

FIRST EXTRAORDINARY SESSION  
SENATE COMMITTEE SUBSTITUTE FOR  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 1**  
94TH GENERAL ASSEMBLY

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Reported from the Committee on Economic Development, Tourism and Local Government, August 27, 2007, with recommendation that the Senate Committee Substitute do pass.

TERRY L. SPIELER, Secretary.

2825S.03C

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**AN ACT**

To repeal sections 32.105, 99.805, 100.286, 135.460, 135.478, 135.500, 135.545, 135.550, 135.600, 135.630, 135.750, 135.950, 135.963, 135.967, 135.1150, 144.030, 173.196, 173.796, 178.895, 178.896, 348.300, 578.395, 620.495, 620.521, 620.523, 620.527, 620.529, 620.530, 620.537, 620.638, 620.1039, 620.1878, and 620.1881, RSMo, and section 99.820, as truly agreed to and finally passed in senate substitute for house committee substitute for house bill no. 741, ninety-fourth general assembly, first regular session, and to enact in lieu thereof thirty-six new sections relating to fostering business growth through incentives.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Sections 32.105, 99.805, 100.286, 135.460, 135.478, 135.500, 135.545, 135.550, 135.600, 135.630, 135.750, 135.950, 135.963, 135.967, 135.1150, 144.030, 173.196, 173.796, 178.895, 178.896, 348.300, 578.395, 620.495, 620.521, 620.523, 620.527, 620.529, 620.530, 620.537, 620.638, 620.1039, 620.1878, and 620.1881, RSMo, and section 99.820, as truly agreed to and finally passed in senate substitute for house committee substitute for house bill no. 741, ninety-fourth general assembly, first regular session, are repealed and thirty-six new sections enacted in lieu thereof, to be known as sections 32.105, 67.306, 99.805, 99.820, 99.843, 99.1205, 100.286, 135.460, 135.478, 135.500, 135.545, 135.550, 135.600, 135.630, 135.679, 135.680, 135.750, 135.950, 135.963, 135.967, 135.1150, 144.030, 173.196, 173.796, 178.716, 178.895, 178.896, 348.300, 620.495, 620.511, 620.512, 620.513, 620.638, 620.1039, 620.1878, and 620.1881, to read as follows:

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

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

(1) "Affordable housing assistance activities", money, real or personal property, or professional services expended or devoted to the construction, or rehabilitation of affordable housing units;

(2) "Affordable housing unit", a residential unit generally occupied by persons and families with incomes at or below the levels described in this subdivision and bearing a cost to the occupant no greater than thirty percent of the maximum eligible household income for the affordable housing unit. In the case of owner-occupied units, the cost to the occupant shall be considered the amount of the gross monthly mortgage payment, including casualty insurance, mortgage insurance, and taxes. In the case of rental units, the cost to the occupant shall be considered the amount of the gross rent. The cost to the occupant shall include the cost of any utilities, other than telephone. If any utilities are paid directly by the occupant, the maximum cost that may be paid by the occupant is to be reduced by a utility allowance prescribed by the commission. Persons or families are eligible occupants of affordable housing units if the household combined, adjusted gross income as defined by the commission is equal to or less than the following percentages of the median family income for the geographic area in which the residential unit is located, or the median family income for the state of Missouri, whichever is larger; ("geographic area" means the metropolitan area or county designated as an area by the federal Department of Housing and Urban Development under Section 8 of the United States Housing Act of 1937, as amended, for purposes of determining fair market rental rates):

		Percent of State or Geographic Area Family Median Income
26	Size of Household	
27	One Person	35%
28	Two Persons	40%
29	Three Persons	45%
30	Four Persons	50%
31	Five Persons	54%
32	Six Persons	58%
33	Seven Persons	62%
34	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

37 subject to the state income tax imposed by the provisions of chapter 143, RSMo,  
38 **including any charitable organization that is exempt from federal**  
39 **income tax and whose Missouri unrelated business taxable income, if**  
40 **any, would be subject to the state income tax imposed under such**  
41 **chapter**, or a corporation subject to the annual corporation franchise tax imposed  
42 by the provisions of chapter 147, RSMo, or an insurance company paying an  
43 annual tax on its gross premium receipts in this state, or other financial  
44 institution paying taxes to the state of Missouri or any political subdivision of  
45 this state pursuant to the provisions of chapter 148, RSMo, or an express  
46 company which pays an annual tax on its gross receipts in this state;

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

48 (5) "Community services", any type of counseling and advice, emergency  
49 assistance or medical care furnished to individuals or groups in the state of  
50 Missouri or transportation services at below-cost rates as provided in sections  
51 208.250 to 208.275, RSMo;

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

54 (7) "Defense industry contractor", a person, corporation or other entity  
55 which will be or has been negatively impacted as a result of its status as a prime  
56 contractor of the Department of Defense or as a second or third tier contractor.  
57 A "second tier contractor" means a person, corporation or other entity which  
58 contracts to perform manufacturing, maintenance or repair services for a prime  
59 contractor of the Department of Defense, and a "third tier contractor" means a  
60 person, corporation or other entity which contracts with a person, corporation or  
61 other entity which contracts with a prime contractor of the Department of  
62 Defense;

63 (8) "Doing business", among other methods of doing business in the state  
64 of Missouri, a partner in a firm or a shareholder in an S corporation shall be  
65 deemed to be doing business in the state of Missouri if such firm or S corporation,  
66 as the case may be, is doing business in the state of Missouri;

67 (9) "Economic development", the acquisition, renovation, improvement, or  
68 the furnishing or equipping of existing buildings and real estate in distressed or  
69 blighted areas of the state when such acquisition, renovation, improvement, or  
70 the furnishing or equipping of the business development projects will result in the  
71 creation or retention of jobs within the state; or, until June 30, 1996, a defense  
72 conversion pilot project located in a standard metropolitan statistical area which

73 contains a city with a population of at least three hundred fifty thousand  
74 inhabitants, which will assist Missouri-based defense industry contractors in  
75 their conversion from predominately defense-related contracting to  
76 nondefense-oriented manufacturing. Only neighborhood organizations, as defined  
77 in subdivision (13) of this section, may apply to conduct economic development  
78 projects. Prior to the approval of an economic development project, the  
79 neighborhood organization shall enter into a contractual agreement with the  
80 department of economic development. Credits approved for economic development  
81 projects may not exceed four million dollars from within any one fiscal year's  
82 allocation, except that for fiscal years 2005, 2006, and 2007 credits approved for  
83 economic development projects shall not exceed six million dollars. Neighborhood  
84 assistance program tax credits for economic development projects and affordable  
85 housing assistance as defined in section 32.111 may be transferred, sold or  
86 assigned by a notarized endorsement thereof naming the transferee;

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

92 (11) "Homeless assistance pilot project", the program established pursuant  
93 to section 32.117;

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

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

100 (a) Holding a ruling from the Internal Revenue Service of the United  
101 States Department of the Treasury that the organization is exempt from income  
102 taxation pursuant to the provisions of the Internal Revenue Code; or

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

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

108 (14) "Physical revitalization", furnishing financial assistance, labor,

109 material, or technical advice to aid in the physical improvement or rehabilitation  
110 of any part or all of a neighborhood area;

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

114 (16) "Workfare renovation project", any project initiated pursuant to  
115 sections 215.340 to 215.355, RSMo.

**67.306. No regulation or ordinance of any city, county, or other  
2 political subdivision shall prohibit the sale or resale of an admission  
3 ticket to any legal event at any price or prohibit the charging of any fee  
4 in connection with such sale or resale except that nothing in this  
5 section shall be construed to prevent the enforcement of any regulation  
6 or ordinance relating to criminal activity, consumer fraud, false  
7 advertising, or other deceptive business practices.**

99.805. As used in sections 99.800 to 99.865, unless the context clearly  
2 requires otherwise, the following terms shall mean:

3 (1) "Blighted area", an area which, by reason of the predominance of  
4 defective or inadequate street layout, unsanitary or unsafe conditions,  
5 deterioration of site improvements, improper subdivision or obsolete platting, or  
6 the existence of conditions which endanger life or property by fire and other  
7 causes, or any combination of such factors, retards the provision of housing  
8 accommodations or constitutes an economic or social liability or a menace to the  
9 public health, safety, morals, or welfare in its present condition and use;

10 (2) "Collecting officer", the officer of the municipality responsible for  
11 receiving and processing payments in lieu of taxes or economic activity taxes from  
12 taxpayers or the department of revenue;

13 (3) "Conservation area", any improved area within the boundaries of a  
14 redevelopment area located within the territorial limits of a municipality in which  
15 fifty percent or more of the structures in the area have an age of thirty-five years  
16 or more. Such an area is not yet a blighted area but is detrimental to the public  
17 health, safety, morals, or welfare and may become a blighted area because of any  
18 one or more of the following factors: dilapidation; obsolescence; deterioration;  
19 illegal use of individual structures; presence of structures below minimum code  
20 standards; abandonment; excessive vacancies; overcrowding of structures and  
21 community facilities; lack of ventilation, light or sanitary facilities; inadequate  
22 utilities; excessive land coverage; deleterious land use or layout; depreciation of

23 physical maintenance; and lack of community planning. A conservation area  
24 shall meet at least three of the factors provided in this subdivision for projects  
25 approved on or after December 23, 1997;

26 (4) "Economic activity taxes", the total additional revenue from taxes  
27 which are imposed by a municipality and other taxing districts, and which are  
28 generated by economic activities within a redevelopment area over the amount  
29 of such taxes generated by economic activities within such redevelopment area  
30 in the calendar year prior to the adoption of the ordinance designating such a  
31 redevelopment area, while tax increment financing remains in effect, but  
32 excluding personal property taxes, taxes imposed on sales or charges for sleeping  
33 rooms paid by transient guests of hotels and motels, licenses, fees or special  
34 assessments. For redevelopment projects or redevelopment plans approved after  
35 December 23, 1997, if a retail establishment relocates within one year from one  
36 facility to another facility within the same county and the governing body of the  
37 municipality finds that the relocation is a direct beneficiary of tax increment  
38 financing, then for purposes of this definition, the economic activity taxes  
39 generated by the retail establishment shall equal the total additional revenues  
40 from economic activity taxes which are imposed by a municipality or other taxing  
41 district over the amount of economic activity taxes generated by the retail  
42 establishment in the calendar year prior to its relocation to the redevelopment  
43 area;

44 (5) "Economic development area", any area or portion of an area located  
45 within the territorial limits of a municipality, which does not meet the  
46 requirements of subdivisions (1) and (3) of this section, and in which the  
47 governing body of the municipality finds that redevelopment will not be solely  
48 used for development of commercial businesses which unfairly compete in the  
49 local economy and is in the public interest because it will:

50 (a) Discourage commerce, industry or manufacturing from moving their  
51 operations to another state; or

52 (b) Result in increased employment in the municipality; or

53 (c) Result in preservation or enhancement of the tax base of the  
54 municipality;

55 (6) "Gambling establishment", an excursion gambling boat as defined in  
56 section 313.800, RSMo, and any related business facility including any real  
57 property improvements which are directly and solely related to such business  
58 facility, whose sole purpose is to provide goods or services to an excursion

59 gambling boat and whose majority ownership interest is held by a person licensed  
60 to conduct gambling games on an excursion gambling boat or licensed to operate  
61 an excursion gambling boat as provided in sections 313.800 to 313.850,  
62 RSMo. This subdivision shall be applicable only to a redevelopment area  
63 designated by ordinance adopted after December 23, 1997;

64       (7) **"Greenfield area", any vacant, unimproved, or agricultural**  
65 **property that is located wholly outside the incorporated limits of a city,**  
66 **town, or village, or that is substantially surrounded by contiguous**  
67 **properties with agricultural zoning classifications or uses unless said**  
68 **property was annexed into the incorporated limits of a city, town, or**  
69 **village ten years prior to the adoption of the ordinance approving the**  
70 **redemption plan for such greenfield area;**

71       (8) "Municipality", a city, village, or incorporated town or any county of  
72 this state. For redevelopment areas or projects approved on or after December  
73 23, 1997, "municipality" applies only to cities, villages, incorporated towns or  
74 counties established for at least one year prior to such date;

75       [(8)] (9) "Obligations", bonds, loans, debentures, notes, special  
76 certificates, or other evidences of indebtedness issued by a municipality to carry  
77 out a redevelopment project or to refund outstanding obligations;

78       [(9)] (10) "Ordinance", an ordinance enacted by the governing body of a  
79 city, town, or village or a county or an order of the governing body of a county  
80 whose governing body is not authorized to enact ordinances;

81       [(10)] (11) "Payment in lieu of taxes", those estimated revenues from real  
82 property in the area selected for a redevelopment project, which revenues  
83 according to the redevelopment project or plan are to be used for a private use,  
84 which taxing districts would have received had a municipality not adopted tax  
85 increment allocation financing, and which would result from levies made after the  
86 time of the adoption of tax increment allocation financing during the time the  
87 current equalized value of real property in the area selected for the  
88 redevelopment project exceeds the total initial equalized value of real property  
89 in such area until the designation is terminated pursuant to subsection 2 of  
90 section 99.850;

91       [(11)] (12) "Redemption area", an area designated by a municipality,  
92 in respect to which the municipality has made a finding that there exist  
93 conditions which cause the area to be classified as a blighted area, a conservation  
94 area, an economic development area, an enterprise zone pursuant to sections

95 135.200 to 135.256, RSMo, or a combination thereof, which area includes only  
96 those parcels of real property directly and substantially benefited by the proposed  
97 redevelopment project;

98       [(12)] **(13)** "Redevelopment plan", the comprehensive program of a  
99 municipality for redevelopment intended by the payment of redevelopment costs  
100 to reduce or eliminate those conditions, the existence of which qualified the  
101 redevelopment area as a blighted area, conservation area, economic development  
102 area, or combination thereof, and to thereby enhance the tax bases of the taxing  
103 districts which extend into the redevelopment area. Each redevelopment plan  
104 shall conform to the requirements of section 99.810;

105       [(13)] **(14)** "Redevelopment project", any development project within a  
106 redevelopment area in furtherance of the objectives of the redevelopment plan;  
107 any such redevelopment project shall include a legal description of the area  
108 selected for the redevelopment project;

109       [(14)] **(15)** "Redevelopment project costs" include the sum total of all  
110 reasonable or necessary costs incurred or estimated to be incurred, and any such  
111 costs incidental to a redevelopment plan or redevelopment project, as  
112 applicable. Such costs include, but are not limited to, the following:

113       (a) Costs of studies, surveys, plans, and specifications;

114       (b) Professional service costs, including, but not limited to, architectural,  
115 engineering, legal, marketing, financial, planning or special services. Except the  
116 reasonable costs incurred by the commission established in section 99.820 for the  
117 administration of sections 99.800 to 99.865, such costs shall be allowed only as  
118 an initial expense which, to be recoverable, shall be included in the costs of a  
119 redevelopment plan or project;

120       (c) Property assembly costs, including, but not limited to, acquisition of  
121 land and other property, real or personal, or rights or interests therein,  
122 demolition of buildings, and the clearing and grading of land;

123       (d) Costs of rehabilitation, reconstruction, or repair or remodeling of  
124 existing buildings and fixtures;

125       (e) Initial costs for an economic development area;

126       (f) Costs of construction of public works or improvements;

127       (g) Financing costs, including, but not limited to, all necessary and  
128 incidental expenses related to the issuance of obligations, and which may include  
129 payment of interest on any obligations issued pursuant to sections 99.800 to  
130 99.865 accruing during the estimated period of construction of any redevelopment



131 project for which such obligations are issued and for not more than eighteen  
132 months thereafter, and including reasonable reserves related thereto;

133 (h) All or a portion of a taxing district's capital costs resulting from the  
134 redevelopment project necessarily incurred or to be incurred in furtherance of the  
135 objectives of the redevelopment plan and project, to the extent the municipality  
136 by written agreement accepts and approves such costs;

137 (i) Relocation costs to the extent that a municipality determines that  
138 relocation costs shall be paid or are required to be paid by federal or state law;

139 (j) Payments in lieu of taxes;

140 [(15)] (16) "Special allocation fund", the fund of a municipality or its  
141 commission which contains at least two separate segregated accounts for each  
142 redevelopment plan, maintained by the treasurer of the municipality or the  
143 treasurer of the commission into which payments in lieu of taxes are deposited  
144 in one account, and economic activity taxes and other revenues are deposited in  
145 the other account;

146 [(16)] (17) "Taxing districts", any political subdivision of this state  
147 having the power to levy taxes;

148 [(17)] (18) "Taxing districts' capital costs", those costs of taxing districts  
149 for capital improvements that are found by the municipal governing bodies to be  
150 necessary and to directly result from the redevelopment project; and

151 [(18)] (19) "Vacant land", any parcel or combination of parcels of real  
152 property not used for industrial, commercial, or residential buildings.

99.820. 1. A municipality may:

2 (1) By ordinance introduced in the governing body of the municipality  
3 within fourteen to ninety days from the completion of the hearing required in  
4 section 99.825, approve redevelopment plans and redevelopment projects, and  
5 designate redevelopment project areas pursuant to the notice and hearing  
6 requirements of sections 99.800 to 99.865. No redevelopment project shall be  
7 approved unless a redevelopment plan has been approved and a redevelopment  
8 area has been designated prior to or concurrently with the approval of such  
9 redevelopment project and the area selected for the redevelopment project shall  
10 include only those parcels of real property and improvements thereon directly and  
11 substantially benefited by the proposed redevelopment project improvements;

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

14 (3) Pursuant to a redevelopment plan, subject to any constitutional

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

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

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

36 (6) Install, repair, construct, reconstruct, or relocate streets, utilities, and  
37 site improvements essential to the preparation of the redevelopment area for use  
38 in accordance with a redevelopment plan;

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

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

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

46 (10) Incur redevelopment costs and issue obligations;

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

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

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

55           (b) Surplus economic activity taxes shall be distributed to taxing districts  
56 in the redevelopment area which impose economic activity taxes, on a basis that  
57 is proportional to the amount of such economic activity taxes the taxing district  
58 would have received from the redevelopment area had tax increment financing  
59 not been adopted;

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

64           (13) If any member of the governing body of the municipality, a member  
65 of a commission established pursuant to subsection 2 of this section, or an  
66 employee or consultant of the municipality, involved in the planning and  
67 preparation of a redevelopment plan, or redevelopment project for a  
68 redevelopment area or proposed redevelopment area, owns or controls an interest,  
69 direct or indirect, in any property included in any redevelopment area, or  
70 proposed redevelopment area, which property is designated to be acquired or  
71 improved pursuant to a redevelopment project, he or she shall disclose the same  
72 in writing to the clerk of the municipality, and shall also so disclose the dates,  
73 terms, and conditions of any disposition of any such interest, which disclosures  
74 shall be acknowledged by the governing body of the municipality and entered  
75 upon the minutes books of the governing body of the municipality. If an  
76 individual holds such an interest, then that individual shall refrain from any  
77 further official involvement in regard to such redevelopment plan, redevelopment  
78 project or redevelopment area, from voting on any matter pertaining to such  
79 redevelopment plan, redevelopment project or redevelopment area, or  
80 communicating with other members concerning any matter pertaining to that  
81 redevelopment plan, redevelopment project or redevelopment area. Furthermore,  
82 no such member or employee shall acquire any interest, direct or indirect, in any  
83 property in a redevelopment area or proposed redevelopment area after either (a)  
84 such individual obtains knowledge of such plan or project, or (b) first public notice  
85 of such plan, project or area pursuant to section 99.830, whichever first occurs;  
86           (14) Charge as a redevelopment cost the reasonable costs incurred by its

87 clerk or other official in administering the redevelopment project. The charge for  
88 the clerk's or other official's costs shall be determined by the municipality based  
89 on a recommendation from the commission, created pursuant to this section.

90         2. Prior to adoption of an ordinance approving the designation of a  
91 redevelopment area or approving a redevelopment plan or redevelopment project,  
92 the municipality shall create a commission of nine persons if the municipality is  
93 a county or a city not within a county and not a first class county with a charter  
94 form of government with a population in excess of nine hundred thousand, and  
95 eleven persons if the municipality is not a county and not in a first class county  
96 with a charter form of government having a population of more than nine  
97 hundred thousand, and twelve persons if the municipality is located in or is a  
98 first class county with a charter form of government having a population of more  
99 than nine hundred thousand, to be appointed as follows:

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

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

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

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

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

121         (6) In a municipality which is located in the first class county with a  
122 charter form of government having a population in excess of nine hundred

123 thousand, three members shall be appointed by the county of such municipality  
124 in the same manner as members are appointed in subdivision (3) of this  
125 subsection;

126 (7) Effective January 1, 2008, in a municipality which is in a county under  
127 the authority of the East-West Gateway Council of Governments, except any  
128 municipality in any county of the first classification with more than ninety-three  
129 thousand eight hundred but fewer than ninety-three thousand nine hundred  
130 inhabitants, the municipality shall create a commission in the same manner as  
131 the commission for any county with a charter form of government and with more  
132 than one million inhabitants, such commission shall have twelve members with  
133 two such members appointed by the school boards whose districts are included  
134 in the county in a manner in which such school boards agree, with one such  
135 member to represent all other districts levying ad valorem taxes in a manner in  
136 which all such districts agree, six such members appointed either by the county  
137 executive or county commissioner, and three such members appointed by the  
138 cities in the county which have tax increment financing districts in a manner in  
139 which the cities shall agree;

140 (8) Effective January 1, 2008, when any city, town, or village under the  
141 authority of the East-West Gateway Council of Governments, **except any**  
142 **municipality in any county of the first classification with more than**  
143 **ninety-three thousand eight hundred but fewer than ninety-three**  
144 **thousand nine hundred inhabitants**, desires to implement a tax increment  
145 financing project, such city, town, or village shall first obtain the permission of  
146 the county tax increment financing commission created in this subsection within  
147 which the city, town, or village is located. In the event such commission votes in  
148 opposition to the redevelopment project, such redevelopment project shall not be  
149 approved unless at least two-thirds of the governing body of the city, town, or  
150 village votes to approve such project;

151 (9) At the option of the members appointed by the municipality, the  
152 members who are appointed by the school boards and other taxing districts may  
153 serve on the commission for a term to coincide with the length of time a  
154 redevelopment project, redevelopment plan or designation of a redevelopment  
155 area is considered for approval by the commission, or for a definite term pursuant  
156 to this subdivision. If the members representing school districts and other taxing  
157 districts are appointed for a term coinciding with the length of time a  
158 redevelopment project, plan or area is approved, such term shall terminate upon

159 final approval of the project, plan or designation of the area by the governing  
160 body of the municipality. Thereafter the commission shall consist of the six  
161 members appointed by the municipality, except that members representing school  
162 boards and other taxing districts shall be appointed as provided in this section  
163 prior to any amendments to any redevelopment plans, redevelopment projects or  
164 designation of a redevelopment area. If any school district or other taxing  
165 jurisdiction fails to appoint members of the commission within thirty days of  
166 receipt of written notice of a proposed redevelopment plan, redevelopment project  
167 or designation of a redevelopment area, the remaining members may proceed to  
168 exercise the power of the commission. Of the members first appointed by the  
169 municipality, two shall be designated to serve for terms of two years, two shall  
170 be designated to serve for a term of three years and two shall be designated to  
171 serve for a term of four years from the date of such initial  
172 appointments. Thereafter, the members appointed by the municipality shall  
173 serve for a term of four years, except that all vacancies shall be filled for  
174 unexpired terms in the same manner as were the original appointments.

175         3. The commission, subject to approval of the governing body of the  
176 municipality, may exercise the powers enumerated in sections 99.800 to 99.865,  
177 except final approval of plans, projects and designation of redevelopment  
178 areas. The commission shall hold public hearings and provide notice pursuant  
179 to sections 99.825 and 99.830. The commission shall vote on all proposed  
180 redevelopment plans, redevelopment projects and designations of redevelopment  
181 areas, and amendments thereto, within thirty days following completion of the  
182 hearing on any such plan, project or designation and shall make  
183 recommendations to the governing body within ninety days of the hearing  
184 referred to in section 99.825 concerning the adoption of or amendment to  
185 redevelopment plans and redevelopment projects and the designation of  
186 redevelopment areas. The requirements of subsection 2 of this section and this  
187 subsection shall not apply to redevelopment projects upon which the required  
188 hearings have been duly held prior to August 31, 1991.

**99.843. Notwithstanding the provisions of sections 99.800 to  
2 99.865 to the contrary, no new tax increment financing project shall be  
3 authorized in any greenfield area, as such term is defined in section  
4 99.805, that is located within a city not within a county or any county  
5 subject to the authority of the East-West Gateway Council of  
6 Governments. Municipalities not subject to the authority of the East-**

7 West Gateway Council of Governments may authorize tax increment  
8 finance projects in greenfield areas.

99.1205. 1. This section shall be known and may be cited as the  
2 "Distressed Areas Land Assemblage Tax Credit Act".

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

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

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

13 (a) Incurred, within an eligible project area, acquisition costs for  
14 the acquisition of land sufficient to satisfy the requirements under  
15 subdivision (8) of subsection 2 of this 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 law, to redevelop an urban  
19 renewal area or a redevelopment area that includes all of an eligible  
20 project area or whose redevelopment plan or redevelopment area,  
21 which encompasses all of an eligible project area, has been approved  
22 or adopted under an economic incentive law. In addition to being  
23 designated the redeveloper, the applicant shall have been designated  
24 to receive economic incentives only after the municipal authority has  
25 considered the amount of the tax credits in adopting such economic  
26 incentives as provided in subsection 8 of this section. The  
27 redevelopment agreement shall provide that:

28 a. The funds generated through the use or sale of the tax credits  
29 issued under this section shall be used to redevelop the eligible project  
30 area;

31 b. No more than seventy-five percent of the urban renewal area  
32 identified in the urban renewal plan or the redevelopment area  
33 identified in the redevelopment plan may be redeveloped by the  
34 applicant; and

35 c. The remainder of the urban renewal area or the

36 redevelopment area shall be redeveloped by co-redevelopers or  
37 redevelopers to whom the applicant has assigned its redevelopment  
38 rights and obligations under the urban renewal plan or the  
39 redevelopment plan;

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

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

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

51 (6) "Economic incentive laws", any provision of Missouri law  
52 pursuant to which economic incentives are provided to redevelopers of  
53 a parcel or parcels to redevelop the land, such as tax abatement or  
54 payments in lieu of taxes, or redevelopment plans or redevelopment  
55 projects approved or adopted which include the use of economic  
56 incentives to redevelop the land. Economic incentive laws include, but  
57 are not limited to, the land clearance for redevelopment authority law  
58 under sections 99.300 to 99.660, the real property tax increment  
59 allocation redevelopment act under sections 99.800 to 99.865, the  
60 Missouri downtown and rural economic stimulus act under sections  
61 99.915 to 99.1060, and the downtown revitalization preservation  
62 program under sections 99.1080 to 99.1092;

63 (7) "Eligible parcel", a parcel:

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

65 (b) Which is to be redeveloped;

66 (c) On which the applicant has not commenced construction  
67 prior to the effective date of this section;

68 (d) Which has been acquired without the commencement of any  
69 condemnation proceedings with respect to such parcel brought by or  
70 on behalf of the applicant. Any parcel acquired by the applicant from  
71 a municipal authority shall not constitute an eligible parcel; and

72 (e) On which all outstanding taxes, fines, and bills levied by



73 municipal governments that were levied by the municipality during the  
74 time period that the applicant held title to the eligible parcel have been  
75 paid in full;

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

78 (a) The eligible project area shall consist of at least seventy-five  
79 acres and may include parcels within its boundaries that do not  
80 constitute an eligible parcel;

81 (b) At least eighty percent of the eligible project area shall be  
82 located within a Missouri qualified census tract area, as designated by  
83 the United States Department of Housing and Urban Development  
84 under 26 U.S.C. Section 42, or within a distressed community as that  
85 term is defined in section 135.530, RSMo;

86 (c) The eligible parcels acquired by the applicant within the  
87 eligible project area shall total at least fifty acres, which may consist  
88 of contiguous and noncontiguous parcels;

89 (d) The average number of parcels per acre in an eligible project  
90 area shall be four or more;

91 (e) Less than five percent of the acreage within the boundaries  
92 of the eligible project area shall consist of owner-occupied residences  
93 which the applicant has identified for acquisition under the urban  
94 renewal plan or the redevelopment plan pursuant to which the  
95 applicant was appointed or selected as the redeveloper or by which the  
96 person or entity was qualified as an applicant under this section on the  
97 date of the approval or adoption of such plan;

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

100 (10) "Maintenance costs", costs of boarding up and securing  
101 vacant structures, costs of removing trash, and costs of cutting grass  
102 and weeds;

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

106 (12) "Municipality", any city, town, village, or county;

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

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

115           (15) "Redevelopment agreement", the redevelopment agreement  
116 or similar agreement into which the applicant entered with a municipal  
117 authority and which is the agreement for the implementation of the  
118 urban renewal plan or redevelopment plan pursuant to which the  
119 applicant was appointed or selected as the redeveloper or by which the  
120 person or entity was qualified as an applicant under this section; and  
121 such appointment or selection shall have been approved by an  
122 ordinance of the governing body of the municipality, or municipalities,  
123 or in the case of any city not within a county, the board of aldermen,  
124 in which the eligible project area is located. The redevelopment  
125 agreement shall include a time line for redevelopment of the eligible  
126 project area.

127           3. Any applicant shall be entitled to a tax credit against the taxes  
128 imposed under chapters 143, 147, and 148, RSMo, except for sections  
129 143.191 to 143.265, RSMo, in an amount equal to fifty percent of the  
130 acquisition costs, and one hundred percent of the interest costs  
131 incurred for a period of five years after the acquisition of an eligible  
132 parcel. No tax credits shall be issued under this section until after  
133 January 1, 2008.

134           4. If the amount of such tax credit exceeds the total tax liability  
135 for the year in which the applicant is entitled to receive a tax credit,  
136 the amount that exceeds the state tax liability may be carried forward  
137 for credit against the taxes imposed under chapters 143, 147, and 148,  
138 RSMo, for the succeeding six years, or until the full credit is used,  
139 whichever occurs first. The applicant shall not be entitled to a tax  
140 credit for taxes imposed under sections 143.191 to 143.265,  
141 RSMo. Applicants entitled to receive such tax credits may transfer,  
142 sell, or assign the tax credits. Tax credits granted to a partnership, a  
143 limited liability company taxed as a partnership, or multiple owners of  
144 property shall be passed through to the partners, members, or owners  
145 respectively pro rata or pursuant to an executed agreement among the  
146 partners, members, or owners documenting an alternate distribution

147 **method.**

148           **5. A purchaser, transferee, or assignee of the tax credits**  
149 **authorized under this section may use acquired tax credits to offset up**  
150 **to one hundred percent of the tax liabilities otherwise imposed under**  
151 **chapters 143, 147, and 148, RSMo, except for sections 143.191 to 143.265,**  
152 **RSMo. A seller, transferor, or assignor shall perfect such transfer by**  
153 **notifying the department in writing within thirty calendar days**  
154 **following the effective date of the transfer and shall provide any**  
155 **information as may be required by the department to administer and**  
156 **carry out the provisions of this section.**

157           **6. To claim tax credits authorized under this section, an**  
158 **applicant shall submit to the department an application for a**  
159 **certificate. An applicant shall identify the boundaries of the eligible**  
160 **project area in the application. The department shall verify that the**  
161 **applicant has submitted a valid application in the form and format**  
162 **required by the department. The department shall verify that the**  
163 **municipal authority held the requisite hearings and gave the requisite**  
164 **notices for such hearings in accordance with the applicable economic**  
165 **incentive act, and municipal ordinances. On an annual basis, an**  
166 **applicant may file for the tax credit for the acquisition costs, and for**  
167 **the tax credit for the interest costs, subject to the limitations of this**  
168 **section. If an applicant applying for the tax credit meets the criteria**  
169 **required under this section, the department shall issue a certificate in**  
170 **the appropriate amount. If an applicant receives a tax credit for**  
171 **maintenance costs as a part of the applicant's acquisition costs, the**  
172 **department shall post on its Internet web site the amount and type of**  
173 **maintenance costs and a description of the redevelopment project for**  
174 **which the applicant received a tax credit within thirty days after the**  
175 **department issues the certificate to the applicant.**

176           **7. The total aggregate amount of tax credits authorized under**  
177 **this section shall not exceed ninety-five million dollars. At no time**  
178 **shall the annual amount of the tax credits issued under this section**  
179 **exceed ten million dollars. If the tax credits that are to be issued under**  
180 **this section exceed, in any year, the ten million dollar limitation, the**  
181 **department shall either:**

182           **(1) Issue tax credits to the applicant in the amount of ten million**  
183 **dollars, if there is only one applicant entitled to receive tax credits in**

184 that year; or

185           (2) Issue the tax credits on a pro rata basis to all applicants  
186 entitled to receive tax credits in that year. Any amount of tax credits,  
187 which an applicant is, or applicants are, entitled to receive on an  
188 annual basis and are not issued due to the ten million dollar limitation,  
189 shall be carried forward for the benefit of the applicant or applicants  
190 to subsequent years. No tax credits provided under this section shall  
191 be authorized after August 28, 2013. Any tax credits which have been  
192 authorized on or before August 28, 2013, but not issued, may be issued,  
193 subject to the limitations provided under this subsection, until all such  
194 authorized tax credits have been issued.

195           8. Upon issuance of any tax credits pursuant to this section, the  
196 department shall report to the municipal authority the applicant's  
197 name and address, the parcel numbers of the eligible parcels for which  
198 the tax credits were issued, the itemized acquisition costs and interest  
199 costs for which tax credits were issued, and the total value of the tax  
200 credits issued. The municipal authority and the state shall not consider  
201 the amount of the tax credits as an applicant's cost, but shall include  
202 the tax credits in any sources and uses and cost benefit analysis  
203 reviewed or created for the purpose of awarding other economic  
204 incentives. The amount of the tax credits shall not be considered an  
205 applicant's cost in the evaluation of the amount of any award of any  
206 other economic incentives, but shall be considered in measuring the  
207 reasonableness of the rate of return to the applicant with respect to  
208 such award of other economic incentives. The municipal authority  
209 shall provide the report to any relevant commission, board, or entity  
210 responsible for the evaluation and recommendation or approval of  
211 other economic incentives to assist in the redevelopment of the eligible  
212 project area.

213           9. The department may promulgate rules to implement the  
214 provisions of this section. Any rule or portion of a rule, as that term is  
215 defined in section 536.010, RSMo, that is created under the authority  
216 delegated in this section shall become effective only if it complies with  
217 and is subject to all of the provisions of chapter 536, RSMo, and, if  
218 applicable, section 536.028, RSMo. This section and chapter 536, RSMo,  
219 are nonseverable and if any of the powers vested with the general  
220 assembly pursuant to chapter 536, RSMo, to review, to delay the

221 **effective date, or to disapprove and annul a rule are subsequently held**  
222 **unconstitutional, then the grant of rulemaking authority and any rule**  
223 **proposed or adopted after August 28, 2007, shall be invalid and void.**

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

- 6 (1) Is requested to finance any project or export trade activity;
- 7 (2) Is requested by a borrower who is demonstrated to be financially  
8 responsible;
- 9 (3) Can reasonably be expected to provide a benefit to the economy of this  
10 state;
- 11 (4) Is otherwise secured by a mortgage or deed of trust on real or personal  
12 property or other security satisfactory to the board; provided that loans to finance  
13 export trade activities may be secured by export accounts receivable or  
14 inventories of exportable goods satisfactory to the board;
- 15 (5) Does not exceed five million dollars;
- 16 (6) Does not have a term longer than five years if such loan is made to  
17 finance export trade activities; and
- 18 (7) Is, when used to finance export trade activities, made to small or  
19 medium size businesses or agricultural businesses, as may be defined by the  
20 board.

21 2. The board shall prescribe standards for the evaluation of the financial  
22 condition, business history, and qualifications of each borrower and the terms and  
23 conditions of loans which may be secured, and may require each application to  
24 include a financial report and evaluation by an independent certified public  
25 accounting firm, in addition to such examination and evaluation as may be  
26 conducted by any participating lender.

27 3. Each application for a loan secured by the development and reserve  
28 fund, the infrastructure development fund or the export finance fund shall be  
29 reviewed in the first instance by any participating lender to whom the application  
30 was submitted. If satisfied that the standards prescribed by the board are met  
31 and that the loan is otherwise eligible to be secured by the development and  
32 reserve fund, the infrastructure development fund or the export finance fund, the  
33 participating lender shall certify the same and forward the application for final

34 approval to the board.

35           4. The securing of any loans by the development and reserve fund, the  
36 infrastructure development fund or the export finance fund shall be conditioned  
37 upon approval of the application by the board, and receipt of an annual reserve  
38 participation fee, as prescribed by the board, submitted by or on behalf of the  
39 borrower.

40           5. The securing of any loan by the export finance fund for export trade  
41 activities shall be conditioned upon the board's compliance with any applicable  
42 treaties and international agreements, such as the general agreement on tariffs  
43 and trade and the subsidies code, to which the United States is then a party.

44           6. Any taxpayer, **including any charitable organization that is**  
45 **exempt from federal income tax and whose Missouri unrelated business**  
46 **taxable income, if any, would be subject to the state income tax**  
47 **imposed under chapter 143, RSMo,** shall be entitled to a tax credit against  
48 any tax otherwise due under the provisions of chapter 143, RSMo, excluding  
49 withholding tax imposed by sections 143.191 to 143.261, RSMo, chapter 147,  
50 RSMo, or chapter 148, RSMo, in the amount of fifty percent of any amount  
51 contributed in money or property by the taxpayer to the development and reserve  
52 fund, the infrastructure development fund or the export finance fund during the  
53 taxpayer's tax year, provided, however, the total tax credits awarded in any  
54 calendar year beginning after January 1, 1994, shall not be the greater of ten  
55 million dollars or five percent of the average growth in general revenue receipts  
56 in the preceding three fiscal years. This limit may be exceeded only upon joint  
57 agreement by the commissioner of administration, the director of the department  
58 of economic development, and the director of the department of revenue that such  
59 action is essential to ensure retention or attraction of investment in Missouri. If  
60 the board receives, as a contribution, real property, the contributor at such  
61 contributor's own expense shall have two independent appraisals conducted by  
62 appraisers certified by the Master Appraisal Institute. Both appraisals shall be  
63 submitted to the board, and the tax credit certified by the board to the  
64 contributor shall be based upon the value of the lower of the two appraisals. The  
65 board shall not certify the tax credit until the property is deeded to the  
66 board. Such credit shall not apply to reserve participation fees paid by borrowers  
67 under sections 100.250 to 100.297. The portion of earned tax credits which  
68 exceeds the taxpayer's tax liability may be carried forward for up to five years.  
69           7. Notwithstanding any provision of law to the contrary, any taxpayer

70 may sell, assign, exchange, convey or otherwise transfer tax credits allowed in  
71 subsection 6 of this section under the terms and conditions prescribed in  
72 subdivisions (1) and (2) of this subsection. Such taxpayer, hereinafter the  
73 assignor for the purpose of this subsection, may sell, assign, exchange or  
74 otherwise transfer earned tax credits:

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

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

79 The taxpayer acquiring earned credits, hereinafter the assignee for the purpose  
80 of this subsection, may use the acquired credits to offset up to one hundred  
81 percent of the tax liabilities otherwise imposed by chapter 143, RSMo, excluding  
82 withholding tax imposed by sections 143.191 to 143.261, RSMo, chapter 147,  
83 RSMo, or chapter 148, RSMo. Unused credits in the hands of the assignee may  
84 be carried forward for up to five years, provided all such credits shall be claimed  
85 within ten years following the tax years in which the contribution was made. The  
86 assignor shall enter into a written agreement with the assignee establishing the  
87 terms and conditions of the agreement and shall perfect such transfer by  
88 notifying the board in writing within thirty calendar days following the effective  
89 day of the transfer and shall provide any information as may be required by the  
90 board to administer and carry out the provisions of this section. Notwithstanding  
91 any other provision of law to the contrary, the amount received by the assignor  
92 of such tax credit shall be taxable as income of the assignor, and the excess of the  
93 par value of such credit over the amount paid by the assignee for such credit shall  
94 be taxable as income of the assignee.

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

4 2. As used in this section, the term "taxpayer" shall include corporations  
5 as defined in section 143.441 or 143.471, RSMo, **any charitable organization**  
6 **which is exempt from federal income tax and whose Missouri unrelated**  
7 **business taxable income, if any, would be subject to the state income**  
8 **tax imposed under chapter 143, RSMo,** and individuals, individual  
9 proprietorships and partnerships.

10 3. A taxpayer shall be allowed a tax credit against the tax otherwise due  
11 pursuant to chapter 143, RSMo, excluding withholding tax imposed by sections

12 143.191 to 143.265, RSMo, chapter 147, RSMo, chapter 148, RSMo, or chapter  
13 153, RSMo, in an amount equal to thirty percent for property contributions and  
14 fifty percent for monetary contributions of the amount such taxpayer contributed  
15 to the programs described in subsection 5 of this section, not to exceed two  
16 hundred thousand dollars per taxable year, per taxpayer; except as otherwise  
17 provided in subdivision (5) of subsection 5 of this section. The department of  
18 economic development shall prescribe the method for claiming the tax credits  
19 allowed in this section. No rule or portion of a rule promulgated under the  
20 authority of this section shall become effective unless it has been promulgated  
21 pursuant to the provisions of chapter 536, RSMo. All rulemaking authority  
22 delegated prior to June 27, 1997, is of no force and effect and repealed; however,  
23 nothing in this section shall be interpreted to repeal or affect the validity of any  
24 rule filed or adopted prior to June 27, 1997, if such rule complied with the  
25 provisions of chapter 536, RSMo. The provisions of this section and chapter 536,  
26 RSMo, are nonseverable and if any of the powers vested with the general  
27 assembly pursuant to chapter 536, RSMo, including the ability to review, to delay  
28 the effective date, or to disapprove and annul a rule or portion of a rule, are  
29 subsequently held unconstitutional, then the purported grant of rulemaking  
30 authority and any rule so proposed and contained in the order of rulemaking  
31 shall be invalid and void.

32 4. The tax credits allowed by this section shall be claimed by the taxpayer  
33 to offset the taxes that become due in the taxpayer's tax period in which the  
34 contribution was made. Any tax credit not used in such tax period may be carried  
35 over the next five succeeding tax periods.

36 5. The tax credit allowed by this section may only be claimed for monetary  
37 or property contributions to public or private programs authorized to participate  
38 pursuant to this section by the department of economic development and may be  
39 claimed for the development, establishment, implementation, operation, and  
40 expansion of the following activities and programs:

41 (1) An adopt-a-school program. Components of the adopt-a-school  
42 program shall include donations for school activities, seminars, and functions;  
43 school-business employment programs; and the donation of property and  
44 equipment of the corporation to the school;

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

47 (3) Employment programs. Such programs shall initially, but not



48 exclusively, target unemployed youth living in poverty and youth living in areas  
49 with a high incidence of crime;

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

51 (5) Employment/internship/apprenticeship programs in business or trades  
52 for persons less than twenty years of age, in which case the tax credit claimed  
53 pursuant to this section shall be equal to one-half of the amount paid to the  
54 intern or apprentice in that tax year, except that such credit shall not exceed ten  
55 thousand dollars per person;

56 (6) Mentor and role model programs;

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

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

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

64 (10) Nonviolent conflict resolution and mediation programs;

65 (11) Youth outreach and counseling programs.

66 6. Any program authorized in subsection 5 of this section shall, at least  
67 annually, submit a report to the department of economic development outlining  
68 the purpose and objectives of such program, the number of youth served, the  
69 specific activities provided pursuant to such program, the duration of such  
70 program and recorded youth attendance where applicable.

71 7. The department of economic development shall, at least annually  
72 submit a report to the Missouri general assembly listing the organizations  
73 participating, services offered and the number of youth served as the result of the  
74 implementation of this section.

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

77 9. For the purposes of the credits described in this section, in the case of  
78 a corporation described in section 143.471, RSMo, partnership, limited liability  
79 company described in section 347.015, RSMo, cooperative, marketing enterprise,  
80 or partnership, in computing Missouri's tax liability, such credits shall be allowed  
81 to the following:

82 (1) The shareholders of the corporation described in section 143.471,  
83 RSMo;

84           (2) The partners of the partnership;  
85           (3) The members of the limited liability company; and  
86           (4) Individual members of the cooperative or marketing enterprise.  
87 Such credits shall be apportioned to the entities described in subdivisions (1) and  
88 (2) of this subsection in proportion to their share of ownership on the last day of  
89 the taxpayer's tax period.

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

3           (1) "Department", the department of economic development;  
4           (2) "Director", the director of the department of economic development;  
5           (3) "Distressed community", as defined in section 135.530;  
6           (4) "Eligible costs for a new residence", expenses incurred for property  
7 acquisition, development, site preparation other than demolition, surveys,  
8 architectural and engineering services and construction and all other necessary  
9 and incidental expenses incurred for constructing a new market rate residence,  
10 which is or will be owner-occupied, which is not replacing a national register  
11 listed or local historic structure; except that, costs paid for by the taxpayer with  
12 grants or forgivable loans, other than tax credits, provided pursuant to state or  
13 federal governmental programs are ineligible;  
14           (5) "Eligible costs for rehabilitation", expenses incurred for the renovation  
15 or rehabilitation of an existing residence including site preparation, surveys,  
16 architectural and engineering services, construction, modification, expansion,  
17 remodeling, structural alteration, replacements and alterations; except that, costs  
18 paid for by the taxpayer with grants or forgivable loans other than tax credits  
19 provided pursuant to state or federal governmental programs are ineligible;  
20           (6) "Eligible residence", a single-family residence forty years of age or  
21 older, located in this state and not within a distressed community as defined by  
22 section 135.530, which is occupied or intended to be or occupied long-term by the  
23 owner or offered for sale at market rate for owner-occupancy and which is either  
24 located within a United States census block group which, if in a metropolitan  
25 statistical area, has a median household income of less than ninety percent, but  
26 greater than or equal to seventy percent of the median household income for the  
27 metropolitan statistical area in which the census block group is located, or which,  
28 if located within a United States census block group in a nonmetropolitan area,  
29 has a median household income of less than ninety percent, but greater than or  
30 equal to seventy percent of the median household income for the nonmetropolitan

31 areas in the state;

32 (7) "Flood plain", any land or area susceptible to being inundated by water  
33 from any source or located in a one hundred-year flood plain area determined by  
34 Federal Emergency Management Agency mapping as subject to flooding;

35 (8) "New residence", a residence constructed on land which if located  
36 within a distressed community has either been vacant for at least two years or  
37 is or was occupied by a structure which has been condemned by the local entity  
38 in which the structure is located or which, if located outside of a distressed  
39 community but within a census block group as described in subdivision (6) or (10)  
40 of this section, either replaces a residence forty years of age or older demolished  
41 for purposes of constructing a replacement residence, or which is constructed on  
42 vacant property which has been classified for not less than forty continuous years  
43 as residential or utility, commercial, railroad or other real property pursuant to  
44 article X, section 4(b) of the Missouri Constitution, as defined in section 137.016,  
45 RSMo; except that, no new residence shall be constructed in a flood plain or on  
46 property used for agricultural purposes. In a distressed community, the term  
47 "new residence" shall include condominiums, owner-occupied units or other units  
48 intended to be owner-occupied in multiple unit structures;

49 (9) "Project", new construction, rehabilitation or substantial rehabilitation  
50 of a residence that qualifies for a tax credit pursuant to sections 135.475 to  
51 135.487;

52 (10) "Qualifying residence", a single-family residence, forty years of age  
53 or older, located in this state which is occupied or intended to be occupied  
54 long-term by the owner or offered for sale at market rate for owner-occupancy and  
55 which is located in a metropolitan statistical area or nonmetropolitan statistical  
56 area within a United States census block group which has a median household  
57 income of less than seventy percent of the median household income for the  
58 metropolitan statistical area or nonmetropolitan area, respectively, or which is  
59 located within a distressed community. A qualifying residence shall include a  
60 condominium or residence within a multiple residential structure or a structure  
61 containing multiple single-family residences which is located within a distressed  
62 community;

63 (11) "Substantial rehabilitation", rehabilitation the costs of which exceed  
64 fifty percent of either the purchase price or the cost basis of the structure  
65 immediately prior to rehabilitation; provided that, the structure is at least fifty  
66 years old notwithstanding any provision of sections 135.475 to 135.487 to the

67 contrary;

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (5) "Certified capital company", any partnership, corporation, trust or  
27 limited liability company, whether organized on a profit or not-for-profit basis,  
28 that is located, headquartered and registered to conduct business in Missouri that

29 has as its primary business activity, the investment of cash in qualified Missouri  
30 businesses, and which is certified by the department as meeting the criteria of  
31 sections 135.500 to 135.529;

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

33 (7) "Director", the director of the department of economic development or  
34 a person acting under the supervision of the director;

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

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

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

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

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

47 (b) Management fees for managing and operating the certified capital  
48 company; and

49 (c) Any increase in federal or state taxes, penalties and interest, including  
50 those related to state and federal income taxes, of equity owners of a certified  
51 capital company which related to the ownership, management or operation of a  
52 certified capital company;

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

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

57 (b) Is a wholly owned subsidiary of a certified capital company or  
58 otherwise affiliated with and under common control with a certified capital  
59 company; and

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

62 Such designation shall be effective upon delivery by the certified capital company  
63 of written notice of the designation to the department. A qualified investing  
64 entity may raise debt or equity capital for investment, but such capital shall not

65 be considered certified capital. Any qualified investment made by a qualified  
66 investing entity after the effective date of this act shall be deemed to have been  
67 made by a certified capital company that designated the qualified investing entity  
68 as such; provided that no qualified investment may be deemed to have been made  
69 by more than one certified capital company;

70 (13) "Qualified investment", the investment of cash by a Missouri certified  
71 capital company or a qualified investing entity in such a manner as to acquire  
72 capital in a qualified Missouri business;

73 (14) "Qualified Missouri business", an independently owned and operated  
74 business, which is headquartered and located in Missouri and which is in need  
75 of venture capital and cannot obtain conventional financing. Such business shall  
76 have no more than two hundred employees, eighty percent of which are employed  
77 in Missouri. Such business shall be involved in commerce for the purpose of  
78 manufacturing, processing or assembling products, conducting research and  
79 development, or providing services in interstate commerce, but excluding retail,  
80 real estate, real estate development, insurance and professional services provided  
81 by accountants, lawyers or physicians. At the time a certified capital company  
82 or qualified investing entity makes an initial investment in a business, such  
83 business shall be a small business concern that meets the requirements of the  
84 United States Small Business Administration's qualification size standards for  
85 its venture capital program, as defined in Section 13 CFR 121.301 (c) of the Small  
86 Business Investment Act of 1958, as amended. Any business which is classified  
87 as a qualified Missouri business at the time of the first investment in such  
88 business by a Missouri certified capital company or qualified investing entity  
89 shall, for a period of seven years from the date of such first investment, remain  
90 classified as a qualified Missouri business and may receive follow-on investments  
91 from any Missouri certified capital company or qualified investing entity and such  
92 follow-on investments shall be qualified investments even though such business  
93 may not meet the other qualifications of this subsection at the time of such  
94 follow-on investments;

95 (15) "State premium tax liability", any liability incurred by an insurance  
96 company pursuant to the provisions of section 148.320, 148.340, 148.370 or  
97 148.376, RSMo, and any other related provisions, which may impose a tax upon  
98 the premium income of insurance companies after January 1, 1997.

135.545. A taxpayer shall be allowed a credit for taxes paid pursuant to  
2 chapter 143, 147 or 148, RSMo, in an amount equal to fifty percent of a qualified

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

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

- 2 (1) "Contribution", a donation of cash, stock, bonds or other marketable  
3 securities, or real property;
- 4 (2) "Shelter for victims of domestic violence", a facility located in this state  
5 which meets the definition of a shelter for victims of domestic violence pursuant  
6 to section 455.200, RSMo, and which meets the requirements of section 455.220,  
7 RSMo;
- 8 (3) "State tax liability", in the case of a business taxpayer, any liability  
9 incurred by such taxpayer pursuant to the provisions of chapter 143, RSMo,  
10 chapter 147, RSMo, chapter 148, RSMo, and chapter 153, RSMo, exclusive of the  
11 provisions relating to the withholding of tax as provided for in sections 143.191  
12 to 143.265, RSMo, and related provisions, and in the case of an individual  
13 taxpayer, any liability incurred by such taxpayer pursuant to the provisions of  
14 chapter 143, RSMo;
- 15 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a

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

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

32         3. The amount of the tax credit claimed shall not exceed the amount of the  
33 taxpayer's state tax liability for the taxable year that the credit is claimed, and  
34 such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand  
35 dollars per taxable year. However, any tax credit that cannot be claimed in the  
36 taxable year the contribution was made may be carried over to the next four  
37 succeeding taxable years until the full credit has been claimed.

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

43         5. The director of the department of social services shall determine, at  
44 least annually, which facilities in this state may be classified as shelters for  
45 victims of domestic violence. The director of the department of social services  
46 may require of a facility seeking to be classified as a shelter for victims of  
47 domestic violence whatever information is reasonably necessary to make such a  
48 determination. The director of the department of social services shall classify a  
49 facility as a shelter for victims of domestic violence if such facility meets the  
50 definition set forth in subsection 1 of this section.

51         6. The director of the department of social services shall establish a



52 procedure by which a taxpayer can determine if a facility has been classified as  
53 a shelter for victims of domestic violence, and by which such taxpayer can then  
54 contribute to such shelter for victims of domestic violence and claim a tax  
55 credit. Shelters for victims of domestic violence shall be permitted to decline a  
56 contribution from a taxpayer. The cumulative amount of tax credits which may  
57 be claimed by all the taxpayers contributing to shelters for victims of domestic  
58 violence in any one fiscal year shall not exceed two million dollars.

59         7. The director of the department of social services shall establish a  
60 procedure by which, from the beginning of the fiscal year until some point in time  
61 later in the fiscal year to be determined by the director of the department of  
62 social services, the cumulative amount of tax credits are equally apportioned  
63 among all facilities classified as shelters for victims of domestic violence. If a  
64 shelter for victims of domestic violence fails to use all, or some percentage to be  
65 determined by the director of the department of social services, of its apportioned  
66 tax credits during this predetermined period of time, the director of the  
67 department of social services may reapportion these unused tax credits to those  
68 shelters for victims of domestic violence that have used all, or some percentage  
69 to be determined by the director of the department of social services, of their  
70 apportioned tax credits during this predetermined period of time. The director  
71 of the department of social services may establish more than one period of time  
72 and reapportion more than once during each fiscal year. To the maximum extent  
73 possible, the director of the department of social services shall establish the  
74 procedure described in this subsection in such a manner as to ensure that  
75 taxpayers can claim all the tax credits possible up to the cumulative amount of  
76 tax credits available for the fiscal year.

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

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

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

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

8         (3) "State tax liability", in the case of a business taxpayer, any liability  
9 incurred by such taxpayer pursuant to the provisions of chapter 143, RSMo,

10 chapter 147, RSMo, chapter 148, RSMo, and chapter 153, RSMo, exclusive of the  
11 provisions relating to the withholding of tax as provided for in sections 143.191  
12 to 143.265, RSMo, and related provisions, and in the case of an individual  
13 taxpayer, any liability incurred by such taxpayer pursuant to the provisions of  
14 chapter 143, RSMo;

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

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

32 3. The amount of the tax credit claimed shall not exceed the amount of the  
33 taxpayer's state tax liability for the taxable year that the credit is claimed, and  
34 such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand  
35 dollars per taxable year. However, any tax credit that cannot be claimed in the  
36 taxable year the contribution was made may be carried over to the next four  
37 succeeding taxable years until the full credit has been claimed.

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

43 5. The director of the department of social services shall determine, at  
44 least annually, which facilities in this state may be classified as maternity  
45 homes. The director of the department of social services may require of a facility

46 seeking to be classified as a maternity home whatever information is reasonably  
47 necessary to make such a determination. The director of the department of social  
48 services shall classify a facility as a maternity home if such facility meets the  
49 definition set forth in subsection 1 of this section.

50 6. The director of the department of social services shall establish a  
51 procedure by which a taxpayer can determine if a facility has been classified as  
52 a maternity home, and by which such taxpayer can then contribute to such  
53 maternity home and claim a tax credit. Maternity homes shall be permitted to  
54 decline a contribution from a taxpayer. The cumulative amount of tax credits  
55 which may be claimed by all the taxpayers contributing to maternity homes in  
56 any one fiscal year shall not exceed two million dollars.

57 7. The director of the department of social services shall establish a  
58 procedure by which, from the beginning of the fiscal year until some point in time  
59 later in the fiscal year to be determined by the director of the department of  
60 social services, the cumulative amount of tax credits are equally apportioned  
61 among all facilities classified as maternity homes. If a maternity home fails to  
62 use all, or some percentage to be determined by the director of the department of  
63 social services, of its apportioned tax credits during this predetermined period of  
64 time, the director of the department of social services may reapportion these  
65 unused tax credits to those maternity homes that have used all, or some  
66 percentage to be determined by the director of the department of social services,  
67 of their apportioned tax credits during this predetermined period of time. The  
68 director of the department of social services may establish more than one period  
69 of time and reapportion more than once during each fiscal year. To the maximum  
70 extent possible, the director of the department of social services shall establish  
71 the procedure described in this subsection in such a manner as to ensure that  
72 taxpayers can claim all the tax credits possible up to the cumulative amount of  
73 tax credits available for the fiscal year.

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

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

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

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

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

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

11 (b) Where childbirths are not performed; and

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

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

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

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

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

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

27 (5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a  
28 shareholder in an S corporation doing business in the state of Missouri and  
29 subject to the state income tax imposed by the provisions of chapter 143, RSMo,  
30 or a corporation subject to the annual corporation franchise tax imposed by the  
31 provisions of chapter 147, RSMo, or an insurance company paying an annual tax  
32 on its gross premium receipts in this state, or other financial institution paying  
33 taxes to the state of Missouri or any political subdivision of this state pursuant  
34 to the provisions of chapter 148, RSMo, or an express company which pays an  
35 annual tax on its gross receipts in this state pursuant to chapter 153, RSMo, or  
36 an individual subject to the state income tax imposed by the provisions of chapter  
37 143, RSMo, **or any charitable organization which is exempt from federal**  
38 **income tax and whose Missouri unrelated business taxable income, if**  
39 **any, would be subject to the state income tax imposed under chapter**  
40 **143, RSMo.**

41 2. For all tax years beginning on or after January 1, 2007, a taxpayer  
42 shall be allowed to claim a tax credit against the taxpayer's state tax liability in

43 an amount equal to fifty percent of the amount such taxpayer contributed to a  
44 pregnancy resource center.

45 3. The amount of the tax credit claimed shall not exceed the amount of the  
46 taxpayer's state tax liability for the taxable year for which the credit is claimed,  
47 and such taxpayer shall not be allowed to claim a tax credit in excess of fifty  
48 thousand dollars per taxable year. However, any tax credit that cannot be  
49 claimed in the taxable year the contribution was made may be carried over to the  
50 next four succeeding taxable years until the full credit has been claimed.

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

56 5. The director shall determine, at least annually, which facilities in this  
57 state may be classified as pregnancy resource centers. The director may require  
58 of a facility seeking to be classified as a pregnancy resource center whatever  
59 information which is reasonably necessary to make such a determination. The  
60 director shall classify a facility as a pregnancy resource center if such facility  
61 meets the definition set forth in subsection 1 of this section.

62 6. The director shall establish a procedure by which a taxpayer can  
63 determine if a facility has been classified as a pregnancy resource  
64 center. Pregnancy resource centers shall be permitted to decline a contribution  
65 from a taxpayer. The cumulative amount of tax credits which may be claimed by  
66 all the taxpayers contributing to pregnancy resource centers in any one fiscal year  
67 shall not exceed two million dollars. Tax credits shall be issued in the order  
68 contributions are received.

69 7. The director shall establish a procedure by which, from the beginning  
70 of the fiscal year until some point in time later in the fiscal year to be determined  
71 by the director, the cumulative amount of tax credits are equally apportioned  
72 among all facilities classified as pregnancy resource centers. If a pregnancy  
73 resource center fails to use all, or some percentage to be determined by the  
74 director, of its apportioned tax credits during this predetermined period of time,  
75 the director may reapportion these unused tax credits to those pregnancy  
76 resource centers that have used all, or some percentage to be determined by the  
77 director, of their apportioned tax credits during this predetermined period of  
78 time. The director may establish more than one period of time and reapportion

79 more than once during each fiscal year. To the maximum extent possible, the  
80 director shall establish the procedure described in this subsection in such a  
81 manner as to ensure that taxpayers can claim all the tax credits possible up to  
82 the cumulative amount of tax credits available for the fiscal year.

83 8. Each pregnancy resource center shall provide information to the  
84 director concerning the identity of each taxpayer making a contribution to the  
85 pregnancy resource center who is claiming a tax credit pursuant to this section  
86 and the amount of the contribution. The director shall provide the information  
87 to the director of revenue. The director shall be subject to the confidentiality and  
88 penalty provisions of section 32.057, RSMo, relating to the disclosure of tax  
89 information.

90 9. **Notwithstanding any other law to the contrary, any tax credits**  
91 **granted under this section may be assigned, transferred, sold, or**  
92 **otherwise conveyed without consent or approval. Such taxpayer,**  
93 **hereinafter the assignor for purposes of this section, may sell, assign,**  
94 **exchange, or otherwise transfer earned tax credits:**

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

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

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

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

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

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

135.679. 1. **This section shall be known and may be cited as the**  
2 **"Qualified Beef Tax Credit Act".**

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

4 (1) **"Agricultural property", any real and personal property,**  
5 **including but not limited to buildings, structures, improvements,**  
6 **equipment, and livestock, that is used in or is to be used in this state**

7 by residents of this state for:

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

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

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

12 (3) "Backgrounded", any additional weight at the time of the first  
13 qualifying sale, before being finished, above the established baseline  
14 weight;

15 (4) "Baseline weight", the average weight in the immediate past  
16 three years of all beef animals sold that are thirty months of age or  
17 younger, categorized by sex. Baseline weight for qualified beef animals  
18 that are physically out-of-state but whose ownership is retained by a  
19 resident of this state shall be established by the average transfer  
20 weight in the immediate past three years of all beef animals that are  
21 thirty months of age or younger and that are transferred out-of-state  
22 but whose ownership is retained by a resident of this state, categorized  
23 by sex. The established baseline weight shall be effective for a period  
24 of three years. If the taxpayer is a qualifying beef animal producer  
25 with fewer than three years of production, the baseline weight shall be  
26 established by the available average weight in the immediate past year  
27 of all beef animals sold that are thirty months of age or younger,  
28 categorized by sex. If the qualifying beef animal producer has no  
29 previous production, the baseline weight shall be established by the  
30 authority;

31 (5) "Finished", the period from backgrounded to harvest;

32 (6) "Qualifying beef animal", any beef animal that is certified by  
33 the authority, that was born in this state after August 28, 2008, that was  
34 raised and backgrounded or finished in this state by the taxpayer,  
35 excluding any beef animal more than thirty months of age as verified  
36 by certified written birth records;

37 (7) "Qualifying sale", the first time a qualifying beef animal is  
38 sold in this state after the qualifying beef animal is backgrounded, and  
39 a subsequent sale if the weight of the qualifying beef animal at the time  
40 of the subsequent sale is greater than the weight of the qualifying beef  
41 animal at the time of the first qualifying sale of such beef animal;

42 (8) "Tax credit", a credit against the tax otherwise due under  
43 chapter 143, RSMo, excluding withholding tax imposed by sections

44 143.191 to 143.265, RSMo, or otherwise due under chapter 147, RSMo;

45 (9) "Taxpayer", any individual or entity who:

46 (a) Is subject to the tax imposed in chapter 143, RSMo, excluding  
47 withholding tax imposed by sections 143.191 to 143.265, RSMo, or the  
48 tax imposed in chapter 147, RSMo;

49 (b) In the case of an individual, is a resident of this state as  
50 verified by a 911 address or in the absence of a 911 system, a physical  
51 address; and

52 (c) Owns or rents agricultural property and principal place of  
53 business is located in this state.

54 3. For all taxable years beginning on or after January 1, 2009,  
55 but ending on or before December 31, 2016, a taxpayer shall be allowed  
56 a tax credit for the first qualifying sale and for a subsequent qualifying  
57 sale of all qualifying beef animals. The tax credit amount for the first  
58 qualifying sale shall be ten cents per pound, shall be based on the  
59 backgrounded weight of all qualifying beef animals at the time of the  
60 first qualifying sale, and shall be calculated as follows: the qualifying  
61 sale weight minus the baseline weight multiplied by ten cents, as long  
62 as the qualifying sale weight is equal to or greater than two hundred  
63 pounds above the baseline weight. The tax credit amount for each  
64 subsequent qualifying sale shall be ten cents per pound, shall be based  
65 on the backgrounded weight of all qualifying beef animals at the time  
66 of the subsequent qualifying sale, and shall be calculated as follows:  
67 the qualifying sale weight minus the baseline weight multiplied by ten  
68 cents, as long as the qualifying sale weight is equal to or greater than  
69 two hundred pounds above the baseline weight. The authority may  
70 waive no more than twenty-five percent of the two hundred pound  
71 weight gain requirement, but any such waiver shall be based on a  
72 disaster declaration issued by the U. S. Department of Agriculture.

73 4. The amount of the tax credit claimed shall not exceed the  
74 amount of the taxpayer's state tax liability for the taxable year for  
75 which the credit is claimed. No tax credit claimed under this section  
76 shall be refundable. The tax credit shall be claimed in the taxable year  
77 in which the qualifying sale of the qualifying beef occurred, but any  
78 amount of credit that the taxpayer is prohibited by this section from  
79 claiming in a taxable year may be carried forward to any of the  
80 taxpayer's five subsequent taxable years and carried backward to any



81 of the taxpayer's three previous taxable years. The amount of tax  
82 credits that may be issued to all eligible applicants claiming tax credits  
83 authorized in this section in a fiscal year shall not exceed three million  
84 dollars. Tax credits shall be issued on an as-received application basis  
85 until the fiscal year limit is reached. Any credits not issued in any  
86 fiscal year shall expire and shall not be issued in any subsequent years.

87       5. To claim the tax credit allowed under this section, the  
88 taxpayer shall submit to the authority an application for the tax credit  
89 on a form provided by the authority and any application fee imposed  
90 by the authority. The application shall be filed with the authority at  
91 the end of each calendar year in which a qualified sale was made and  
92 for which a tax credit is claimed under this section. The application  
93 shall include any certified documentation and information required by  
94 the authority. All required information obtained by the authority shall  
95 be confidential and not disclosed except by court order, subpoena, or  
96 as otherwise provided by law. If the taxpayer and the qualified sale  
97 meet all criteria required by this section and approval is granted by the  
98 authority, the authority shall issue a tax credit certificate in the  
99 appropriate amount. Tax credit certificates issued under this section  
100 may be assigned, transferred, sold, or otherwise conveyed, and the new  
101 owner of the tax credit certificate shall have the same rights in the tax  
102 credit as the original taxpayer. Whenever a tax credit certificate is  
103 assigned, transferred, sold or otherwise conveyed, a notarized  
104 endorsement shall be filed with the authority specifying the name and  
105 address of the new owner of the tax credit certificate or the value of  
106 the tax credit.

107       6. Any information provided under this section shall be  
108 confidential information, to be shared with no one except state and  
109 federal animal health officials, except as provided in subsection 5 of  
110 this section.

111       7. The authority may promulgate rules to implement the  
112 provisions of this section. Any rule or portion of a rule, as that term is  
113 defined in section 536.010, RSMo, that is created under the authority  
114 delegated in this section shall become effective only if it complies with  
115 and is subject to all of the provisions of chapter 536, RSMo, and, if  
116 applicable, section 536.028, RSMo. This section and chapter 536, RSMo,  
117 are nonseverable and if any of the powers vested with the general

118 assembly pursuant to chapter 536, RSMo, to review, to delay the  
119 effective date, or to disapprove and annul a rule are subsequently held  
120 unconstitutional, then the grant of rulemaking authority and any rule  
121 proposed or adopted after August 28, 2007, shall be invalid and void.

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

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

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

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

6 (b) The following fraction:

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

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

13 c. For purposes of calculating the amount of qualified low-  
14 income community investments held by an issuer, an investment shall  
15 be considered held by an issuer even if the investment has been sold or  
16 repaid; provided that the issuer reinvests an amount equal to the  
17 capital returned to or recovered by the issuer from the original  
18 investment, exclusive of any profits realized, in another qualified low-  
19 income community investment within twelve months of the receipt of  
20 such capital. An issuer shall not be required to reinvest capital  
21 returned from qualified low-income community investments after the  
22 sixth anniversary of the issuance of the qualified equity investment, the  
23 proceeds of which were used to make the qualified low-income  
24 community investment, and the qualified low-income community  
25 investment shall be considered held by the issuer through the seventh  
26 anniversary of the qualified equity investment's issuance;

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

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

- 32           (a) The date on which such investment is initially made; and
- 33           (b) Each of the six anniversary dates of such date thereafter;
- 34           (4) "Long-term debt security", any debt instrument issued by a
- 35 qualified community development entity, at par value or a premium,
- 36 with an original maturity date of at least seven years from the date of
- 37 its issuance, with no acceleration of repayment, amortization, or
- 38 prepayment features prior to its original maturity date, and with no
- 39 distribution, payment, or interest features related to the profitability
- 40 of the qualified community development entity or the performance of
- 41 the qualified community development entity's investment
- 42 portfolio. The foregoing shall in no way limit the holder's ability to
- 43 accelerate payments on the debt instrument in situations where the
- 44 issuer has defaulted on covenants designed to ensure compliance with
- 45 this section or Section 45D of the Internal Revenue Code of 1986, as
- 46 amended;
- 47           (5) "Qualified active low-income community business", the
- 48 meaning given such term in Section 45D of the Internal Revenue Code
- 49 of 1986, as amended; provided that any business that derives or projects
- 50 to derive fifteen percent or more of its annual revenue from the rental
- 51 or sale of real estate shall not be considered to be a qualified active
- 52 low-income community business;
- 53           (6) "Qualified community development entity", the meaning given
- 54 such term in Section 45D of the Internal Revenue Code of 1986, as
- 55 amended; provided that such entity has entered into an allocation
- 56 agreement with the Community Development Financial Institutions
- 57 Fund of the U.S. Treasury Department with respect to credits
- 58 authorized by Section 45D of the Internal Revenue Code of 1986, as
- 59 amended, which includes the state of Missouri within the service area
- 60 set forth in such allocation agreement;
- 61           (7) "Qualified Equity Investment", any equity investment in, or
- 62 long-term debt security issued by, a qualified community development
- 63 entity that:
- 64           (a) Is acquired after the effective date of this section at its
- 65 original issuance solely in exchange for cash;
- 66           (b) Has at least eighty-five percent of its cash purchase price
- 67 used by the issuer to make qualified low-income community
- 68 investments; and

69           (c) Is designated by the issuer as a qualified equity investment  
70 under this subdivision and is certified by the department of economic  
71 development as not exceeding the limitation contained in subsection 2  
72 of this section.

73 This term shall include any qualified equity investment that does not  
74 meet the provisions of paragraph (a) of this subdivision if such  
75 investment was a qualified equity investment in the hands of a prior  
76 holder;

77           (8) "Qualified low-income community investment", any capital or  
78 equity investment in, or loan to, any qualified active low-income  
79 community business. With respect to any one qualified active low-  
80 income community business, the maximum amount of qualified low-  
81 income community investments made in such business, on a collective  
82 basis with all of its affiliates, that may be used from the calculation of  
83 any numerator described in subparagraph (a) of paragraph (b) of  
84 subdivision (1) of this subsection shall be ten million dollars whether  
85 issued to one or several qualified community development entities;

86           (9) "Tax credit", a credit against the tax otherwise due under  
87 chapter 143, RSMo, excluding withholding tax imposed in sections  
88 143.191 to 143.265, RSMo, or otherwise due under section 375.916, RSMo,  
89 or chapter 147, 148, or 153, RSMo;

90           (10) "Taxpayer", any individual or entity subject to the tax  
91 imposed in chapter 143, RSMo, excluding withholding tax imposed in  
92 sections 143.191 to 143.265, RSMo, or the tax imposed in section 375.916,  
93 RSMo, or chapter 147, 148, or 153, RSMo.

94           2. A taxpayer that makes a qualified equity investment earns a  
95 vested right to tax credits under this section. On each credit allowance  
96 date of such qualified equity investment the taxpayer, or subsequent  
97 holder of the qualified equity investment, shall be entitled to a tax  
98 credit during the taxable year including such credit allowance  
99 date. The tax credit amount shall be equal to the applicable percentage  
100 of the adjusted purchase price paid to the issuer of such qualified  
101 equity investment. The amount of the tax credit claimed shall not  
102 exceed the amount of the taxpayer's state tax liability for the tax year  
103 for which the tax credit is claimed. No tax credit claimed under this  
104 section shall be refundable or transferable. Tax credits earned by a  
105 partnership, limited liability company, S-corporation, or other "pass-

106 through" entity may be allocated to the partners, members, or  
107 shareholders of such entity for their direct use in accordance with the  
108 provisions of any agreement among such partners, members, or  
109 shareholders. Any amount of tax credit that the taxpayer is prohibited  
110 by this section from claiming in a taxable year may be carried forward  
111 to any of the taxpayer's five subsequent taxable years. The department  
112 of economic development shall limit the monetary amount of qualified  
113 equity investments permitted under this section to a level necessary to  
114 limit tax credit utilization at no more than fifteen million dollars of tax  
115 credits in any fiscal year. Such limitation on qualified equity  
116 investments shall be based on the anticipated utilization of credits  
117 without regard to the potential for taxpayers to carry forward tax  
118 credits to later tax years.

119       3. The issuer of the qualified equity investment shall certify to  
120 the department of economic development the anticipated dollar amount  
121 of such investments to be made in this state during the first twelve-  
122 month period following the initial credit allowance date. If on the  
123 second credit allowance date, the actual dollar amount of such  
124 investments is different than the amount estimated, the department of  
125 economic development shall adjust the credits arising on the second  
126 allowance date to account for such difference.

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

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

134       (2) The issuer redeems or makes principal repayment with  
135 respect to a qualified equity investment prior to the seventh  
136 anniversary of the issuance of such qualified equity investment.  
137 Any tax credit that is subject to recapture shall be recaptured from the  
138 taxpayer that claimed the tax credit on a return.

139       5. The department of economic development shall promulgate  
140 rules to implement the provisions of this section, including recapture  
141 provisions on a scaled proportional basis, and to administer the  
142 allocation of tax credits issued for qualified equity investments, which

143 shall be conducted on a first-come, first-serve basis. Any rule or  
144 portion of a rule, as that term is defined in section 536.010, RSMo, that  
145 is created under the authority delegated in this section shall become  
146 effective only if it complies with and is subject to all of the provisions  
147 of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This  
148 section and chapter 536, RSMo, are nonseverable and if any of the  
149 powers vested with the general assembly pursuant to chapter 536,  
150 RSMo, to review, to delay the effective date, or to disapprove and annul  
151 a rule are subsequently held unconstitutional, then the grant of  
152 rulemaking authority and any rule proposed or adopted after the  
153 effective date of this section shall be invalid and void.

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

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

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

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

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

183 However, nothing in this subsection shall preclude a taxpayer who  
184 makes a qualified equity investment prior to sunset of this section  
185 under the provisions of section 23.253, RSMo, from claiming tax credits  
186 relating to such qualified equity investment for each credit allowance  
187 date.

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

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

5           (2) "Qualified film production project", any film, video,  
6 commercial, or television production, as approved by the department  
7 of economic development and the office of the Missouri film  
8 commission, that is under thirty minutes in length with an expected  
9 in-state expenditure budget in excess of fifty thousand dollars, or that  
10 is over thirty minutes in length with an expected in-state expenditure  
11 budget in excess of one hundred thousand dollars. Regardless of the  
12 production costs, "qualified film production project" shall not include  
13 any:

14           (a) News or current events programming;

15           (b) Talk show;

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

18           (d) Sports event or sports program;

19           (e) Gala presentation or awards show;

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

21           (g) Political ad;

22           (h) Production that is considered obscene, as defined in section  
23 573.010, RSMo;

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

27           (a) Goods and services leased or purchased by the production  
28 company. For goods with a purchase price of twenty-five thousand  
29 dollars or more, the amount included in qualifying expenses shall be

30 the purchase price less the fair market value of the goods at the time  
31 the production is completed;

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

37 (4) "Tax credit", a credit against the tax otherwise due under  
38 chapter 143, RSMo, excluding withholding tax imposed by sections  
39 143.191 to 143.265, RSMo, or otherwise due under chapter 148, RSMo;

40 (5) "Taxpayer", any individual, partnership, or corporation as  
41 described in section 143.441, 143.471, RSMo, or section 148.370, RSMo,  
42 that is subject to the tax imposed in chapter 143, RSMo, excluding  
43 withholding tax imposed by sections 143.191 to 143.265, RSMo, or the  
44 tax imposed in chapter 148, RSMo, or any charitable organization  
45 which is exempt from federal income tax and whose Missouri unrelated  
46 business taxable income, if any, would be subject to the state income  
47 tax imposed under chapter 143, RSMo.

48 2. For all taxable years beginning on or after January 1, 1999, but  
49 ending on or before December 31, 2007, a taxpayer shall be granted a tax  
50 credit [against the tax otherwise due pursuant to chapter 143, RSMo, excluding  
51 withholding tax imposed by sections 143.191 to 143.261, RSMo, or chapter 148,  
52 RSMo,] for up to fifty percent of the amount of investment in production or  
53 production-related activities in [a qualified film production project. As used in  
54 this section, the term "taxpayer" means an individual, a partnership, or a  
55 corporation as described in section 143.441, 143.471, RSMo, or section 148.370,  
56 RSMo, and the term "qualified film production project" means] any film  
57 production project with an expected in-state expenditure budget in excess of three  
58 hundred thousand dollars. For all taxable years beginning on or after  
59 January 1, 2008, a taxpayer shall be allowed a tax credit for up to  
60 thirty-five percent of the amount of qualifying expenses in a qualified  
61 film production project. Each film production company shall be limited to one  
62 qualified film production project per year. Activities qualifying a taxpayer for the  
63 tax credit pursuant to this subsection shall be approved by the office of the  
64 Missouri film commission and the department of economic development.

65 [2.] 3. Taxpayers shall apply for the film production tax credit by



66 submitting an application to the department of economic development, on a form  
67 provided by the department. As part of the application, the expected in-state  
68 expenditures of the qualified film production project shall be documented. In  
69 addition, the application shall include an economic impact statement, showing the  
70 economic impact from the activities of the film production project. Such economic  
71 impact statement shall indicate the impact on the region of the state in which the  
72 film production or production-related activities are located and on the state as a  
73 whole.

74 **[3.] 4. For all taxable years ending on or before December 31,**  
75 **2007,** tax credits certified pursuant to subsection 1 of this section shall not  
76 exceed one million dollars per taxpayer per year, and shall not exceed a total for  
77 all tax credits certified of one million five hundred thousand dollars per  
78 year. **For all taxable years beginning on or after January 1, 2008, tax**  
79 **credits certified under subsection 1 of this section shall not exceed a**  
80 **total for all tax credits certified of four million five hundred thousand**  
81 **dollars per year.** Taxpayers may carry forward unused credits for up to five  
82 tax periods, provided all such credits shall be claimed within ten tax periods  
83 following the tax period in which the film production or production-related  
84 activities for which the credits are certified by the department occurred.

85 **[4.] 5.** Notwithstanding any provision of law to the contrary, any  
86 taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits  
87 allowed in subsection 1 of this section. The taxpayer acquiring the tax credits  
88 may use the acquired credits to offset the tax liabilities otherwise imposed by  
89 chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to  
90 **[143.261] 143.265,** RSMo, or chapter 148, RSMo. Unused acquired credits may  
91 be carried forward for up to five tax periods, provided all such credits shall be  
92 claimed within ten tax periods following the tax period in which the film  
93 production or production-related activities for which the credits are certified by  
94 the department occurred.

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

96 **(1) The provisions of the new program authorized under this**  
97 **section shall automatically sunset six years after the effective date of**  
98 **this section unless reauthorized by an act of the general assembly; and**  
99 **(2) If such program is reauthorized, the program authorized**  
100 **under this section shall automatically sunset twelve years after the**  
101 **effective date of the reauthorization of this section; and**

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

135.950. The following terms, whenever used in sections 135.950 to  
2 135.970 mean:

3           (1) "Blighted area", an area which, by reason of the predominance of  
4 defective or inadequate street layout, unsanitary or unsafe conditions,  
5 deterioration of site improvements, improper subdivision or obsolete platting, or  
6 the existence of conditions which endanger life or property by fire and other  
7 causes, or any combination of such factors, retards the provision of housing  
8 accommodations or constitutes an economic or social liability or a menace to the  
9 public health, safety, morals, or welfare in its present condition and use;

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

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

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

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

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

20           (a) A regular, full-time basis;

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

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

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

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

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

34 the governing authority in its application for designation of an enhanced  
35 enterprise zone and approved by the department; but excluding gambling  
36 establishments (NAICS industry group 7132), retail trade (NAICS sectors 44 and  
37 45), **educational services (NAICS sector 61), religious organizations**  
38 **(NAICS industry group 8131), public administration (NAICS sector 92),**  
39 and food and drinking places (NAICS subsector 722), **however,**  
40 **notwithstanding provisions of this section to the contrary,**  
41 **headquarters or administrative offices of an otherwise excluded**  
42 **business may qualify for benefits if the offices serve a multistate**  
43 **territory. In the event a national, state, or regional headquarters**  
44 **operation is not the predominant activity of a project facility, the new**  
45 **jobs and investment of such headquarters operation is considered**  
46 **eligible for benefits under this section if the other requirements are**  
47 **satisfied.** Service industries may be eligible only if a majority of its annual  
48 revenues will be derived from [services provided] out of the state;

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

53 (9) "Facility", any building used as an enhanced business enterprise  
54 located within an enhanced enterprise zone, including the land on which the  
55 facility is located and all machinery, equipment, and other real and depreciable  
56 tangible personal property acquired for use at and located at or within such  
57 facility and used in connection with the operation of such facility;

58 (10) "Facility base employment", the greater of the number of  
59 employees located at the facility on the date of the notice of intent, or  
60 for the twelve-month period prior to the date of the notice of intent, the  
61 average number of employees located at the facility, or in the event the  
62 project facility has not been in operation for a full twelve-month  
63 period, the average number of employees for the number of months the  
64 facility has been in operation prior to the date of the notice of intent;

65 (11) "Facility base payroll", the total amount of taxable wages  
66 paid by the enhanced business enterprise to employees of the enhanced  
67 business enterprise located at the facility in the twelve months prior  
68 to the notice of intent, not including the payroll of owners of the  
69 enhanced business enterprise unless the enhanced business enterprise

70 **is participating in an employee stock ownership plan. For the purposes**  
71 **of calculating the benefits under this program, the amount of base**  
72 **payroll shall increase each year based on the consumer price index or**  
73 **other comparable measure, as determined by the department;**

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

76 [(11)] (13) "NAICS", the 1997 edition of the North American Industry  
77 Classification System as prepared by the Executive Office of the President, Office  
78 of Management and Budget. Any NAICS sector, subsector, industry group or  
79 industry identified in this section shall include its corresponding classification in  
80 subsequent federal industry classification systems;

81 [(12)] (14) "New business facility", a facility that satisfies the following  
82 requirements:

83 (a) Such facility is employed by the taxpayer in the operation of an  
84 enhanced business enterprise. Such facility shall not be considered a new  
85 business facility in the hands of the taxpayer if the taxpayer's only activity with  
86 respect to such facility is to lease it to another person or persons. If the taxpayer  
87 employs only a portion of such facility in the operation of an enhanced business  
88 enterprise, and leases another portion of such facility to another person or  
89 persons or does not otherwise use such other portions in the operation of an  
90 enhanced business enterprise, the portion employed by the taxpayer in the  
91 operation of an enhanced business enterprise shall be considered a new business  
92 facility, if the requirements of paragraphs (b), (c), and (d) of this subdivision are  
93 satisfied;

94 (b) Such facility is acquired by, or leased to, the taxpayer after December  
95 31, 2004. A facility shall be deemed to have been acquired by, or leased to, the  
96 taxpayer after December 31, 2004, if the transfer of title to the taxpayer, the  
97 transfer of possession pursuant to a binding contract to transfer title to the  
98 taxpayer, or the commencement of the term of the lease to the taxpayer occurs  
99 after December 31, 2004;

100 (c) If such facility was acquired by the taxpayer from another taxpayer  
101 and such facility was employed immediately prior to the acquisition by another  
102 taxpayer in the operation of an enhanced business enterprise, the operation of the  
103 same or a substantially similar enhanced business enterprise is not continued by  
104 the taxpayer at such facility; and

105 (d) Such facility is not a replacement business facility, as defined in

106 subdivision [(16)] **(22)** of this section;

107       [(13)] **(15)** "New business facility employee", an employee of the taxpayer  
108 in the operation of a new business facility during the taxable year for which the  
109 credit allowed by section 135.967 is claimed, except that truck drivers and rail  
110 and barge vehicle operators and other operators of rolling stock for hire shall not  
111 constitute new business facility employees;

112       [(14)] **(16)** "New business facility investment", the value of real and  
113 depreciable tangible personal property, acquired by the taxpayer as part of the  
114 new business facility, which is used by the taxpayer in the operation of the new  
115 business facility, during the taxable year for which the credit allowed by 135.967  
116 is claimed, except that trucks, truck-trailers, truck semitrailers, rail vehicles,  
117 barge vehicles, aircraft and other rolling stock for hire, track, switches, barges,  
118 bridges, tunnels, and rail yards and spurs shall not constitute new business  
119 facility investments. The total value of such property during such taxable year  
120 shall be:

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

122       (b) Eight times the net annual rental rate, if leased by the taxpayer. The  
123 net annual rental rate shall be the annual rental rate paid by the taxpayer less  
124 any annual rental rate received by the taxpayer from subrentals. The new  
125 business facility investment shall be determined by dividing by twelve the sum  
126 of the total value of such property on the last business day of each calendar  
127 month of the taxable year. If the new business facility is in operation for less  
128 than an entire taxable year, the new business facility investment shall be  
129 determined by dividing the sum of the total value of such property on the last  
130 business day of each full calendar month during the portion of such taxable year  
131 during which the new business facility was in operation by the number of full  
132 calendar months during such period;

133       **(17) "New job", the number of employees located at the facility**  
134 **that exceeds the facility base employment less any decrease in the**  
135 **number of the employees at related facilities below the related facility**  
136 **base employment. No job that was created prior to the date of the**  
137 **notice of intent shall be deemed a new job;**

138       **(18) "Notice of intent", a form developed by the department which**  
139 **is completed by the enhanced business enterprise and submitted to the**  
140 **department which states the enhanced business enterprise's intent to**  
141 **hire new jobs and request benefits under such program;**

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

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

146           **(a) The number of employees located at all related facilities on**  
147 **the date of the notice of intent; or**

148           **(b) For the twelve-month period prior to the date of the notice**  
149 **of intent, the average number of employees located at all related**  
150 **facilities of the enhanced business enterprise or a related company**  
151 **located in this state;**

152           **[(15)] (21) "Related taxpayer":**

153           **(a) A corporation, partnership, trust, or association controlled by the**  
154 **taxpayer;**

155           **(b) An individual, corporation, partnership, trust, or association in control**  
156 **of the taxpayer; or**

157           **(c) A corporation, partnership, trust or association controlled by an**  
158 **individual, corporation, partnership, trust or association in control of the**  
159 **taxpayer. "Control of a corporation" shall mean ownership, directly or indirectly,**  
160 **of stock possessing at least fifty percent of the total combined voting power of all**  
161 **classes of stock entitled to vote, "control of a partnership or association" shall**  
162 **mean ownership of at least fifty percent of the capital or profits interest in such**  
163 **partnership or association, and "control of a trust" shall mean ownership, directly**  
164 **or indirectly, of at least fifty percent of the beneficial interest in the principal or**  
165 **income of such trust; ownership shall be determined as provided in Section 318**  
166 **of the Internal Revenue Code of 1986, as amended;**

167           **[(16)] (22) "Replacement business facility", a facility otherwise described**  
168 **in subdivision [(12)] (14) of this section, hereafter referred to in this subdivision**  
169 **as "new facility", which replaces another facility, hereafter referred to in this**  
170 **subdivision as "old facility", located within the state, which the taxpayer or a**  
171 **related taxpayer previously operated but discontinued operating on or before the**  
172 **close of the first taxable year for which the credit allowed by this section is**  
173 **claimed. A new facility shall be deemed to replace an old facility if the following**  
174 **conditions are met:**

175           **(a) The old facility was operated by the taxpayer or a related taxpayer**  
176 **during the taxpayer's or related taxpayer's taxable period immediately preceding**  
177 **the taxable year in which commencement of commercial operations occurs at the**

178 new facility; and

179 (b) The old facility was employed by the taxpayer or a related taxpayer  
180 in the operation of an enhanced business enterprise and the taxpayer continues  
181 the operation of the same or substantially similar enhanced business enterprise  
182 at the new facility.

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

190 [(17)] (23) "Same or substantially similar enhanced business enterprise",  
191 an enhanced business enterprise in which the nature of the products produced or  
192 sold, or activities conducted, are similar in character and use or are produced,  
193 sold, performed, or conducted in the same or similar manner as in another  
194 enhanced business enterprise.

135.963. 1. Improvements made to real property as such term is defined  
2 in section 137.010, RSMo, which are made in an enhanced enterprise zone  
3 subsequent to the date such zone or expansion thereto was designated, may, upon  
4 approval of an authorizing resolution by the governing authority having  
5 jurisdiction of the area in which the improvements are made, be exempt, in whole  
6 or in part, from assessment and payment of ad valorem taxes of one or more  
7 affected political subdivisions. **In addition to enhanced business**  
8 **enterprises, a speculative industrial or warehouse building constructed**  
9 **by a public entity or a private entity if the land is leased by a public**  
10 **entity may be subject to such exemption.**

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

17 3. No exemption shall be granted until the governing authority holds a  
18 public hearing for the purpose of obtaining the opinions and suggestions of  
19 residents of political subdivisions to be affected by the exemption from property

20 taxes. The governing authority shall send, by certified mail, a notice of such  
21 hearing to each political subdivision in the area to be affected and shall publish  
22 notice of such hearing in a newspaper of general circulation in the area to be  
23 affected by the exemption at least twenty days prior to the hearing but not more  
24 than thirty days prior to the hearing. Such notice shall state the time, location,  
25 date, and purpose of the hearing.

26 4. Notwithstanding subsection 1 of this section, at least one-half of the ad  
27 valorem taxes otherwise imposed on subsequent improvements to real property  
28 located in an enhanced enterprise zone **of enhanced business enterprises or**  
29 **speculative industrial or warehouse buildings as indicated in**  
30 **subsection 1 of this section** shall become and remain exempt from assessment  
31 and payment of ad valorem taxes of any political subdivision of this state or  
32 municipality thereof for a period of not less than ten years following the date  
33 such improvements were assessed, provided the improved properties are used for  
34 enhanced business enterprises. **The exemption for speculative buildings is**  
35 **subject to the approval of the governing authority for a period not to**  
36 **exceed two years, if the building is owned by a private entity and five**  
37 **years if the building is owned or ground leased by a public entity. This**  
38 **shall not preclude the building receiving an exemption for the**  
39 **remaining time period established by the governing authority if it was**  
40 **occupied by an enhanced business enterprise. The two and five year**  
41 **time periods indicated for speculative buildings shall not be an**  
42 **addition to the local abatement time period for such facility.**

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

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

48 7. The abatement referred to in this section shall not relieve the assessor  
49 or other responsible official from ascertaining the amount of the equalized  
50 assessed value of all taxable property annually as required by section 99.855,  
51 99.957, or 99.1042, RSMo, and shall not have the effect of reducing the payments  
52 in lieu of taxes referred to in subdivision (2) of subsection 1 of section 99.845,  
53 RSMo, subdivision (2) of subsection 3 of section 99.957, RSMo, or subdivision (2)  
54 of subsection 3 of section 99.1042, RSMo, unless such reduction is set forth in the  
55 plan approved by the governing body of the municipality pursuant to subdivision



56 (1) of subsection 1 of section 99.820, section 99.942, or section 99.1027, RSMo.

135.967. 1. A taxpayer who establishes a new business facility may, upon  
2 approval by the department, be allowed a credit, each tax year for up to ten tax  
3 years, in an amount determined as set forth in this section, against the tax  
4 imposed by chapter 143, RSMo, excluding withholding tax imposed by sections  
5 143.191 to 143.265, RSMo. No taxpayer shall receive multiple ten-year periods  
6 for subsequent expansions at the same facility.

7 2. Notwithstanding any provision of law to the contrary, any taxpayer who  
8 establishes a new business facility in an enhanced enterprise zone and is awarded  
9 state tax credits under this section may not also receive tax credits under sections  
10 135.100 to 135.150, sections 135.200 to 135.268, or section 135.535.

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

12 (1) The number of new business facility employees engaged or maintained  
13 in employment at the new business facility for the taxable year for which the  
14 credit is claimed equals or exceeds two; and

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

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

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

22 (2) The sum calculated based upon the following:

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

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

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

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

33 5. Prior to January 1, 2007, in no event shall the department authorize  
34 more than four million dollars annually to be issued for all enhanced business  
35 enterprises. After December 31, 2006, in no event shall the department authorize

36 more than ~~[seven]~~ **fourteen** million dollars annually to be issued for all  
37 enhanced business enterprises.

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

41           (1) The taxpayer's new business facility investment in the expansion  
42 during the tax period in which the credits allowed in this section are claimed  
43 exceeds one hundred thousand dollars and if the number of new business facility  
44 employees engaged or maintained in employment at the expansion facility for the  
45 taxable year for which credit is claimed equals or exceeds two, and the total  
46 number of employees at the facility after the expansion is at least two greater  
47 than the total number of employees before the expansion; and

48           (2) The taxpayer's investment in the expansion and in the original facility  
49 prior to expansion shall be determined in the manner provided in subdivision  
50 ~~[(12)]~~ **(14)** of section 135.950.

51           7. The number of new business facility employees during any taxable year  
52 shall be determined by dividing by twelve the sum of the number of individuals  
53 employed on the last business day of each month of such taxable year. If the new  
54 business facility is in operation for less than the entire taxable year, the number  
55 of new business facility employees shall be determined by dividing the sum of the  
56 number of individuals employed on the last business day of each full calendar  
57 month during the portion of such taxable year during which the new business  
58 facility was in operation by the number of full calendar months during such  
59 period. For the purpose of computing the credit allowed by this section in the  
60 case of a facility which qualifies as a new business facility under subsection 6 of  
61 this section, and in the case of a new business facility which satisfies the  
62 requirements of paragraph (c) of subdivision ~~[(12)]~~ **(14)** of section 135.950, or  
63 subdivision ~~[(16)]~~ **(22)** of section 135.950, the number of new business facility  
64 employees at such facility shall be reduced by the average number of individuals  
65 employed, computed as provided in this subsection, at the facility during the  
66 taxable year immediately preceding the taxable year in which such expansion,  
67 acquisition, or replacement occurred and shall further be reduced by the number  
68 of individuals employed by the taxpayer or related taxpayer that was  
69 subsequently transferred to the new business facility from another Missouri  
70 facility and for which credits authorized in this section are not being earned,  
71 whether such credits are earned because of an expansion, acquisition, relocation,

72 or the establishment of a new facility.

73           8. In the case where a new business facility employee who is a resident  
74 of an enhanced enterprise zone for less than a twelve-month period is employed  
75 for less than a twelve-month period, the credits allowed by paragraph (b) of  
76 subdivision (2) of subsection 4 of this section shall be determined by multiplying  
77 four hundred dollars by a fraction, the numerator of which is the number of  
78 calendar days during the taxpayer's tax year for which such credits are claimed,  
79 in which the employee was a resident of an enhanced enterprise zone, and the  
80 denominator of which is three hundred sixty-five.

81           9. For the purpose of computing the credit allowed by this section in the  
82 case of a facility which qualifies as a new business facility pursuant to subsection  
83 6 of this section, and in the case of a new business facility which satisfies the  
84 requirements of paragraph (c) of subdivision [(12)] **(14)** of section 135.950 or  
85 subdivision [(16)] **(22)** of section 135.950, the amount of the taxpayer's new  
86 business facility investment in such facility shall be reduced by the average  
87 amount, computed as provided in subdivision [(12)] **(14)** of section 135.950 for  
88 new business facility investment, of the investment of the taxpayer, or related  
89 taxpayer immediately preceding such expansion or replacement or at the time of  
90 acquisition. Furthermore, the amount of the taxpayer's new business facility  
91 investment shall also be reduced by the amount of investment employed by the  
92 taxpayer or related taxpayer which was subsequently transferred to the new  
93 business facility from another Missouri facility and for which credits authorized  
94 in this section are not being earned, whether such credits are earned because of  
95 an expansion, acquisition, relocation, or the establishment of a new facility.

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

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

104           12. Certificates of tax credit authorized by this section may be  
105 transferred, sold, or assigned by filing a notarized endorsement thereof with the  
106 department that names the transferee, the amount of tax credit transferred, and  
107 the value received for the credit, as well as any other information reasonably

108 requested by the department. The sale price cannot be less than seventy-five  
109 percent of the par value of such credits.

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

113 14. **Prior to the issuance of tax credits, the department shall**  
114 **verify through the department of revenue that the tax credit applicant**  
115 **does not owe any delinquent income, sales, or use tax or interest or**  
116 **penalties on such taxes, and through the department of insurance that**  
117 **the applicant does not owe any delinquent insurance taxes. Such**  
118 **delinquency shall not affect the authorization of the application for**  
119 **such tax credits, except that the amount of credits issued shall be**  
120 **reduced by the applicant's tax delinquency. If the department of**  
121 **revenue or the department of insurance concludes that a taxpayer is**  
122 **delinquent after June fifteenth but before July first of any year and the**  
123 **application of tax credits to such delinquency causes a tax deficiency**  
124 **on behalf of the taxpayer to arise, then the taxpayer shall be granted**  
125 **thirty days to satisfy the deficiency in which interest, penalties, and**  
126 **additions to tax shall be tolled. After applying all available credits**  
127 **toward a tax delinquency, the administering agency shall notify the**  
128 **appropriate department, and that department shall update the amount**  
129 **of outstanding delinquent tax owed by the applicant. If any credits**  
130 **remain after satisfying all insurance, income, sales, and use tax**  
131 **delinquencies, the remaining credits shall be issued to the applicant,**  
132 **subject to the restrictions of other provisions of law.**

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

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

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

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

6 (3) "Eligible donation", donations received from a taxpayer by an agency  
7 that are used solely to provide direct care services to children who are residents  
8 of this state. Eligible donations may include cash, publicly traded stocks and  
9 bonds, and real estate that will be valued and documented according to rules  
10 promulgated by the department of social services. For purposes of this section,  
11 "direct care services" include but are not limited to increasing the quality of care

12 and service for children through improved employee compensation and training;

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

23 (5) "Taxpayer", any of the following individuals or entities who make an  
24 eligible donation to an agency:

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

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

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

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

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

36 **(f) Any charitable organization which is exempt from federal**  
37 **income tax and whose Missouri unrelated business taxable income, if**  
38 **any, would be subject to the state income tax imposed under chapter**  
39 **143, RSMo.**

40 3. For all taxable years beginning on or after January 1, 2007, any  
41 taxpayer shall be allowed a credit against the taxes otherwise due under chapter  
42 147, 148, or 143, RSMo, excluding withholding tax imposed by sections 143.191  
43 to 143.265, RSMo, in an amount equal to fifty percent of the amount of an eligible  
44 donation, subject to the restrictions in this section. The amount of the tax credit  
45 claimed shall not exceed the amount of the taxpayer's state income tax liability  
46 in the tax year for which the credit is claimed. Any amount of credit that the  
47 taxpayer is prohibited by this section from claiming in a tax year shall not be

48 refundable, but may be carried forward to any of the taxpayer's four subsequent  
49 taxable years.

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

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

55             (2) A statement attesting to the eligible donation received, which shall  
56 include the name and taxpayer identification number of the individual making  
57 the eligible donation, the amount of the eligible donation, and the date the  
58 eligible donation was received by the agency; and

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

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

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

66         6. Tax credits issued under this section may be assigned, transferred,  
67 sold, or otherwise conveyed, and the new owner of the tax credit shall have the  
68 same rights in the credit as the taxpayer. Whenever a certificate is assigned,  
69 transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed  
70 with the department specifying the name and address of the new owner of the tax  
71 credit or the value of the credit.

72         7. The department shall promulgate rules to implement the provisions of  
73 this section. Any rule or portion of a rule, as that term is defined in section  
74 536.010, RSMo, that is created under the authority delegated in this section shall  
75 become effective only if it complies with and is subject to all of the provisions of  
76 chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and  
77 chapter 536, RSMo, are nonseverable and if any of the powers vested with the  
78 general assembly pursuant to chapter 536, RSMo, to review, to delay the effective  
79 date, or to disapprove and annul a rule are subsequently held unconstitutional,  
80 then the grant of rulemaking authority and any rule proposed or adopted after  
81 August 28, 2006, shall be invalid and void.

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

83             (1) The provisions of the new program authorized under this section shall

84 automatically sunset six years after August 28, 2006, unless reauthorized by an  
85 act of the general assembly; and

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

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

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

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

16 (1) Motor fuel or special fuel subject to an excise tax of this state, unless  
17 all or part of such excise tax is refunded pursuant to section 142.824, RSMo; or  
18 upon the sale at retail of fuel to be consumed in manufacturing or creating gas,  
19 power, steam, electrical current or in furnishing water to be sold ultimately at  
20 retail; or feed for livestock or poultry; or grain to be converted into foodstuffs  
21 which are to be sold ultimately in processed form at retail; or seed, limestone or  
22 fertilizer which is to be used for seeding, liming or fertilizing crops which when  
23 harvested will be sold at retail or will be fed to livestock or poultry to be sold  
24 ultimately in processed form at retail; economic poisons registered pursuant to  
25 the provisions of the Missouri pesticide registration law (sections 281.220 to  
26 281.310, RSMo) which are to be used in connection with the growth or production  
27 of crops, fruit trees or orchards applied before, during, or after planting, the crop  
28 of which when harvested will be sold at retail or will be converted into foodstuffs

29 which are to be sold ultimately in processed form at retail;

30 (2) Materials, manufactured goods, machinery and parts which when used  
31 in manufacturing, processing, compounding, mining, producing or fabricating  
32 become a component part or ingredient of the new personal property resulting  
33 from such manufacturing, processing, compounding, mining, producing or  
34 fabricating and which new personal property is intended to be sold ultimately for  
35 final use or consumption; and materials, including without limitation, gases and  
36 manufactured goods, including without limitation, slagging materials and  
37 firebrick, which are ultimately consumed in the manufacturing process by  
38 blending, reacting or interacting with or by becoming, in whole or in part,  
39 component parts or ingredients of steel products intended to be sold ultimately  
40 for final use or consumption;

41 (3) Materials, replacement parts and equipment purchased for use directly  
42 upon, and for the repair and maintenance or manufacture of, motor vehicles,  
43 watercraft, railroad rolling stock or aircraft engaged as common carriers of  
44 persons or property;

45 (4) Replacement machinery, equipment, and parts and the materials and  
46 supplies solely required for the installation or construction of such replacement  
47 machinery, equipment, and parts, used directly in manufacturing, mining,  
48 fabricating or producing a product which is intended to be sold ultimately for  
49 final use or consumption; and machinery and equipment, and the materials and  
50 supplies required solely for the operation, installation or construction of such  
51 machinery and equipment, purchased and used to establish new, or to replace or  
52 expand existing, material recovery processing plants in this state. For the  
53 purposes of this subdivision, a "material recovery processing plant" means a  
54 facility that has as its primary purpose the recovery of materials into a useable  
55 product or a different form which is used in producing a new product and shall  
56 include a facility or equipment which are used exclusively for the collection of  
57 recovered materials for delivery to a material recovery processing plant but shall  
58 not include motor vehicles used on highways. For purposes of this section, the  
59 terms motor vehicle and highway shall have the same meaning pursuant to  
60 section 301.010, RSMo. Material recovery is not the reuse of materials within a  
61 manufacturing process or the use of a product previously recovered. The material  
62 recovery processing plant shall qualify under the provisions of this section  
63 regardless of ownership of the material being recovered;

64 (5) Machinery and equipment, and parts and the materials and supplies



65 solely required for the installation or construction of such machinery and  
66 equipment, purchased and used to establish new or to expand existing  
67 manufacturing, mining or fabricating plants in the state if such machinery and  
68 equipment is used directly in manufacturing, mining or fabricating a product  
69 which is intended to be sold ultimately for final use or consumption;

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

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

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

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

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

82 (11) Railroad rolling stock for use in transporting persons or property in  
83 interstate commerce and motor vehicles licensed for a gross weight of twenty-four  
84 thousand pounds or more or trailers used by common carriers, as defined in  
85 section 390.020, RSMo, in the transportation of persons or property;

86 (12) Electrical energy used in the actual primary manufacture, processing,  
87 compounding, mining or producing of a product, or electrical energy used in the  
88 actual secondary processing or fabricating of the product, or a material recovery  
89 processing plant as defined in subdivision (4) of this subsection, in facilities  
90 owned or leased by the taxpayer, if the total cost of electrical energy so used  
91 exceeds ten percent of the total cost of production, either primary or secondary,  
92 exclusive of the cost of electrical energy so used or if the raw materials used in  
93 such processing contain at least twenty-five percent recovered materials as  
94 defined in section 260.200, RSMo. **There shall be a rebuttable presumption**  
95 **that the raw materials used in the primary manufacture of automobiles**  
96 **contain at least twenty-five percent recovered materials.** For purposes  
97 of this subdivision, "processing" means any mode of treatment, act or series of  
98 acts performed upon materials to transform and reduce them to a different state  
99 or thing, including treatment necessary to maintain or preserve such processing  
100 by the producer at the production facility;

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

104           (14) Machinery, equipment, appliances and devices purchased or leased  
105   and used solely for the purpose of preventing, abating or monitoring air pollution,  
106   and materials and supplies solely required for the installation, construction or  
107   reconstruction of such machinery, equipment, appliances and devices, and so  
108   certified as such by the director of the department of natural resources, except  
109   that any action by the director pursuant to this subdivision may be appealed to  
110   the air conservation commission which may uphold or reverse such action;

111           (15) Machinery, equipment, appliances and devices purchased or leased  
112   and used solely for the purpose of preventing, abating or monitoring water  
113   pollution, and materials and supplies solely required for the installation,  
114   construction or reconstruction of such machinery, equipment, appliances and  
115   devices, and so certified as such by the director of the department of natural  
116   resources, except that any action by the director pursuant to this subdivision may  
117   be appealed to the Missouri clean water commission which may uphold or reverse  
118   such action;

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

120           (17) All amounts paid or charged for admission or participation or other  
121   fees paid by or other charges to individuals in or for any place of amusement,  
122   entertainment or recreation, games or athletic events, including museums, fairs,  
123   zoos and planetariums, owned or operated by a municipality or other political  
124   subdivision where all the proceeds derived therefrom benefit the municipality or  
125   other political subdivision and do not inure to any private person, firm, or  
126   corporation;

127           (18) All sales of insulin and prosthetic or orthopedic devices as defined on  
128   January 1, 1980, by the federal Medicare program pursuant to Title XVIII of the  
129   Social Security Act of 1965, including the items specified in Section 1862(a)(12)  
130   of that act, and also specifically including hearing aids and hearing aid supplies  
131   and all sales of drugs which may be legally dispensed by a licensed pharmacist  
132   only upon a lawful prescription of a practitioner licensed to administer those  
133   items, including samples and materials used to manufacture samples which may  
134   be dispensed by a practitioner authorized to dispense such samples and all sales  
135   of medical oxygen, home respiratory equipment and accessories, hospital beds and  
136   accessories and ambulatory aids, all sales of manual and powered wheelchairs,

137 stairway lifts, Braille writers, electronic Braille equipment and, if purchased by  
138 or on behalf of a person with one or more physical or mental disabilities to enable  
139 them to function more independently, all sales of scooters, reading machines,  
140 electronic print enlargers and magnifiers, electronic alternative and augmentative  
141 communication devices, and items used solely to modify motor vehicles to permit  
142 the use of such motor vehicles by individuals with disabilities or sales of  
143 over-the-counter or nonprescription drugs to individuals with disabilities;

144 (19) All sales made by or to religious and charitable organizations and  
145 institutions in their religious, charitable or educational functions and activities  
146 and all sales made by or to all elementary and secondary schools operated at  
147 public expense in their educational functions and activities;

148 (20) All sales of aircraft to common carriers for storage or for use in  
149 interstate commerce and all sales made by or to not-for-profit civic, social, service  
150 or fraternal organizations, including fraternal organizations which have been  
151 declared tax-exempt organizations pursuant to Section 501(c)(8) or (10) of the  
152 1986 Internal Revenue Code, as amended, in their civic or charitable functions  
153 and activities and all sales made to eleemosynary and penal institutions and  
154 industries of the state, and all sales made to any private not-for-profit institution  
155 of higher education not otherwise excluded pursuant to subdivision (19) of this  
156 subsection or any institution of higher education supported by public funds, and  
157 all sales made to a state relief agency in the exercise of relief functions and  
158 activities;

159 (21) All ticket sales made by benevolent, scientific and educational  
160 associations which are formed to foster, encourage, and promote progress and  
161 improvement in the science of agriculture and in the raising and breeding of  
162 animals, and by nonprofit summer theater organizations if such organizations are  
163 exempt from federal tax pursuant to the provisions of the Internal Revenue Code  
164 and all admission charges and entry fees to the Missouri state fair or any fair  
165 conducted by a county agricultural and mechanical society organized and  
166 operated pursuant to sections 262.290 to 262.530, RSMo;

167 (22) All sales made to any private not-for-profit elementary or secondary  
168 school, all sales of feed additives, medications or vaccines administered to  
169 livestock or poultry in the production of food or fiber, all sales of pesticides used  
170 in the production of crops, livestock or poultry for food or fiber, all sales of  
171 bedding used in the production of livestock or poultry for food or fiber, all sales  
172 of propane or natural gas, electricity or diesel fuel used exclusively for drying

173 agricultural crops, natural gas used in the primary manufacture or processing of  
174 fuel ethanol as defined in section 142.028, RSMo, natural gas, propane, and  
175 electricity used by an eligible new generation cooperative or an eligible new  
176 generation processing entity as defined in section 348.432, RSMo, and all sales  
177 of farm machinery and equipment, other than airplanes, motor vehicles and  
178 trailers. As used in this subdivision, the term "feed additives" means tangible  
179 personal property which, when mixed with feed for livestock or poultry, is to be  
180 used in the feeding of livestock or poultry. As used in this subdivision, the term  
181 "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and  
182 other assorted pesticide carriers used to improve or enhance the effect of a  
183 pesticide and the foam used to mark the application of pesticides and herbicides  
184 for the production of crops, livestock or poultry. As used in this subdivision, the  
185 term "farm machinery and equipment" means new or used farm tractors and such  
186 other new or used farm machinery and equipment and repair or replacement  
187 parts thereon, and supplies and lubricants used exclusively, solely, and directly  
188 for producing crops, raising and feeding livestock, fish, poultry, pheasants,  
189 chukar, quail, or for producing milk for ultimate sale at retail, including field  
190 drain tile, and one-half of each purchaser's purchase of diesel fuel therefor which  
191 is:

192 (a) Used exclusively for agricultural purposes;

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

195 (c) Used directly in producing farm products to be sold ultimately in  
196 processed form or otherwise at retail or in producing farm products to be fed to  
197 livestock or poultry to be sold ultimately in processed form at retail;

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

202 (a) "Domestic use" means that portion of metered water service,  
203 electricity, electrical current, natural, artificial or propane gas, wood, coal or  
204 home heating oil, and in any city not within a county, metered or unmetered  
205 water service, which an individual occupant of a residential premises uses for  
206 nonbusiness, noncommercial or nonindustrial purposes. Utility service through  
207 a single or master meter for residential apartments or condominiums, including  
208 service for common areas and facilities and vacant units, shall be deemed to be

209 for domestic use. Each seller shall establish and maintain a system whereby  
210 individual purchases are determined as exempt or nonexempt;

211 (b) Regulated utility sellers shall determine whether individual purchases  
212 are exempt or nonexempt based upon the seller's utility service rate  
213 classifications as contained in tariffs on file with and approved by the Missouri  
214 public service commission. Sales and purchases made pursuant to the rate  
215 classification "residential" and sales to and purchases made by or on behalf of the  
216 occupants of residential apartments or condominiums through a single or master  
217 meter, including service for common areas and facilities and vacant units, shall  
218 be considered as sales made for domestic use and such sales shall be exempt from  
219 sales tax. Sellers shall charge sales tax upon the entire amount of purchases  
220 classified as nondomestic use. The seller's utility service rate classification and  
221 the provision of service thereunder shall be conclusive as to whether or not the  
222 utility must charge sales tax;

223 (c) Each person making domestic use purchases of services or property  
224 and who uses any portion of the services or property so purchased for a  
225 nondomestic use shall, by the fifteenth day of the fourth month following the year  
226 of purchase, and without assessment, notice or demand, file a return and pay  
227 sales tax on that portion of nondomestic purchases. Each person making  
228 nondomestic purchases of services or property and who uses any portion of the  
229 services or property so purchased for domestic use, and each person making  
230 domestic purchases on behalf of occupants of residential apartments or  
231 condominiums through a single or master meter, including service for common  
232 areas and facilities and vacant units, under a nonresidential utility service rate  
233 classification may, between the first day of the first month and the fifteenth day  
234 of the fourth month following the year of purchase, apply for credit or refund to  
235 the director of revenue and the director shall give credit or make refund for taxes  
236 paid on the domestic use portion of the purchase. The person making such  
237 purchases on behalf of occupants of residential apartments or condominiums shall  
238 have standing to apply to the director of revenue for such credit or refund;

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

243 (25) Excise taxes, collected on sales at retail, imposed by Sections 4041,  
244 4061, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United

245 States Code. The director of revenue shall promulgate rules pursuant to chapter  
246 536, RSMo, to eliminate all state and local sales taxes on such excise taxes;

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

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

257 (28) Computers, computer software and computer security systems  
258 purchased for use by architectural or engineering firms headquartered in this  
259 state. For the purposes of this subdivision, "headquartered in this state" means  
260 the office for the administrative management of at least four integrated facilities  
261 operated by the taxpayer is located in the state of Missouri;

262 (29) All livestock sales when either the seller is engaged in the growing,  
263 producing or feeding of such livestock, or the seller is engaged in the business of  
264 buying and selling, bartering or leasing of such livestock;

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

267 (31) Electrical energy or gas, whether natural, artificial or propane, water,  
268 or other utilities which are ultimately consumed in connection with the  
269 manufacturing of cellular glass products or in any material recovery processing  
270 plant as defined in subdivision (4) of subsection 2 of this section;

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

274 (33) Tangible personal property and utilities purchased for use or  
275 consumption directly or exclusively in the research and development of  
276 agricultural/biotechnology and plant genomics products and prescription  
277 pharmaceuticals consumed by humans or animals;

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

279 (35) All sales of feed which are developed for and used in the feeding of  
280 pets owned by a commercial breeder when such sales are made to a commercial

281 breeder, as defined in section 273.325, RSMo, and licensed pursuant to sections  
282 273.325 to 273.357, RSMo;

283 (36) All purchases by a contractor on behalf of an entity located in another  
284 state, provided that the entity is authorized to issue a certificate of exemption for  
285 purchases to a contractor under the provisions of that state's laws. For purposes  
286 of this subdivision, the term "certificate of exemption" shall mean any document  
287 evidencing that the entity is exempt from sales and use taxes on purchases  
288 pursuant to the laws of the state in which the entity is located. Any contractor  
289 making purchases on behalf of such entity shall maintain a copy of the entity's  
290 exemption certificate as evidence of the exemption. If the exemption certificate  
291 issued by the exempt entity to the contractor is later determined by the director  
292 of revenue to be invalid for any reason and the contractor has accepted the  
293 certificate in good faith, neither the contractor or the exempt entity shall be liable  
294 for the payment of any taxes, interest and penalty due as the result of use of the  
295 invalid exemption certificate. Materials shall be exempt from all state and local  
296 sales and use taxes when purchased by a contractor for the purpose of fabricating  
297 tangible personal property which is used in fulfilling a contract for the purpose  
298 of constructing, repairing or remodeling facilities for the following:

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

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

305 (37) All sales or other transfers of tangible personal property to a lessor  
306 who leases the property under a lease of one year or longer executed or in effect  
307 at the time of the sale or other transfer to an interstate compact agency created  
308 pursuant to sections 70.370 to 70.441, RSMo, or sections 238.010 to 238.100,  
309 RSMo;

310 (38) Sales of tickets to any collegiate athletic championship event that is  
311 held in a facility owned or operated by a governmental authority or commission,  
312 a quasi-governmental agency, a state university or college or by the state or any  
313 political subdivision thereof, including a municipality, and that is played on a  
314 neutral site and may reasonably be played at a site located outside the state of  
315 Missouri. For purposes of this subdivision, "neutral site" means any site that is  
316 not located on the campus of a conference member institution participating in the

317 event;

318 (39) All purchases by a sports complex authority created under section  
319 64.920, RSMo.

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

8 2. The department of revenue shall grant tax credits approved under this  
9 section which shall be applied in the order specified in subsection 1 of section  
10 32.115, RSMo, until used. The tax credits provided under this section shall be  
11 refundable, and any tax credit not used in the fiscal year in which approved may  
12 be carried over the next five succeeding calendar or fiscal years until the full  
13 credit has been claimed. **Notwithstanding any other law to the contrary,**  
14 **any tax 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, may sell,**  
17 **assign, exchange, or otherwise transfer earned tax credits:**

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

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

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

24 4. All revenues credited to the fund shall be used, subject to  
25 appropriations, to provide scholarships authorized under sections 173.197 to  
26 173.199, and for no other purpose.

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

173.796. 1. As used in this section, the term "taxpayer" means an  
2 individual, a partnership, or a corporation as described in section 143.441 or  
3 143.471, RSMo, **and includes any charitable organization which is exempt**  
4 **from federal income tax and whose Missouri unrelated business taxable**



5 **income, if any, would be subject to the state income tax imposed under**  
6 **chapter 143, RSMo.**

7       2. Any taxpayer may make a contribution to the fund. Within the limits  
8 specified in subsection 3 of this section, a taxpayer shall be allowed a credit  
9 against the taxes imposed pursuant to chapter 143, RSMo, except for sections  
10 143.191 to 143.265, RSMo, on that individual or entity of up to fifty percent of the  
11 total amount contributed to the fund, not to exceed one hundred thousand dollars  
12 per taxpayer.

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

20       4. If the amount of tax credit exceeds the total tax liability for the year  
21 in which the tax credit is claimed, the amount that exceeds the state tax liability  
22 may be carried forward for credit against the taxes imposed pursuant to chapter  
23 143, RSMo, except for sections 143.191 to 143.265, RSMo, for the succeeding ten  
24 years, or until the full credit is used, whichever occurs first.

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

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

**178.716. 1. Residents of a county of the third classification**  
2 **without a township form of government and with more than forty**  
3 **thousand eight hundred but fewer than forty thousand nine hundred**  
4 **inhabitants, a county of the third classification with a township form**  
5 **of government and with more than twenty-nine thousand seven**  
6 **hundred but fewer than twenty-nine thousand eight hundred**  
7 **inhabitants, a county of the third classification without a township**  
8 **form of government and with more than thirteen thousand two hundred**  
9 **but fewer than thirteen thousand three hundred inhabitants, a county**  
10 **of the third classification without a township form of government and**  
11 **with more than thirteen thousand five hundred but fewer than thirteen**  
12 **thousand six hundred inhabitants, a county of the second classification**

13 with more than nineteen thousand seven hundred but fewer than  
14 nineteen thousand eight hundred inhabitants, a county of the third  
15 classification without a township form of government and with more  
16 than twenty thousand but fewer than twenty thousand one hundred  
17 inhabitants, a county of the third classification with a township form  
18 of government and with more than thirty-three thousand one hundred  
19 but fewer than thirty-three thousand two hundred inhabitants, a county  
20 of the third classification without a township form of government and  
21 with more than thirteen thousand four hundred but fewer than thirteen  
22 thousand five hundred inhabitants, a county of the first classification  
23 with more than sixty-eight thousand six hundred but fewer than  
24 sixty-eight thousand seven hundred inhabitants, a county of the third  
25 classification without a township form of government and with more  
26 than twelve thousand but fewer than twelve thousand one hundred  
27 inhabitants, and a county of the third classification without a township  
28 form of government and with more than forty thousand four hundred  
29 but fewer than forty thousand five hundred inhabitants may organize  
30 a vocational school district in the manner provided in sections 178.770  
31 to 178.780. Prior to the organization of a district under sections 178.770  
32 to 178.890, the coordinating board for higher education shall establish  
33 standards for the organization of the district which shall include  
34 among other things:

35 (1) Whether a vocational school is needed in the proposed  
36 district;

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

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

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

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

21 2. Certificates issued to refund other certificates may be sold at public  
22 sale or at private sale as provided in this section with the proceeds from the sale  
23 to be used for the payment of the certificates being refunded. The refunding  
24 certificates may be exchanged in payment and discharge of the certificates being  
25 refunded, in installments at different times or an entire issue or series at one  
26 time. Refunding certificates may be sold or exchanged at any time on, before, or  
27 after the maturity of the outstanding certificates to be refunded. They may be  
28 issued for the purpose of refunding a like, greater, or lesser principal amount of  
29 certificates and may bear a higher, lower, or equivalent rate of interest than the  
30 certificates being renewed or refunded.

31 3. Before certificates are issued, the board of trustees shall publish once  
32 a notice of its intention to issue the certificates, stating the amount, the purpose,  
33 and the project or projects for which the certificates are to be issued. A person  
34 may, within fifteen days after the publication of the notice, by action in the  
35 circuit court of a county in the district, appeal the decision of the board of  
36 trustees to issue the certificates. The action of the board of trustees in

37 determining to issue the certificates is final and conclusive unless the circuit  
38 court finds that the board of trustees has exceeded its legal authority. An action  
39 shall not be brought which questions the legality of the certificates, the power of  
40 the board of trustees to issue the certificates, the effectiveness of any proceedings  
41 relating to the authorization of the project, or the authorization and issuance of  
42 the certificates from and after fifteen days from the publication of the notice of  
43 intention to issue.

44 4. The board of trustees shall determine if revenues provided in the  
45 agreement are sufficient to secure the faithful performance of obligations in the  
46 agreement.

47 5. Certificates issued under this section shall not be deemed to be an  
48 indebtedness of the state or the community college district or of any other  
49 political subdivision of the state and the principal and interest on such  
50 certificates shall be payable only from the sources provided in subdivision (1) of  
51 section 178.893 which are pledged in the agreement.

52 6. The department of economic development shall coordinate the new jobs  
53 training program, and may promulgate rules that districts will use in developing  
54 projects with new and expanding industrial new jobs training proposals which  
55 shall include rules providing for the coordination of such proposals with the  
56 service delivery areas established in the state to administer federal funds  
57 pursuant to the federal Job Training Partnership Act. No rule or portion of a  
58 rule promulgated under the authority of sections 178.892 to 178.896 shall become  
59 effective unless it has been promulgated pursuant to the provisions of chapter  
60 536, RSMo. All rulemaking authority delegated prior to June 27, 1997, is of no  
61 force and effect and repealed; however, nothing in this section shall be  
62 interpreted to repeal or affect the validity of any rule filed or adopted prior to  
63 June 27, 1997, if such rule complied with the provisions of chapter 536,  
64 RSMo. The provisions of this section and chapter 536, RSMo, are nonseverable  
65 and if any of the powers vested with the general assembly pursuant to chapter  
66 536, RSMo, including the ability to review, to delay the effective date, or to  
67 disapprove and annul a rule or portion of a rule, are subsequently held  
68 unconstitutional, then the purported grant of rulemaking authority and any rule  
69 so proposed and contained in the order of rulemaking shall be invalid and void.  
70 7. No community college district may sell certificates as described in this  
71 section after July 1, [2008] **2018**.

178.896. 1. There is hereby established within the state treasury a

2 special fund, to be known as the "Missouri Community College Job Training  
3 Program Fund", to be administered by the division of job development and  
4 training. The department of revenue shall credit to the community college job  
5 training program fund, as received, all new jobs credit from withholding remitted  
6 by employers pursuant to section 178.894. The fund shall also consist of any  
7 gifts, contributions, grants or bequests received from federal, private or other  
8 sources. The general assembly, however, shall not provide for any transfer of  
9 general revenue funds into the community college job training program  
10 fund. Moneys in the Missouri community college job training program fund shall  
11 be disbursed to the division of job development and training pursuant to regular  
12 appropriations by the general assembly. The division shall disburse such  
13 appropriated funds in a timely manner into the special funds established by  
14 community college districts for projects, which funds shall be used to pay program  
15 costs, including the principal of, premium, if any, and interest on certificates  
16 issued by the district to finance or refinance, in whole or in part, a project. Such  
17 disbursements by the division of job development and training shall be made to  
18 the special fund for each project in the same proportion as the new jobs credit  
19 from withholding remitted by the employer participating in such project bears to  
20 the total new jobs credit from withholding remitted by all employers participating  
21 in projects during the period for which the disbursement is made. Moneys for  
22 new jobs training programs established under the provisions of sections 178.892  
23 to 178.896 shall be obtained from appropriations made by the general assembly  
24 from the Missouri community college job training program fund. All moneys  
25 remaining in the Missouri community college job training program fund at the  
26 end of any fiscal year shall not lapse to the general revenue fund, as provided in  
27 section 33.080, RSMo, but shall remain in the Missouri community college job  
28 training program fund.

29       2. The department of revenue shall develop such forms as are necessary  
30 to demonstrate accurately each employer's new jobs credit from withholding paid  
31 into the Missouri community college job training program fund. The new jobs  
32 credit from withholding shall be accounted as separate from the normal  
33 withholding tax paid to the department of revenue by the  
34 employer. Reimbursements made by all employers to the Missouri community  
35 college job training program fund shall be no less than all allocations made by the  
36 division of job development and training to all community college districts for all  
37 projects. The employer shall remit the amount of the new job credit to the

38 department of revenue in the same manner as provided in sections 143.191 to  
39 143.265, RSMo.

40 3. Sections 178.892 to 178.896 shall expire July 1, [2018] **2028**.

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

3 (1) "Commercial activity located in Missouri", any research, development,  
4 prototype fabrication, and subsequent precommercialization activity, or any  
5 activity related thereto, conducted in Missouri for the purpose of producing a  
6 service or a product or process for manufacture, assembly or sale or developing  
7 a service based on such a product or process by any person, corporation,  
8 partnership, joint venture, unincorporated association, trust or other organization  
9 doing business in Missouri. Subsequent to January 1, 1999, a commercial activity  
10 located in Missouri shall mean only such activity that is located within a  
11 distressed community, as defined in section 135.530, RSMo;

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

16 (3) **"Person", any individual, corporation, partnership, or other**  
17 **entity, including any charitable corporation which is exempt from**  
18 **federal income tax and whose Missouri unrelated business taxable**  
19 **income, if any, would be subject to the state income tax imposed under**  
20 **chapter 143, RSMo;**

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

22 [(4)] (5) "Qualified economic development organization", any corporation  
23 organized under the provisions of chapter 355, RSMo, which has as of January  
24 1, 1991, obtained a contract with the department of economic development to  
25 operate an innovation center to promote, assist and coordinate the research and  
26 development of new services, products or processes in the state of Missouri; and  
27 the Missouri technology corporation organized pursuant to the provisions of  
28 sections 348.253 to 348.266;

29 [(5)] (6) "Qualified fund", any corporation, partnership, joint venture,  
30 unincorporated association, trust or other organization which is established under  
31 the laws of Missouri after December 31, 1985, which meets all of the following  
32 requirements established by this subdivision. The fund shall have as its sole  
33 purpose and business the making of investments, of which at least ninety percent

34 of the dollars invested shall be qualified investments. The fund shall enter into  
35 a contract with one or more qualified economic development organizations which  
36 shall entitle the qualified economic development organizations to receive not less  
37 than ten percent of all distributions of equity and dividends or other earnings of  
38 the fund. Such contracts shall require the qualified fund to transfer to the  
39 Missouri technology corporation organized pursuant to the provisions of sections  
40 348.253 to 348.266, this interest and make corresponding distributions thereto  
41 in the event the qualified economic development organization holding such  
42 interest is dissolved or ceases to do business for a period of one year or more;

43       [(6)] (7) "Qualified investment", any investment of seed capital, start-up  
44 capital, or follow-up capital in any commercial activity located in Missouri;

45       [(7) "Person", any individual, corporation, partnership or other entity;]

46       (8) "Seed capital", capital provided to a commercial activity located in  
47 Missouri for research, development and precommercialization activities to prove  
48 a concept for a new product or process or service, and for activities related  
49 thereto;

50       (9) "Start-up capital", capital provided to a commercial activity located in  
51 Missouri for use in preproduction product development or service development or  
52 initial marketing thereof, and for activities related thereto;

53       (10) "State tax liability", any state tax liability incurred by a taxpayer  
54 under the provisions of chapters 143, 147 and 148, RSMo, exclusive of the  
55 provisions relating to the withholding of tax as provided for in sections 143.191  
56 to 143.265, RSMo, and related provisions;

57       (11) "Uninvested capital", the amount of any distribution, other than of  
58 earnings, by a qualified fund made within five years of the issuance of a  
59 certificate of tax credit as provided by sections 348.300 to 348.318; or the portion  
60 of all qualified contributions to a qualified fund which are not invested as  
61 qualified investments within five years of the issuance of a certificate of tax credit  
62 as provided by sections 348.300 to 348.318 to the extent that the amount not so  
63 invested exceeds ten percent of all such qualified contributions.

620.495. 1. This section shall be known as the "Small Business  
2 Incubators Act".

3       2. As used in this section, unless the context clearly indicates otherwise,  
4 the following words and phrases shall mean:

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

6       (2) "Incubator", a program in which small units of space may be leased by

7 a tenant and in which management maintains or provides access to business  
8 development services for use by tenants or a program without infrastructure in  
9 which participants avail themselves of business development services to assist in  
10 the growth of their start-up small businesses;

11 (3) "Local sponsor" or "sponsor", an organization which enters into a  
12 written agreement with the department to establish, operate and administer a  
13 small business incubator program or to provide funding to an organization which  
14 operates such a program;

15 (4) "Participant", a sole proprietorship, business partnership or  
16 corporation operating a business for profit through which the owner avails  
17 himself or herself of business development services in an incubator program;

18 (5) "Tenant", a sole proprietorship, business partnership or corporation  
19 operating a business for profit and leasing or otherwise occupying space in an  
20 incubator.

21 3. There is hereby established under the direction of the department a  
22 loan, loan guarantee and grant program for the establishment, operation and  
23 administration of small business incubators, to be known as the "Small Business  
24 Incubator Program". A local sponsor may submit an application to the  
25 department to obtain a loan, loan guarantee or grant to establish an  
26 incubator. Each application shall:

27 (1) Demonstrate that a program exists that can be transformed into an  
28 incubator at a specified cost;

29 (2) Demonstrate the ability to directly provide or arrange for the provision  
30 of business development services for tenants and participants of the  
31 incubator. These services shall include, but need not be limited to, financial  
32 consulting assistance, management and marketing assistance, business education,  
33 and physical services;

34 (3) Demonstrate a potential for sustained use of the incubator program by  
35 eligible tenants and participants, through a market study or other means;

36 (4) Demonstrate the ability to manage and operate the incubator program;

37 (5) Include such other information as the department may require through  
38 its guidelines.

39 4. The department shall review and accept applications based on the  
40 following criteria:

41 (1) Ability of the local sponsor to carry out the provisions of this section;

42 (2) Economic impact of the incubator on the community;



43           (3) Conformance with areawide and local economic development plans, if  
44 such exist;

45           (4) Location of the incubator, in order to encourage geographic  
46 distribution of incubators across the state.

47           5. Loans, loan guarantees and grants shall be administered in the  
48 following manner:

49           (1) Loans awarded or guaranteed and grants awarded shall be used only  
50 for the acquisition and leasing of land and existing buildings, the rehabilitation  
51 of buildings or other facilities, construction of new facilities, the purchase of  
52 equipment and furnishings which are necessary for the creation and operation of  
53 the incubator, and business development services including, but not limited to,  
54 business management advising and business education;

55           (2) Loans, loan guarantees and grants may not exceed fifty percent of total  
56 eligible project costs;

57           (3) Payment of interest and principal on loans may be deferred at the  
58 discretion of the department.

59           6. A local sponsor, or the organization receiving assistance through the  
60 local sponsor, shall have the following responsibilities and duties in establishing  
61 and operating an incubator with assistance from the small business incubator  
62 program:

63           (1) Secure title on a facility for the program or a lease of a facility for the  
64 program;

65           (2) Manage the physical development of the incubator program, including  
66 the provision of common conference or meeting space;

67           (3) Furnish and equip the program to provide business services to the  
68 tenants and participants;

69           (4) Market the program and secure eligible tenants and participants;

70           (5) Provide financial consulting, marketing and management assistance  
71 services or arrange for the provision of these services for tenants and participants  
72 of the incubator, including assistance in accessing private financial markets;

73           (6) Set rental and service fees;

74           (7) Encourage the sharing of ideas between tenants and participants and  
75 otherwise aid the tenants and participants in an innovative manner while they  
76 are within the incubator;

77           (8) Establish policies and criteria for the acceptance of tenants and  
78 participants into the incubator and for the termination of occupancy of tenants

79 so as to maximize the opportunity to succeed for the greatest number of tenants,  
80 consistent with those specified in this section.

81 7. The department:

82 (1) May adopt such rules, statements of policy, procedures, forms and  
83 guidelines as may be necessary for the implementation of this section;

84 (2) May make loans, loan guarantees and grants to local sponsors for  
85 incubators;

86 (3) Shall ensure that local sponsors receiving loans, loan guarantees or  
87 grants meet the conditions of this section;

88 (4) Shall receive and evaluate annual reports from local sponsors. Such  
89 annual reports shall include, but need not be limited to, a financial statement for  
90 the incubator, evidence that all tenants and participants in the program are  
91 eligible under the terms of this section, and a list of companies in the incubator.

92 8. The department of economic development is also hereby authorized to  
93 review any previous loans made under this program and, where appropriate in  
94 the department's judgment, convert such loans to grant status.

95 9. On or before January first of each year, the department shall provide  
96 a report to the governor, the chief clerk of the house of representatives and the  
97 secretary of the senate which shall include, but need not be limited to:

98 (1) The number of applications for incubators submitted to the  
99 department;

100 (2) The number of applications for incubators approved by the  
101 department;

102 (3) The number of incubators created through the small business  
103 incubator program;

104 (4) The number of tenants and participants engaged in each incubator;

105 (5) The number of jobs provided by each incubator and tenants and  
106 participant of each incubator;

107 (6) The occupancy rate of each incubator;

108 (7) The number of firms still operating in the state after leaving  
109 incubators and the number of jobs they have provided.

110 10. There is hereby established in the state treasury a special fund to be  
111 known as the "Missouri Small Business Incubators Fund", which shall consist of  
112 all moneys which may be appropriated to it by the general assembly, and also any  
113 gifts, contributions, grants or bequests received from federal, private or other  
114 sources. Moneys for loans, loan guarantees and grants under the small business

115 incubator program may be obtained from appropriations made by the general  
116 assembly from the Missouri small business incubators fund. Any moneys  
117 remaining in the Missouri small business incubators fund at the end of any fiscal  
118 year shall not lapse to the general revenue fund, as provided in section 33.080,  
119 RSMo, but shall remain in the Missouri small business incubators fund.

120       11. For any taxable year beginning after December 31, 1989, a taxpayer,  
121 **including any charitable organization which is exempt from federal**  
122 **income tax and whose Missouri unrelated business taxable income, if**  
123 **any, would be subject to the state income tax imposed under chapter**  
124 **143, RSMo**, shall be entitled to a tax credit against any tax otherwise due under  
125 the provisions of chapter 143, RSMo, or chapter 147, RSMo, or chapter 148,  
126 RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo,  
127 in the amount of fifty percent of any amount contributed by the taxpayer to the  
128 Missouri small business incubators fund during the taxpayer's tax year or any  
129 contribution by the taxpayer to a local sponsor after the local sponsor's  
130 application has been accepted and approved by the department. The tax credit  
131 allowed by this subsection shall be claimed by the taxpayer at the time he files  
132 his return and shall be applied against the income tax liability imposed by  
133 chapter 143, RSMo, or chapter 147, RSMo, or chapter 148, RSMo, after all other  
134 credits provided by law have been applied. That portion of earned tax credits  
135 which exceeds the taxpayer's tax liability may be carried forward for up to five  
136 years. The aggregate of all tax credits authorized under this section shall not  
137 exceed five hundred thousand dollars in any taxable year.

138       12. Notwithstanding any provision of Missouri law to the contrary, any  
139 taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits  
140 allowed in subsection 11 of this section under the terms and conditions prescribed  
141 in subdivisions (1) and (2) of this subsection. Such taxpayer, hereinafter the  
142 assignor for the purpose of this subsection, may sell, assign, exchange or  
143 otherwise transfer earned tax credits:

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

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

148 The taxpayer acquiring earned credits, hereinafter the assignee for the purpose  
149 of this subsection, may use the acquired credits to offset up to one hundred  
150 percent of the tax liabilities otherwise imposed by chapter 143, RSMo, or chapter

151 147, RSMo, or chapter 148, RSMo, excluding withholding tax imposed by sections  
152 143.191 to 143.265, RSMo. Unused credits in the hands of the assignee may be  
153 carried forward for up to five years. The assignor shall enter into a written  
154 agreement with the assignee establishing the terms and conditions of the  
155 agreement and shall perfect such transfer by notifying the department of  
156 economic development in writing within thirty calendar days following the  
157 effective day of the transfer and shall provide any information as may be required  
158 by the department of economic development to administer and carry out the  
159 provisions of this section. The director of the department of economic  
160 development shall prescribe the method for submitting applications for claiming  
161 the tax credit allowed under subsection 11 of this section and shall, if the  
162 application is approved, certify to the director of revenue that the taxpayer  
163 claiming the credit has satisfied all the requirements specified in this section and  
164 is eligible to claim the credit.

**620.511. 1. There is hereby established the "Missouri Workforce  
2 Investment Board", hereinafter referred to as "the board" in sections  
3 620.511 to 620.513.**

**4 2. The purpose of the board is to provide workforce investment  
5 activities, through statewide and local workforce investment systems,  
6 that increase the employment, retention, and earnings of participants,  
7 and increase occupational skill attainment by participants, and, as a  
8 result, improve the quality of the workforce, reduce welfare  
9 dependency, and enhance the productivity and competitiveness of the  
10 state of Missouri. The board shall be the state's advisory board  
11 pertaining to workforce preparation policy.**

**12 3. The board shall meet the requirements of the federal  
13 Workforce Investment Act of 1998, hereinafter referred to as the "WIA",  
14 P.L. 105-220, as amended. Should another federal law supplant the WIA,  
15 all references in sections 620.511 to 620.513 to the WIA shall apply as  
16 well to the new federal law.**

**17 4. Composition of the board shall comply with the WIA. Board  
18 members appointed by the governor shall be subject to the advice and  
19 consent of the senate. Consistent with the requirements of the WIA, the  
20 governor shall designate one member of the board to be its chairperson.**

**21 5. Except as otherwise provided in subsection 6 of this section,  
22 each member of the board shall serve for a term of four years, subject**

23 to the pleasure of the governor, and until a successor is duly appointed.  
24 In the event of a vacancy on the board, the vacancy shall be filled in  
25 the same manner as the original appointment and said replacement  
26 shall serve the remainder of the original appointee's unexpired term.

27 6. Of the members initially appointed to the board, one-fourth  
28 shall be appointed for a term of four years, one-fourth shall be  
29 appointed for a term of three years, one-fourth shall be appointed for  
30 a term of two years, and one-fourth shall be appointed for a term of one  
31 year.

32 7. Board members shall receive no compensation, but shall be  
33 reimbursed for all necessary expenses actually incurred in the  
34 performance of their duties.

620.512. 1. The board shall establish bylaws governing its  
2 organization, operation, and procedure consistent with sections 620.511  
3 to 620.513, and consistent with the WIA.

4 2. The board shall meet at least four times each year at the call  
5 of the chairperson.

6 3. In order to assure objective management and oversight, the  
7 board shall not operate programs or provide services directly to  
8 eligible participants, but shall exist solely to plan, coordinate, and  
9 monitor the provisions of such programs and services. A member of the  
10 board may not vote on a matter under consideration by the board that  
11 regards the provision of services by the member or by an entity that  
12 the member represents or would provide direct financial benefit to the  
13 member or the immediate family of the member. A member of the  
14 board may not engage in any other activity determined by the governor  
15 to constitute a conflict of interest.

16 4. The composition and the roles and responsibilities of the  
17 board membership may be amended to comply with any succeeding  
18 federal or state legislative or regulatory requirements governing  
19 workforce investment activities, except that the procedure for such  
20 change shall be outlined in state rules and regulations and adopted in  
21 the bylaws of the board.

22 5. The department of economic development shall provide  
23 professional, technical, and clerical staff for the board.

24 6. The board may promulgate any rules and regulations  
25 necessary to administer the provisions of sections 620.511 to

26 **620.513. Any rule or portion of a rule, as that term is defined in section**  
27 **536.010, RSMo, that is created under the authority delegated in this**  
28 **section shall become effective only if it complies with and is subject to**  
29 **all of the provisions of chapter 536, RSMo, and, if applicable, section**  
30 **536.028, RSMo. This section and chapter 536, RSMo, are nonseverable**  
31 **and if any of the powers vested with the general assembly pursuant to**  
32 **chapter 536, RSMo, to review, to delay the effective date, or to**  
33 **disapprove and annul a rule are subsequently held unconstitutional,**  
34 **then the grant of rulemaking authority and any rule proposed or**  
35 **adopted after August 28, 2007, shall be invalid and void.**

**620.513. 1. The board shall assist the governor with the functions**  
2 **described in section 111(d) of the WIA 29 U.S.C. 2821d and any**  
3 **regulations issued pursuant to the WIA.**

4 **2. The board shall submit an annual report of its activities to the**  
5 **governor, the speaker of the house of representatives, and the**  
6 **president pro tem of the senate no later than January thirty-first of**  
7 **each year.**

8 **3. Nothing in sections 620.511 to 620.513 shall be construed to**  
9 **require or allow the board to assume or supersede the statutory**  
10 **authority granted to, or impose any duties or requirements on, the**  
11 **state coordinating board for higher education, the governing boards of**  
12 **the state's public colleges and universities, the state board of**  
13 **education, or any local educational agencies.**

**620.638. As used in sections 620.635 to 620.653, the following terms**  
2 **mean:**

3 (1) "Board", the Missouri seed capital investment board, as established  
4 pursuant to section 620.641;

5 (2) "Committed contributions", the total amount of qualified contributions  
6 that are committed to a qualifying fund by contractual agreement;

7 (3) "Corporation", the Missouri technology corporation as established  
8 pursuant to section 348.251, RSMo;

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

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

11 (6) "Follow-up capital", capital provided to a qualified business in which  
12 a qualified fund has previously invested seed capital or start-up capital. No more  
13 than forty percent of the qualified contributions to a qualified fund may be used

14 for follow-up capital, and no qualified contributions which generate tax credits  
15 before the second round of allocations as authorized by section 620.650 shall be  
16 used for follow-up capital investments;

17 (7) "Person", any individual, corporation, partnership, limited liability  
18 company or other entity, **including any charitable organization which is**  
19 **exempt from federal income tax and whose Missouri unrelated business**  
20 **taxable income, if any, would be subject to the state income tax**  
21 **imposed under chapter 143, RSMo;**

22 (8) "Positive cash flow", total cash receipts from sales or services, but not  
23 from investments or loans, exceeding total cash expenditures as calculated on a  
24 fiscal year basis;

25 (9) "Qualified business", any independently owned and operated business  
26 which is headquartered and located in Missouri and which is involved in or  
27 intends to be involved in commerce for the purpose of manufacturing, processing  
28 or assembling products, conducting research and development, or providing  
29 services in interstate commerce. Such a business shall maintain its headquarters  
30 in Missouri for a period of at least three years from the date of receipt of a  
31 qualified investment or be subject to penalties pursuant to section 620.017;

32 (10) "Qualified contribution", cash contributions to a qualified fund  
33 pursuant to the terms of contractual agreements made between the qualified fund  
34 and a qualified economic development organization authorized by the board to  
35 enter into such contracts;

36 (11) "Qualified economic development organization", any corporation  
37 organized pursuant to the provisions of chapter 355, RSMo, that, as of January  
38 1, 1991, had obtained a contract with the department to operate an innovation  
39 center to promote, assist and coordinate the research and development of new  
40 services, products or processes in this state;

41 (12) "Qualified fund", a fund established by any corporation, partnership,  
42 joint venture, unincorporated association, trust or other organization established  
43 pursuant to the laws of Missouri and approved by the board or the corporation;

44 (13) "Qualified investment", any investment of seed capital, start-up  
45 capital or follow-up capital in a qualified business that does not cause more than  
46 ten percent of all the qualified contributions to a qualified fund to be invested in  
47 a single qualified business;

48 (14) "Seed capital", capital provided to a qualified business for research,  
49 development and precommercialization activities to prove a concept for a new

50 product, process or service, and for activities related thereto; provided that, seed  
51 capital shall not be provided to any business which in a past fiscal year has  
52 experienced a positive cash flow;

53 (15) "Start-up capital", capital provided to a qualified business for use in  
54 preproduction product development, service development or initial marketing  
55 thereof; provided that, start-up capital shall not be provided to any business  
56 which has experienced a positive cash flow in a past fiscal year;

57 (16) "Uninvested capital", that portion of any qualified contribution to a  
58 qualified fund, other than management fees not to exceed three percent per year  
59 of committed contributions, qualified investments and other expenses or fees  
60 authorized by the board, that is not invested as a qualified investment within ten  
61 years of its receipt.

620.1039. 1. As used in this section, the term "taxpayer" means an  
2 individual, a partnership, **or any charitable organization which is exempt**  
3 **from federal income tax and whose Missouri unrelated business taxable**  
4 **income, if any, would be subject to the state income tax imposed under**  
5 **chapter 143, RSMo**, or a corporation as described in section 143.441 or 143.471,  
6 RSMo, or section 148.370, RSMo, and the term "qualified research expenses" has  
7 the same meaning as prescribed in 26 U.S.C. 41.

8 2. For tax years beginning on or after January 1, 2001, the director of the  
9 department of economic development may authorize a taxpayer to receive a tax  
10 credit against the tax otherwise due pursuant to chapter 143, RSMo, or chapter  
11 148, RSMo, other than the taxes withheld pursuant to sections 143.191 to  
12 143.265, RSMo, in an amount up to six and one-half percent of the excess of the  
13 taxpayer's qualified research expenses, as certified by the director of the  
14 department of economic development, within this state during the taxable year  
15 over the average of the taxpayer's qualified research expenses within this state  
16 over the immediately preceding three taxable years; except that, no tax credit  
17 shall be allowed on that portion of the taxpayer's qualified research expenses  
18 incurred within this state during the taxable year in which the credit is being  
19 claimed, to the extent such expenses exceed two hundred percent of the taxpayer's  
20 average qualified research expenses incurred during the immediately preceding  
21 three taxable years.

22 3. The director of economic development shall prescribe the manner in  
23 which the tax credit may be applied for. The tax credit authorized by this section  
24 may be claimed by the taxpayer to offset the tax liability imposed by chapter 143,



25 RSMo, or chapter 148, RSMo, that becomes due in the tax year during which such  
26 qualified research expenses were incurred. Where the amount of the credit  
27 exceeds the tax liability, the difference between the credit and the tax liability  
28 may only be carried forward for the next five succeeding taxable years or until the  
29 full credit has been claimed, whichever first occurs. The application for tax  
30 credits authorized by the director pursuant to subsection 2 of this section shall  
31 be made no later than the end of the taxpayer's tax period immediately following  
32 the tax period for which the credits are being claimed.

33 4. Certificates of tax credit issued pursuant to this section may be  
34 transferred, sold or assigned by filing a notarized endorsement thereof with the  
35 department which names the transferee and the amount of tax credit  
36 transferred. The director of economic development may allow a taxpayer to  
37 transfer, sell or assign up to forty percent of the amount of the certificates of tax  
38 credit issued to and not claimed by such taxpayer pursuant to this section during  
39 any tax year commencing on or after January 1, 1996, and ending not later than  
40 December 31, 1999. Such taxpayer shall file, by December 31, 2001, an  
41 application with the department which names the transferee, the amount of tax  
42 credit desired to be transferred, and a certification that the funds received by the  
43 applicant as a result of the transfer, sale or assignment of the tax credit shall be  
44 expended within three years at the state university for the sole purpose of  
45 conducting research activities agreed upon by the department, the taxpayer and  
46 the state university. Failure to expend such funds in the manner prescribed  
47 pursuant to this section shall cause the applicant to be subject to the provisions  
48 of section 620.017.

49 5. No rule or portion of a rule promulgated under the authority of this  
50 section shall become effective unless it has been promulgated pursuant to the  
51 provisions of chapter 536, RSMo. All rulemaking authority delegated prior to  
52 June 27, 1997, is of no force and effect and repealed; however, nothing in this  
53 section shall be interpreted to repeal or affect the validity of any rule filed or  
54 adopted prior to June 27, 1997, if such rule complied with the provisions of  
55 chapter 536, RSMo. The provisions of this section and chapter 536, RSMo, are  
56 nonseverable and if any of the powers vested with the general assembly pursuant  
57 to chapter 536, RSMo, including the ability to review, to delay the effective date,  
58 or to disapprove and annul a rule or portion of a rule, are subsequently held  
59 unconstitutional, then the purported grant of rulemaking authority and any rule  
60 so proposed and contained in the order of rulemaking shall be invalid and void.

61           6. The aggregate of all tax credits authorized pursuant to this section  
62 shall not exceed nine million seven hundred thousand dollars in any year.

63           7. For all tax years beginning on or after January 1, 2005, no tax credits  
64 shall be approved, awarded, or issued to any person or entity claiming any tax  
65 credit under this section.

                  620.1878. For the purposes of sections 620.1875 to 620.1890, the following  
2 terms shall mean:

3           (1) **"Approval", a document submitted by the department to the**  
4 **qualified company that states the benefits that may be provided by this**  
5 **program;**

6           (2) "Average wage", the new payroll divided by the number of new jobs;

7           [(2)] (3) "Commencement of operations", the starting date for the  
8 qualified company's first new employee, which must be no later than twelve  
9 months from the date of the [proposal] **approval;**

10          [(3)] (4) "County average wage", the average wages in each county as  
11 determined by the department for the most recently completed full calendar  
12 year. However, if the computed county average wage is above the statewide  
13 average wage, the statewide average wage shall be deemed the county average  
14 wage for such county **for the purpose of determining eligibility.** The  
15 department shall publish the county average wage for each county at least  
16 annually. **Notwithstanding the provisions of this subdivision to the**  
17 **contrary, for any qualified company that in conjunction with their**  
18 **project is relocating employees from a Missouri county with a higher**  
19 **county average wage, the company shall obtain the endorsement of the**  
20 **governing body of the community from which jobs are being relocated**  
21 **or the county average wage for their project shall be the county**  
22 **average wage for the county from which the employees are being**  
23 **relocated;**

24          [(4)] (5) "Department", the Missouri department of economic  
25 development;

26          [(5)] (6) "Director", the director of the department of economic  
27 development;

28          [(6)] (7) "Employee", a person employed by a qualified company;

29          [(7) "Full-time equivalent employees", employees of the qualified company  
30 converted to reflect an equivalent of the number of full-time, year-round  
31 employees. The method for converting part-time and seasonal employees into an

32 equivalent number of full-time, year-round employees shall be published in a rule  
33 promulgated by the department as authorized in section 620.1884;]

34 (8) "Full-time[, year-round] employee", an employee of the **qualified**  
35 company that [works] **is scheduled to work** an average of at least thirty-five  
36 hours per week for a twelve-month period, and one for which the qualified  
37 company offers health insurance and pays at least fifty percent of such insurance  
38 premiums;

39 (9) "High-impact project", a qualified company that, within two years from  
40 commencement of operations, creates one hundred or more new jobs;

41 (10) "Local incentives", the present value of the dollar amount of direct  
42 benefit received by a qualified company for a project facility from one or more  
43 local political subdivisions, but shall not include loans or other funds provided to  
44 the qualified company that must be repaid by the qualified company to the  
45 political subdivision;

46 (11) "NAICS", the 1997 edition of the North American Industry  
47 Classification System as prepared by the Executive Office of the President, Office  
48 of Management and Budget. Any NAICS sector, subsector, industry group or  
49 industry identified in this section shall include its corresponding classification in  
50 subsequent federal industry classification systems;

51 (12) "New direct local revenue", the present value of the dollar amount of  
52 direct net new tax revenues of the local political subdivisions likely to be  
53 produced by the project over a ten-year period as calculated by the department,  
54 **excluding local earnings tax**, and net new utility revenues, provided the local  
55 incentives include a discount or other direct incentives from utilities owned or  
56 operated by the political subdivision;

57 (13) "New investment", the purchase or leasing of new tangible assets to  
58 be placed in operation at the project facility, which will be directly related to the  
59 new jobs;

60 (14) "New job", the number of full-time[, year-round] employees located  
61 at the project facility that exceeds the project facility base employment less any  
62 decrease in the number of full-time [equivalent] employees at related facilities  
63 below the related facility base employment. **No job that was created prior to**  
64 **the date of the notice of intent shall be deemed a new job. An employee**  
65 **that spends less than fifty percent of the employee's work time at the**  
66 **facility is still considered to be located at a facility if the employee**  
67 **receives his or her directions and control from that facility, is on the**

68 facility's payroll, one hundred percent of the employee's income from  
69 such employment is Missouri income, and the employee is paid at or  
70 above the state average wage;

71 (15) "New payroll", [the amount of wages paid by a qualified company to  
72 employees in new jobs] the amount of taxable wages of full-time  
73 employees, excluding owners, located at the project facility that  
74 exceeds the project facility base payroll. If full-time employment at  
75 related facilities is below the related facility base employment, any  
76 decrease in payroll for full-time employees at the related facilities  
77 below that related facility base payroll shall also be subtracted to  
78 determine new payroll;

79 (16) "Notice of intent", a form developed by the department, completed by  
80 the qualified company and submitted to the department which states the  
81 qualified company's intent to hire new jobs and request benefits under this  
82 program;

83 (17) "Percent of local incentives", the amount of local incentives divided  
84 by the amount of new direct local revenue;

85 (18) "Program", the Missouri quality jobs program provided in sections  
86 620.1875 to 620.1890;

87 (19) "Project facility", the building used by a qualified company at which  
88 the new jobs and new investment will be located. A project facility may include  
89 separate buildings that are located within one mile of each other such that their  
90 purpose and operations are interrelated;

91 (20) "Project facility base employment", the greater of the number of  
92 full-time employees located at the project facility on the date of the  
93 notice of intent or for the twelve-month period prior to the date of the  
94 [proposal] notice of intent, the average number of full-time [equivalent]  
95 employees located at the project facility. In the event the project facility has not  
96 been in operation for a full twelve-month period, [project facility base employment  
97 is] the average number of full-time [equivalent] employees for the number of  
98 months the project facility has been in operation prior to the date of the  
99 [proposal] notice of intent;

100 (21) "Project facility base payroll", the total amount of taxable  
101 wages paid by the qualified company to full-time employees of the  
102 qualified company located at the project facility in the twelve months  
103 prior to the notice of intent, not including the payroll of the owners of

104 **the qualified company unless the qualified company is participating in**  
105 **an employee stock ownership plan. For purposes of calculating the**  
106 **benefits under this program, the amount of base payroll shall increase**  
107 **each year based on an appropriate measure, as determined by the**  
108 **department;**

109 (22) "Project period", the time period that the benefits are provided to a  
110 qualified company;

111 [(22) "Proposal", a document submitted by the department to the qualified  
112 company that states the benefits that may be provided by this program. The  
113 effective date of such proposal cannot be prior to the commencement of  
114 operations. The proposal shall not offer benefits regarding any jobs created prior  
115 to its effective date unless the proposal is for a job retention project;]

116 (23) "Qualified company", a firm, partnership, joint venture, association,  
117 private or public corporation whether organized for profit or not, or headquarters  
118 of such entity registered to do business in Missouri that is the owner or operator  
119 of a project facility, **offers health insurance to all full-time employees of**  
120 **all facilities located in this state, and pays at least fifty percent of such**  
121 **insurance premiums.** For the purposes of sections 620.1875 to 620.1890, the  
122 term "qualified company" shall not include:

123 (a) Gambling establishments (NAICS industry group 7132);

124 (b) Retail trade establishments (NAICS sectors 44 and 45);

125 (c) Food and drinking places (NAICS subsector 722);

126 (d) [Utilities regulated by the Missouri public service commission] **Public**  
127 **utilities (NAICS 221 including water and sewer services);**

128 (e) Any company that is delinquent in the payment of any nonprotested  
129 taxes or any other amounts due the state or federal government or any other  
130 political subdivision of this state; [or]

131 (f) Any company that has filed for or has publicly announced its intention  
132 to file for bankruptcy protection;

133 (g) **Educational services (NAICS sector 61);**

134 (h) **Religious organizations (NAICS industry group 8131); or**

135 (i) **Public administration (NAICS sector 92).**

136 **Notwithstanding any provision of this section to the contrary, the**  
137 **headquarters or administrative offices of an otherwise excluded**  
138 **business may qualify for benefits if the offices serve a multistate**  
139 **territory. In the event a national, state, or regional headquarters**

140 **operation is not the predominant activity of a project facility, the new**  
141 **jobs and investment of such headquarters operation is considered**  
142 **eligible for benefits under this section if the other requirements are**  
143 **satisfied;**

144 (24) "Related company" means:

145 (a) A corporation, partnership, trust, or association controlled by the  
146 qualified company;

147 (b) An individual, corporation, partnership, trust, or association in control  
148 of the qualified company; or

149 (c) Corporations, partnerships, trusts or associations controlled by an  
150 individual, corporation, partnership, trust or association in control of the  
151 qualified company. As used in this subdivision, ["control of a corporation"] shall  
152 mean ownership, directly or indirectly, of stock possessing at least fifty percent  
153 of the total combined voting power of all classes of stock entitled to vote,  
154 ["control of a partnership or association"] shall mean ownership of at least fifty  
155 percent of the capital or profits interest in such partnership or association,  
156 ["control of a trust"] shall mean ownership, directly or indirectly, of at least  
157 fifty percent of the beneficial interest in the principal or income of such trust, and  
158 ownership shall be determined as provided in Section 318 of the Internal Revenue  
159 Code of 1986, as amended;

160 (25) "Related facility", a facility operated by the qualified company or a  
161 related company located in this state that is directly related to the operations of  
162 the project facility;

163 (26) "Related facility base employment", **the greater of the number of**  
164 **full-time employees located at all related facilities on the date of the**  
165 **notice of intent or** for the twelve-month period prior to the date of the  
166 [proposal] **notice of intent**, the average number of full-time [equivalent]  
167 employees located at all related facilities of the qualified company or a related  
168 company located in this state;

169 (27) "Related facility base payroll", **the total amount of taxable**  
170 **wages paid by the qualified company to full-time employees of the**  
171 **qualified company located at a related facility in the twelve months**  
172 **prior to the filing of the notice of intent, not including the payroll of**  
173 **the owners of the qualified company unless the qualified company is**  
174 **participating in an employee stock ownership plan. For purposes of**  
175 **calculating the benefits under this program, the amount of related**

176 **facility base payroll shall increase each year based on an appropriate**  
177 **measure, as determined by the department;**

178 **(28)** "Rural area", a county in Missouri with a population less than  
179 seventy-five thousand or that does not contain an individual city with a  
180 population greater than fifty thousand according to the most recent federal  
181 decennial census;

182 **[(28)] (29)** "Small and expanding business project", a qualified company  
183 that within two years of the date of the **[proposal] approval** creates a minimum  
184 of twenty new jobs if the project facility is located in a rural area or a minimum  
185 of forty new jobs if the project facility is not located in a rural area and creates  
186 fewer than one hundred new jobs regardless of the location of the project facility;

187 **[(29)] (30)** "Tax credits", tax credits issued by the department to offset  
188 the state income taxes imposed by **[chapter] chapters 143 and 148**, RSMo, or  
189 which may be sold or refunded as provided for in this program;

190 **[(30)] (31)** "Technology business project", a qualified company that within  
191 two years of the date of the **[proposal] approval** creates a minimum of ten new  
192 jobs **[with at least seventy-five percent of the new jobs directly]** involved in the  
193 operations of a technology company as determined by a regulation promulgated  
194 by the department under the provisions of section 620.1884 **[and] or** classified by  
195 NAICS codes; **or which researches, develops, or manufactures power**  
196 **system technology for: aerospace; space; defense; hybrid vehicles; or**  
197 **implantable or wearable medical devices;**

198 **[(31)] (32)** "Withholding tax", the state tax imposed by sections 143.191  
199 to 143.265, RSMo. **For purposes of this program, the withholding tax**  
200 **shall be computed using a schedule as determined by the department**  
201 **based on average wages.**

620.1881. 1. The department of economic development shall respond  
2 within thirty days to a company who provides a notice of intent with either [a  
3 proposal] **an approval** or a rejection of the notice of intent. **The department**  
4 **shall give preference to qualified companies and projects targeted at**  
5 **an area of the state which has recently been classified as a disaster**  
6 **area by the federal government.** Failure to respond on behalf of the  
7 department of economic development shall result in the notice of intent being  
8 deemed [a proposal] **an approval** for the purposes of this section. A qualified  
9 company who is provided [a proposal] **an approval** for a project shall be allowed  
10 a benefit as provided in this program in the amount and duration provided in this

11 section. A qualified company may receive additional periods for subsequent new  
12 jobs at the same facility after the full initial period if the minimum thresholds are  
13 met as set forth in sections 620.1875 to 620.1890. There is no limit on the  
14 number of periods a qualified company may participate in the program, as long  
15 as the minimum thresholds are achieved and the qualified company provides the  
16 department with the required reporting and is in proper compliance for this  
17 program or other state programs. A qualified company may elect to file a notice  
18 of intent to start a new project period concurrent with an existing project period  
19 if the minimum thresholds are achieved and the qualified company provides the  
20 department with the required reporting and is in proper compliance for this  
21 program and other state programs; however, the qualified company may not  
22 receive any further benefit under the original **[proposal] approval** for jobs  
23 created after the date of the new notice of intent, and any jobs created before the  
24 new notice of intent may not be included as new jobs for the purpose of benefit  
25 calculation in relation to the new **[proposal] approval**.

26 2. Notwithstanding any provision of law to the contrary, any qualified  
27 company that is awarded benefits under this program may not **[also]**  
28 **simultaneously** receive tax credits or exemptions under sections 135.100 to  
29 135.150, sections 135.200 to 135.286, section 135.535, or sections 135.900 to  
30 135.906, RSMo, **[for the same new jobs]** at the **same** project facility. The benefits  
31 available to the company under any other state programs for which the company  
32 is eligible and which utilize withholding tax from the new jobs of the company  
33 must first be credited to the other state program before the withholding retention  
34 level applicable under the Missouri quality jobs act will begin to accrue. These  
35 other state programs include, but are not limited to, the new jobs training  
36 program under sections 178.892 to 178.896, RSMo, the job retention program  
37 under sections 178.760 to 178.764, RSMo, the real property tax increment  
38 allocation redevelopment act, sections 99.800 to 99.865, RSMo, or the Missouri  
39 downtown and rural economic stimulus act under sections 99.915 to 99.980,  
40 RSMo. If any qualified company also participates in the new jobs training  
41 program in sections 178.892 to 178.896, RSMo, the company shall retain no  
42 withholding tax, but the department shall issue a refundable tax credit for the  
43 full amount of benefit allowed under this subdivision. **The calendar year**  
44 **annual maximum amount of tax credits which may be issued to a**  
45 **qualifying company that also participates in the new job training**  
46 **program shall be increased by an amount equivalent to the withholding**



47 tax retained by that company under the new jobs training  
48 program. However, if the combined benefits of the quality jobs  
49 program and the new jobs training program exceed the projected state  
50 benefit of the project, as determined by the department of economic  
51 development through a cost-benefit analysis, the increase in the  
52 maximum tax credits shall be limited to the amount that would not  
53 cause the combined benefits to exceed the projected state benefit. Any  
54 taxpayer who is awarded benefits under this program who knowingly  
55 hires individuals who are not allowed to work legally in the United  
56 States shall immediately forfeit such benefits and shall repay the state  
57 an amount equal to any state tax credits already redeemed and any  
58 withholding taxes already retained.

59 3. The types of projects and the amount of benefits to be provided are:

60 (1) Small and expanding business projects: in exchange for the  
61 consideration provided by the new tax revenues and other economic [stimulus]  
62 stimuli that will be generated by the new jobs created by the program, a  
63 qualified company may retain an amount equal to the withholding tax as  
64 calculated under subdivision (32) of section 620.1878 from the new jobs  
65 that would otherwise be withheld and remitted by the qualified company under  
66 the provisions of sections 143.191 to 143.265, RSMo, for a period of three years  
67 from the date the required number of new jobs were created if the average wage  
68 of the new payroll equals or exceeds the county average wage or for a period of  
69 five years from the date the required number of new jobs were created if the  
70 average wage of the new payroll equals or exceeds one hundred twenty percent  
71 of the county average wage;

72 (2) Technology business projects: in exchange for the consideration  
73 provided by the new tax revenues and other economic [stimulus] stimuli that  
74 will be generated by the new jobs created by the program, a qualified company  
75 may retain an amount equal to a maximum of five percent of new payroll for a  
76 period of five years from the date the required number of jobs were created from  
77 the withholding tax of the new jobs that would otherwise be withheld and  
78 remitted by the qualified company under the provisions of sections 143.191 to  
79 143.265, RSMo, if the average wage of the new payroll equals or exceeds the  
80 county average wage. An additional one-half percent of new payroll may be  
81 added to the five percent maximum if the average wage of the new payroll in any  
82 year exceeds one hundred twenty percent of the county average wage in the

83 county in which the project facility is located, plus an additional one-half percent  
84 of new payroll may be added if the average wage of the new payroll in any year  
85 exceeds one hundred forty percent of the average wage in the county in which the  
86 project facility is located. The department shall issue a refundable tax credit for  
87 any difference between the amount of benefit allowed under this subdivision and  
88 the amount of withholding tax retained by the company, in the event the  
89 withholding tax is not sufficient to provide the entire amount of benefit due to the  
90 qualified company under this subdivision. The calendar year annual maximum  
91 amount of tax credits that may be issued to any qualified company for a project  
92 or combination of projects is five hundred thousand dollars;

93       (3) High impact projects: in exchange for the consideration provided by  
94 the new tax revenues and other economic [stimulus] **stimuli** that will be  
95 generated by the new jobs created by the program, a qualified company may  
96 retain an amount from the withholding tax of the new jobs that would otherwise  
97 be withheld and remitted by the qualified company under the provisions of  
98 sections 143.191 to 143.265, RSMo, equal to three percent of new payroll for a  
99 period of five years from the date the required number of jobs were created if the  
100 average wage of the new payroll equals or exceeds the county average wage of the  
101 county in which the project facility is located. The percentage of payroll allowed  
102 under this subdivision shall be three and one-half percent of new payroll if the  
103 average wage of the new payroll in any year exceeds one hundred twenty percent  
104 of the county average wage in the county in which the project facility is  
105 located. The percentage of payroll allowed under this subdivision shall be four  
106 percent of new payroll if the average wage of the new payroll in any year exceeds  
107 one hundred forty percent of the county average wage in the county in which the  
108 project facility is located. An additional one percent of new payroll may be added  
109 to these percentages if local incentives equal between ten percent and twenty-four  
110 percent of the new direct local revenue; an additional two percent of new payroll  
111 is added to these percentages if the local incentives equal between twenty-five  
112 percent and forty-nine percent of the new direct local revenue; or an additional  
113 three percent of payroll is added to these percentages if the local incentives equal  
114 fifty percent or more of the new direct local revenue. The department shall issue  
115 a refundable tax credit for any difference between the amount of benefit allowed  
116 under this subdivision and the amount of withholding tax retained by the  
117 company, in the event the withholding tax is not sufficient to provide the entire  
118 amount of benefit due to the qualified company under this subdivision. The

119 calendar year annual maximum amount of tax credits that may be issued to any  
120 qualified company for a project or combination of projects is seven hundred fifty  
121 thousand dollars. The calendar year annual maximum amount of tax credit that  
122 may be issued to any qualified company for a project or combination of projects  
123 may be increased up to one million dollars **if the number of new jobs will**  
124 **exceed five hundred and** if such action is proposed by the department and  
125 approved by the quality jobs advisory task force established in section 620.1887;  
126 provided, however, until such time as the initial at-large members of the quality  
127 jobs advisory task force are appointed, this determination shall be made by the  
128 director of the department of economic development. In considering such a  
129 request, the task force shall rely on economic modeling and other information  
130 supplied by the department when requesting the increased limit on behalf of the  
131 project;

132 (4) Job retention projects: a qualified company may receive a tax credit  
133 for the retention of jobs in this state, provided the qualified company and the  
134 project meets all of the following conditions:

135 (a) For each of the twenty-four months preceding the year in which  
136 application for the program is made the qualified company must have maintained  
137 at least one thousand full-time[, year-round] employees at the employer's site in  
138 the state at which the jobs are based, and the average wage of such employees  
139 must meet or exceed the county average wage;

140 (b) The qualified company retained at the project facility the level of  
141 full-time[, year-round] employees that existed in the taxable year immediately  
142 preceding the year in which application for the program is made;

143 (c) The qualified company is considered to have a significant statewide  
144 effect on the economy, and has been determined to represent a substantial risk  
145 of relocation from the state by the quality jobs advisory task force established in  
146 section 620.1887; provided, however, until such time as the initial at-large  
147 members of the quality jobs advisory task force are appointed, this determination  
148 shall be made by the director of the department of economic development;

149 (d) The qualified company in the project facility will cause to be invested  
150 a minimum of seventy million dollars in new investment prior to the end of two  
151 years or will cause to be invested a minimum of thirty million dollars in new  
152 investment prior to the end of two years and maintain an annual payroll of at  
153 least seventy million dollars during each of the years for which a credit is  
154 claimed; and

155           (e) The local taxing entities shall provide local incentives of at least fifty  
156 percent of the new direct local revenues created by the project over a ten-year  
157 period.

158 The quality jobs advisory task force may recommend to the department of  
159 economic development that appropriate penalties be applied to the company for  
160 violating the agreement. The amount of the job retention credit granted may be  
161 equal to up to fifty percent of the amount of withholding tax generated by the  
162 full-time[, year-round] jobs at the project facility for a period of five years. The  
163 calendar year annual maximum amount of tax credit that may be issued to any  
164 qualified company for a job retention project or combination of job retention  
165 projects shall be seven hundred fifty thousand dollars per year, but the maximum  
166 amount may be increased up to one million dollars if such action is proposed by  
167 the department and approved by the quality jobs advisory task force established  
168 in section 620.1887; provided, however, until such time as the initial at-large  
169 members of the quality jobs advisory task force are appointed, this determination  
170 shall be made by the director of the department of economic development. In  
171 considering such a request, the task force shall rely on economic modeling and  
172 other information supplied by the department when requesting the increased  
173 limit on behalf of the job retention project. In no event shall the total amount of  
174 all tax credits issued for the entire job retention program under this subdivision  
175 exceed three million dollars annually. Notwithstanding the above, no tax credits  
176 shall be issued for job retention projects approved by the department after August  
177 30, 2007;

178           **(5) Small business job retention and flood survivor relief: a**  
179 **qualified company may receive a tax credit under sections 620.1875 to**  
180 **620.1890 for the retention of jobs and flood survivor relief in this state**  
181 **for each job retained over a three-year period, provided that:**

182           **(a) The qualified company did not receive any state or federal**  
183 **benefits, incentives, or tax relief or abatement in locating its facility in**  
184 **a flood plain;**

185           **(b) The qualified company and related companies have fewer**  
186 **than one hundred employees at the time application for the program is**  
187 **made;**

188           **(c) The average wage of the qualified company's and related**  
189 **companies' employees must meet or exceed the county average wage;**

190           **(d) All of the qualified company's and related companies'**

191 facilities are located in this state;

192 (e) The facilities at the primary business site in this state have  
193 been directly damaged by flood water rising above the level of a five  
194 hundred year flood at least two years, but fewer than eight years, prior  
195 to the time application is made;

196 (f) The qualified company made significant efforts to protect the  
197 facilities prior to any impending danger from rising floodwaters;

198 (g) For each year it receives tax credits under sections 620.1875  
199 to 620.1890, the qualified company and related companies retained, at  
200 the company's facilities in this state, at least the level of full-time, year-  
201 round employees that existed in the taxable year immediately  
202 preceding the year in which application for the program is made; and

203 (h) In the years it receives tax credits under sections 620.1875 to  
204 620.1890, the company cumulatively invests at least two million dollars  
205 in capital improvements in facilities and equipment located at such  
206 facilities that are not located within a five hundred year flood plain as  
207 designated by the Federal Emergency Management Agency, and  
208 amended from time to time.

209 The amount of the small business job retention and flood survivor relief  
210 credit granted may be equal to up to one hundred percent of the  
211 amount of withholding tax generated by the full-time jobs at the project  
212 facility for a period of three years. The calendar year annual maximum  
213 amount of tax credit that may be issued to any qualified company for  
214 a small business job retention and survivor relief project shall be two  
215 hundred fifty thousand dollars per year, but the maximum amount may  
216 be increased up to five hundred thousand dollars if such action is  
217 proposed by the department and approved by the quality jobs advisory  
218 task force established in section 620.1887. In considering such a  
219 request, the task force shall rely on economic modeling and other  
220 information supplied by the department when requesting an increase  
221 in the limit on behalf of the small business job retention and flood  
222 survivor relief project. In no event shall the total amount of all tax  
223 credits issued for the entire small business job retention and flood  
224 survivor relief program under this subdivision exceed five hundred  
225 thousand dollars annually. Notwithstanding the provisions of this  
226 subdivision to the contrary, no tax credits shall be issued for small  
227 business job retention and flood survivor relief projects approved by

228 **the department after August 30, 2010.**

229           4. The qualified company shall provide an annual report of the number  
230 of jobs and such other information as may be required by the department to  
231 document the basis for the benefits of this program. The department may  
232 withhold the approval of any benefits until it is satisfied that proper  
233 documentation has been provided, and shall reduce the benefits to reflect any  
234 reduction in full-time[, year-round] employees **or new payroll. Upon approval**  
235 **by the department, the qualified company may begin the retention of**  
236 **the withholding taxes when it reaches the minimum number of new**  
237 **jobs and the average wage exceeds the county average wage. Tax**  
238 **credits, if any, may be issued upon satisfaction by the department that**  
239 **the qualified company has exceeded the county average wage and the**  
240 **minimum number of new jobs. In such annual report, if the average**  
241 **wage is below the county average wage, the qualified company has not**  
242 **maintained the employee insurance as required, or if the number of**  
243 **new jobs is below the minimum, the qualified company shall not receive**  
244 **tax credits or retain the withholding tax for the balance of the benefit**  
245 **period. In the case of a qualified company that initially filed a notice**  
246 **of intent and received an approval from the department for high impact**  
247 **benefits and the minimum number of new jobs in an annual report is**  
248 **below the minimum for high impact projects, the company shall not**  
249 **receive tax credits for the balance of the benefit period but may**  
250 **continue to retain the withholding taxes if it otherwise meets the**  
251 **requirements of a small and expanding business under this program.**

252           5. The maximum calendar year annual tax credits issued for the entire  
253 program shall not exceed [twelve] **forty** million dollars. Notwithstanding any  
254 provision of law to the contrary, the maximum annual tax credits authorized  
255 under section 135.535, RSMo, are hereby reduced from ten million dollars to eight  
256 million dollars, with the balance of two million dollars transferred to this  
257 program. There shall be no limit on the amount of withholding taxes that may  
258 be retained by approved companies under this program.

259           6. The department shall allocate the annual tax credits based on the date  
260 of the [proposal] **approval**, reserving such tax credits based on the department's  
261 best estimate of new jobs and new payroll of the project, and the other factors in  
262 the determination of benefits of this program. However, the annual issuance of  
263 tax credits is subject to the annual verification of the actual new payroll. The

264 allocation of tax credits for the period assigned to a project shall expire if, within  
265 two years from the date of commencement of operations, or **[proposal] approval**  
266 if applicable, the minimum thresholds have not been achieved. The qualified  
267 company may retain authorized amounts from the withholding tax under this  
268 section once the minimum new jobs thresholds are met for the duration of the  
269 project period. No benefits shall be provided under this program until the  
270 qualified company meets the minimum new jobs thresholds. In the event the  
271 qualified company does not meet the minimum new job threshold, the qualified  
272 company may submit a new notice of intent or the department may provide a new  
273 **[proposal] approval** for a new project of the qualified company at the project  
274 facility or other facilities.

275         7. For a qualified company with flow-through tax treatment to its  
276 members, partners, or shareholders, the tax credit shall be allowed to members,  
277 partners, or shareholders in proportion to their share of ownership on the last  
278 day of the qualified company's tax period.

279         8. Tax credits may be claimed against taxes otherwise imposed by  
280 chapters 143 and 148, RSMo, and may not be carried forward but shall be claimed  
281 within one year of the close of the taxable year for which they were issued,  
282 **except as provided under subdivision (4) of subsection 3 of this section.**

283         9. Tax credits authorized by this section may be transferred, sold, or  
284 assigned by filing a notarized endorsement thereof with the department that  
285 names the transferee, the amount of tax credit transferred, and the value received  
286 for the credit, as well as any other information reasonably requested by the  
287 department.

288         10. **Prior to the issuance of tax credits, the department shall**  
289 **verify through the department of revenue that the tax credit applicant**  
290 **does not owe any delinquent income, sales, or use tax or interest or**  
291 **penalties on such taxes, and through the department of insurance that**  
292 **the applicant does not owe any delinquent insurance taxes. Such**  
293 **delinquency shall not affect the authorization of the application for**  
294 **such tax credits, except that at issuance credits shall be first applied**  
295 **to the delinquency and any amount issued shall be reduced by the**  
296 **applicant's tax delinquency. If the department of revenue or the**  
297 **department of insurance concludes that a taxpayer is delinquent after**  
298 **June fifteenth but before July first of any year and the application of**  
299 **tax credits to such delinquency causes a tax deficiency on behalf of the**

300 taxpayer to arise, then the taxpayer shall be granted thirty days to  
301 satisfy the deficiency in which interest, penalties, and additions to tax  
302 shall be tolled. After applying all available credits toward a tax  
303 delinquency, the administering agency shall notify the appropriate  
304 department and that department shall update the amount of  
305 outstanding delinquent tax owed by the applicant. If any credits  
306 remain after satisfying all insurance, income, sales, and use tax  
307 delinquencies, the remaining credits shall be issued to the applicant,  
308 subject to the restrictions of other provisions of law.

309       **11. Except as provided under subdivision (4) of subsection 3 of**  
310 **this section,** the director of revenue shall issue a refund to the qualified  
311 company to the extent that the amount of credits allowed in this section exceeds  
312 the amount of the qualified company's income tax.

313       **[11.] 12.** An employee of a qualified company will receive full credit for  
314 the amount of tax withheld as provided in section [143.221] **143.211**, RSMo.

315       **[12.] 13.** If any provision of sections 620.1875 to 620.1890 or application  
316 thereof to any person or circumstance is held invalid, the invalidity shall not  
317 affect other provisions or application of these sections which can be given effect  
318 without the invalid provisions or application, and to this end, the provisions of  
319 sections 620.1875 to 620.1890 are hereby declared severable.

                  [578.395. 1. Any person, firm, or corporation who resells or  
2       offers to resell any ticket for admission, or any other evidence of  
3       the right of entry, to any public sporting event for a price in excess  
4       of the price printed on the ticket is guilty of the offense of ticket  
5       scalping. For purposes of this section, if a seller requires, as a  
6       precondition of the resale of a ticket, the purchase or rental of  
7       other goods or services at a price in excess of the fair market value  
8       of such goods or services, the excess amount shall be deemed to be  
9       part of the purchase price of the ticket.

10               2. Nothing in this section shall prohibit nor shall be deemed  
11       to prohibit a seller, with consent of the sponsor of such sporting  
12       event, from collecting a reasonable service charge from a ticket  
13       purchaser in return for services actually rendered.

14               3. Any person violating this section upon conviction shall  
15       be guilty of a misdemeanor and, except as provided in subsection  
16       4 of this section, shall be punished as follows:



17           (1) For the first offense, by a fine of not less than fifty  
18           dollars nor more than three hundred dollars or by imprisonment in  
19           the county jail for a term of not less than fifteen days;

20           (2) For the second offense, by a fine of not less than three  
21           hundred dollars nor more than five hundred dollars or by  
22           imprisonment in the county jail for a term of not less than sixty  
23           days nor more than six months;

24           (3) For the third and each subsequent offense, by a fine of  
25           not less than five hundred dollars nor more than one thousand  
26           dollars or imprisonment in the county jail for a term of not less  
27           than six months nor more than one year.

28           4. In lieu of any fine imposed under subsection 3 of this  
29           section, the court may invoke the provisions of subsection 2 of  
30           section 560.016, RSMo, against any person convicted of a second or  
31           subsequent offense of this section.]

          [620.521. Sections 620.521 to 620.530 shall be known and  
2           may be cited as the "Missouri Training and Employment Council  
3           Act".]

          [620.523. 1. There is hereby established the "Missouri  
2           Training and Employment Council".

3           2. The Missouri training and employment council shall  
4           study and make recommendations regarding the improvement of  
5           the state's job training service delivery network. Such  
6           recommendations will consider improved federal and state resource  
7           use and expanded coordination of state job training and  
8           employment activities with other related activities. Using the  
9           results of interdepartmental collaboration at early stages of policy  
10          formation, the council shall propose a statewide training and  
11          employment policy and a periodically updated plan of services for  
12          achieving Missouri's objective of full employment. The council  
13          shall serve as a forum for public and private sector representation  
14          to encourage cooperative uses of training and employment funding,  
15          facilities and staff resources for a more comprehensive and  
16          coordinated statewide system.

17          3. The Missouri training and employment council shall  
18          consist of thirty members appointed by the governor with the

19 advice and consent of the senate. The governor shall designate one  
20 nongovernmental member to be chairman. The council shall be  
21 composed as follows:

22 (1) Thirty percent of the membership shall be  
23 representatives of business, industry and agriculture, including  
24 individuals who are representatives of business, industry, and  
25 agriculture on private industry councils, job service employer  
26 committees or local education advisory committees within the state;

27 (2) Thirty percent of the membership shall be:

28 (a) Members of the general assembly and state agencies and  
29 organizations. One representative each from the department of  
30 economic development, the department of elementary and  
31 secondary education, the department of labor and industrial  
32 relations and the department of social services shall be appointed;

33 (b) Representatives of the units or consortia of units of  
34 general local government which shall be nominated by the chief  
35 elected officials of the units or consortia of units of local  
36 government and the representatives of local educational agencies  
37 who shall be nominated by local educational agencies. One  
38 community college president or chancellor, one representative of  
39 the state council on vocational education and one director of an  
40 area vocational school shall be appointed to the council. To the  
41 extent feasible, such appointees shall have knowledge of or  
42 experience with economic development, job training, education or  
43 related areas;

44 (3) Thirty percent of the membership shall be  
45 representatives of organized labor and representatives of  
46 community-based organizations in the state;

47 (4) Ten percent of the membership shall be representatives  
48 of the general public.

49 The composition and the roles and responsibilities of the Missouri  
50 training and employment council membership may be amended to  
51 comply with any succeeding federal or state legislative or  
52 regulatory requirements governing training and employment  
53 programs, except that the procedure for such change shall be  
54 outlined in state rules and regulations and adopted in the bylaws

55 of the council.

56 4. Each member of the council shall serve for a term of four  
57 years and until a successor is duly appointed; except that, of the  
58 members first appointed, six members shall serve for a term of four  
59 years, eight members shall serve for a term of three years, eight  
60 members shall serve for a term of two years and eight members  
61 shall serve for a term of one year. Each member shall continue to  
62 serve until a successor is duly appointed. The council shall meet  
63 at least four times each year at the call of the chairman.

64 5. The members of the council shall receive no  
65 compensation, but shall be reimbursed for all necessary expenses  
66 actually incurred in the performance of their official duties.]

[620.527. 1. The Missouri training and employment council  
2 shall:

3 (1) Review studies of occupational trends, employment  
4 supply and demand, industry growth, job training program  
5 participation, labor force literacy and early warning signals that  
6 industries are beginning to decline or are in danger of closing;

7 (2) Report to the governor and to the general assembly  
8 regarding statewide training and employment policies which have  
9 been developed in concert with interagency assistance from the  
10 department of economic development, the department of  
11 elementary and secondary education, the department of labor and  
12 industrial relations, the department of social services and other  
13 agencies delivering training and employment services;

14 (3) Prepare and submit to appropriate state and local  
15 agencies a statewide plan for full-employment services including  
16 such activities as labor exchange, job training or retraining, job  
17 development, job placement services and labor force literacy;

18 (4) Work through various state agencies delivering training  
19 and employment services to review interagency coordination and  
20 program effectiveness;

21 (5) Review and report to the governor innovative proposals  
22 for training and employment programs; and

23 (6) Encourage the participation of government, business  
24 and industry, and unions or other labor organizations, for providing

25 assistance to dislocated workers, in communities where plant  
26 closures occur.

27 2. The roles, responsibilities and duties of the Missouri job  
28 training coordinating council established by Missouri executive  
29 order 88-8 are hereby assigned to the Missouri training and  
30 employment council. The Missouri training and employment  
31 council shall perform all council functions required by the federal  
32 Job Training Partnership Act, as amended, as well as the expanded  
33 requirements defined by sections 620.521 to 620.530.]

[620.529. 1. The Missouri training and employment council  
2 shall prepare and recommend a statewide training and employment  
3 plan for consideration by appropriate state and local agencies by  
4 1993. The plan shall be reviewed annually and updated  
5 periodically and shall propose implementation timetables,  
6 measurable objectives and specific courses of action. The plan shall  
7 describe possible cooperative uses of training and employment  
8 funding, facilities and staff resources whenever feasible and shall  
9 focus on the development of a more coordinated training and  
10 employment delivery system.

11 2. The plan shall include provisions to accomplish the  
12 following objectives by the administering agencies:

13 (1) Provide a streamlined intake and assessment process for  
14 persons seeking training and employment assistance;

15 (2) Target appropriate skill areas for training so that  
16 persons are trained for positions expected to exist in the labor  
17 market;

18 (3) Allow workers with obsolete or inadequate skills to have  
19 their skills upgraded while retaining employment;

20 (4) Retrain workers displaced by high technology industry  
21 and plant closings to reenter the Missouri workforce;

22 (5) Involve business and industry in the planning, operation  
23 and evaluation of training programs;

24 (6) Encourage and assist local educational agencies,  
25 vocational technical schools and post-secondary institutions to  
26 coordinate their curricula and course selections with the changing  
27 needs of business and industry;

28                   (7) Develop programs to improve the use of apprenticeship  
29                   as a method of instruction in Missouri.

30                   3. The objectives listed in subsection 2 of this section shall  
31                   be the foundation for interagency efforts to coordinate services and  
32                   offer programs which maximize resources to meet Missouri's  
33                   workforce needs while recognizing various agency roles and  
34                   responsibilities.]

                  [620.530. 1. The division of job development and training  
2                   shall provide professional, technical and clerical staff support and  
3                   resources to the Missouri training and employment council;  
4                   administer training programs authorized under the federal Job  
5                   Training Partnership Act; administer programs authorized under  
6                   sections 620.470 to 620.481; and administer such other federal or  
7                   state job development and training programs as are assigned to the  
8                   division.

9                   2. The division shall promulgate rules and regulations  
10                  necessary to carry out its responsibility to the Missouri training  
11                  and employment council and to develop the plans and policies  
12                  adopted by the council. No rule or portion of a rule promulgated  
13                  under the authority of sections 620.470 to 620.570 shall become  
14                  effective unless it has been promulgated pursuant to the provisions  
15                  of section 536.024, RSMo.]

                  [620.537. 1. The department of economic development shall  
2                   commission a new targeted industries study to identify those  
3                   general areas of the Missouri economy where growth and increased  
4                   employment is likely to occur in the next decade, and to ascertain  
5                   necessary, associated work force skills and requirements. The  
6                   completed study shall be distributed to all Missouri state agencies  
7                   which provide job training services in order to promote  
8                   collaboration in the development of employment projections and in  
9                   the delivery of training services, and to any local economic  
10                  development agency requesting a copy of such study.

11                  2. The Missouri training and employment council, in  
12                  conjunction with the state's private industry councils, the state's  
13                  community colleges, the state's area vocational technical schools,  
14                  community action agencies, as defined in section 660.370, RSMo,

15           the department of economic development, the department of  
16           elementary and secondary education, the department of labor and  
17           industrial relations, the department of social services, and the  
18           Missouri state council on vocational education shall initiate a study  
19           regarding the value of a clustered or regional focus on job training,  
20           including the establishment of customized, technical training  
21           centers and utilization of portable equipment. Emphasis will be  
22           placed on the determination of broad occupational training needs.]

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