

HB 881 -- Managed Environment Livestock Operation Tax Credit

Sponsor: Munzlinger

This bill authorizes the Missouri Agriculture and Small Business Development Authority to issue tax credits to owners of livestock operations to partially offset certain expenses incurred for implementing odor abatement best management practices and systems. The maximum tax credit amount for implementing a system necessary to achieve managed environment livestock operation (MELO) accreditation will be the lessor of 50% of the eligible expenses or \$50,000. The maximum tax credit amount for implementing a system necessary to meet preferred environmental practices will be the lessor of 75% of the eligible expenses or \$75,000. The yearly maximum amount of tax credits issued by the authority for odor abatement will be \$3 million. The tax credits may be carried back three years, forward five years, assigned, transferred, or sold and may be taken against the estimated quarterly tax or quarterly taxes.

The authority is required to establish rules for tax credit eligibility based on odor abatement impact, the owner's prospective use and funding of proven technologies, and other factors that the authority deems necessary. Ninety percent of the tax credits issued in any one year will go to livestock operation owners for the implementation of best management practices and systems necessary to achieve MELO accreditation. Ten percent and any remaining MELO tax credits will be issued to livestock operation owners for the implementation of preferred environmental practices. Any unissued tax credits will not carry over to the succeeding year. The authority will impose an application fee of .25% of the tax credit amount issued.

The provisions of the bill will expire June 30, 2012.