elementary and secondary education, the  
department of labor and industrial relations and the  
department of social services shall be appointed;

(b) Representatives of the units or consortia of units of general local government which shall be nominated by the chief elected officials of the units or consortia of units of local government and the representatives of local educational agencies who shall be nominated by local educational agencies. One community college president or chancellor, one representative of the state council on vocational education and one director of an area vocational school shall be appointed to the council. To the extent feasible, such appointees shall have knowledge of or experience with economic development, job training, education or related areas;

(3) Thirty percent of the membership shall be representatives of organized labor and representatives of community-based organizations in the state;

(4) Ten percent of the membership shall be representatives of the general public.

The composition and the roles and responsibilities of the Missouri training and employment council membership may be amended to comply with any succeeding federal or state legislative or regulatory requirements governing training and employment programs, except that the procedure for such change shall be outlined in state rules and regulations and adopted in the bylaws of the council.

4. Each member of the council shall serve for a term of four years and until a successor is duly appointed; except that, of the members first appointed, six members shall serve for a term of four years, eight members shall serve for a term of three years, eight members shall serve for a term of two years and eight members shall serve for a term of one year. Each member shall continue to serve until a successor is duly appointed. The council shall meet at least four times each year at the call of the chairman.

5. The members of the council shall receive no compensation, but shall be reimbursed for all necessary expenses actually incurred in the performance of their official duties.]

[620.527. 1. The Missouri training and employment council shall:

(1) Review studies of occupational trends, employment supply and demand, industry growth, job training program participation, labor force literacy and early warning signals that industries are beginning to decline or are in danger of closing;

(2) Report to the governor and to the general assembly regarding statewide training and employment

1 policies which have been developed in concert with  
2 interagency assistance from the department of economic  
3 development, the department of elementary and secondary  
4 education, the department of labor and industrial  
5 relations, the department of social services and other  
6 agencies delivering training and employment services;

7 (3) Prepare and submit to appropriate state and  
8 local agencies a statewide plan for full-employment  
9 services including such activities as labor exchange,  
10 job training or retraining, job development, job  
11 placement services and labor force literacy;

12 (4) Work through various state agencies  
13 delivering training and employment services to review  
14 interagency coordination and program effectiveness;

15 (5) Review and report to the governor innovative  
16 proposals for training and employment programs; and

17 (6) Encourage the participation of government,  
18 business and industry, and unions or other labor  
19 organizations, for providing assistance to dislocated  
20 workers, in communities where plant closures occur.

21 2. The roles, responsibilities and duties of the  
22 Missouri job training coordinating council established  
23 by Missouri executive order 88-8 are hereby assigned to  
24 the Missouri training and employment council. The  
25 Missouri training and employment council shall perform  
26 all council functions required by the federal Job  
27 Training Partnership Act, as amended, as well as the  
28 expanded requirements defined by sections 620.521 to  
29 620.530.]

30 [620.528. No later than September 1, 1992, the  
31 Missouri training and employment council shall submit  
32 to the governor and to the general assembly a proposed  
33 statewide training and employment policy. This policy  
34 shall address public and private participation toward  
35 achieving Missouri's objective of full employment. The  
36 policy shall also address methods to improve federal  
37 and state resource use in the providing of job training  
38 services and coordination of training and employment  
39 activities with other related activities.]

40 [620.529. 1. The Missouri training and  
41 employment council shall prepare and recommend a  
42 statewide training and employment plan for  
43 consideration by appropriate state and local agencies  
44 by 1993. The plan shall be reviewed annually and  
45 updated periodically and shall propose implementation  
46 timetables, measurable objectives and specific courses  
47 of action. The plan shall describe possible  
48 cooperative uses of training and employment funding,  
49 facilities and staff resources whenever feasible and



1 shall focus on the development of a more coordinated  
2 training and employment delivery system.

3 2. The plan shall include provisions to  
4 accomplish the following objectives by the  
5 administering agencies:

6 (1) Provide a streamlined intake and assessment  
7 process for persons seeking training and employment  
8 assistance;

9 (2) Target appropriate skill areas for training  
10 so that persons are trained for positions expected to  
11 exist in the labor market;

12 (3) Allow workers with obsolete or inadequate  
13 skills to have their skills upgraded while retaining  
14 employment;

15 (4) Retrain workers displaced by high technology  
16 industry and plant closings to reenter the Missouri  
17 workforce;

18 (5) Involve business and industry in the  
19 planning, operation and evaluation of training  
20 programs;

21 (6) Encourage and assist local educational  
22 agencies, vocational technical schools and  
23 post-secondary institutions to coordinate their  
24 curricula and course selections with the changing needs  
25 of business and industry;

26 (7) Develop programs to improve the use of  
27 apprenticeship as a method of instruction in Missouri.

28 3. The objectives listed in subsection 2 of this  
29 section shall be the foundation for interagency efforts  
30 to coordinate services and offer programs which  
31 maximize resources to meet Missouri's workforce needs  
32 while recognizing various agency roles and  
33 responsibilities.]

34 [620.530. 1. The division of job development and  
35 training shall provide professional, technical and  
36 clerical staff support and resources to the Missouri  
37 training and employment council; administer training  
38 programs authorized under the federal Job Training  
39 Partnership Act; administer programs authorized under  
40 sections 620.470 to 620.481; and administer such other  
41 federal or state job development and training programs  
42 as are assigned to the division.

43 2. The division shall promulgate rules and  
44 regulations necessary to carry out its responsibility  
45 to the Missouri training and employment council and to  
46 develop the plans and policies adopted by the council.  
47 No rule or portion of a rule promulgated under the  
48 authority of sections 620.470 to 620.570 shall become  
49 effective unless it has been promulgated pursuant to  
50 the provisions of section 536.024, RSMo.]

1           [620.537. 1. The department of economic  
2 development shall commission a new targeted industries  
3 study to identify those general areas of the Missouri  
4 economy where growth and increased employment is likely  
5 to occur in the next decade, and to ascertain  
6 necessary, associated work force skills and  
7 requirements. The completed study shall be distributed  
8 to all Missouri state agencies which provide job  
9 training services in order to promote collaboration in  
10 the development of employment projections and in the  
11 delivery of training services, and to any local  
12 economic development agency requesting a copy of such  
13 study.

14           2. The Missouri training and employment council,  
15 in conjunction with the state's private industry  
16 councils, the state's community colleges, the state's  
17 area vocational technical schools, community action  
18 agencies, as defined in section 660.370, RSMo, the  
19 department of economic development, the department of  
20 elementary and secondary education, the department of  
21 labor and industrial relations, the department of  
22 social services, and the Missouri state council on  
23 vocational education shall initiate a study regarding  
24 the value of a clustered or regional focus on job  
25 training, including the establishment of customized,  
26 technical training centers and utilization of portable  
27 equipment. Emphasis will be placed on the  
28 determination of broad occupational training needs.]  
29

√

---

---