

SENATE SUBSTITUTE  
 FOR  
 SENATE COMMITTEE SUBSTITUTE  
 FOR  
 HOUSE COMMITTEE SUBSTITUTE  
 FOR  
 HOUSE BILL NO. 2058  
 AN ACT

To repeal sections 32.105, 67.1501, 67.1545, 99.820, 135.535, 135.562, 135.815, 135.967, 137.115, 348.436, 353.150, 447.708, 620.1878, and 620.1881, RSMo, section 99.825 as enacted by senate committee substitute for house committee substitute for house bill no. 741, ninety-fourth general assembly, first regular session, and section 99.825 as enacted by conference committee substitute for house committee substitute for senate bill no. 1, eighty-ninth general assembly, second extraordinary session, and to enact in lieu thereof eighteen new sections relating to tax incentives for business development.

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

1           Section A. Sections 32.105, 67.1501, 67.1545, 99.820,  
 2   135.535, 135.562, 135.815, 135.967, 137.115, 348.436, 353.150,  
 3   447.708, 620.1878, and 620.1881, RSMo, section 99.825 as enacted  
 4   by senate committee substitute for house committee substitute for  
 5   house bill no. 741, ninety-fourth general assembly, first regular  
 6   session, and section 99.825 as enacted by conference committee  
 7   substitute for house committee substitute for senate bill no. 1,  
 8   eighty-ninth general assembly, second extraordinary session, are  
 9   repealed and eighteen new sections enacted in lieu thereof, to be

known as sections 32.105, 67.1501, 67.1545, 99.820, 99.825, 135.535, 135.562, 135.682, 135.815, 135.967, 137.115, 144.057, 348.436, 353.150, 447.708, 620.050, 620.1878, and 620.1881, to read as follows:

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
Size of Household	Median Income
One Person	35%
Two Persons	40%
Three Persons	45%
Four Persons	50%
Five Persons	54%
Six Persons	58%
Seven Persons	62%
Eight Persons	66%

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

1 receipts in this state, or other financial institution paying  
2 taxes to the state of Missouri or any political subdivision of  
3 this state pursuant to the provisions of chapter 148, RSMo, or an  
4 express company which pays an annual tax on its gross receipts in  
5 this state;

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

8 (5) "Community services", any type of counseling and  
9 advice, emergency assistance or medical care furnished to  
10 individuals or groups in the state of Missouri or transportation  
11 services at below-cost rates as provided in sections 208.250 to  
12 208.275, RSMo;

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

15 (7) "Defense industry contractor", a person, corporation or  
16 other entity which will be or has been negatively impacted as a  
17 result of its status as a prime contractor of the Department of  
18 Defense or as a second or third tier contractor. A "second tier  
19 contractor" means a person, corporation or other entity which  
20 contracts to perform manufacturing, maintenance or repair  
21 services for a prime contractor of the Department of Defense, and  
22 a "third tier contractor" means a person, corporation or other  
23 entity which contracts with a person, corporation or other entity  
24 which contracts with a prime contractor of the Department of  
25 Defense;

26 (8) "Doing business", among other methods of doing business  
27 in the state of Missouri, a partner in a firm or a shareholder in  
28 an S corporation shall be deemed to be doing business in the

1 state of Missouri if such firm or S corporation, as the case may  
2 be, is doing business in the state of Missouri;

3 (9) "Economic development", the acquisition, renovation,  
4 improvement, or the furnishing or equipping of existing buildings  
5 and real estate in distressed or blighted areas of the state when  
6 such acquisition, renovation, improvement, or the furnishing or  
7 equipping of the business development projects will result in the  
8 creation or retention of jobs within the state; or, until June  
9 30, 1996, a defense conversion pilot project located in a  
10 standard metropolitan statistical area which contains a city with  
11 a population of at least three hundred fifty thousand  
12 inhabitants, which will assist Missouri-based defense industry  
13 contractors in their conversion from predominately  
14 defense-related contracting to nondefense-oriented manufacturing.  
15 Only neighborhood organizations, as defined in subdivision (13)  
16 of this section, may apply to conduct economic development  
17 projects. Prior to the approval of an economic development  
18 project, the neighborhood organization shall enter into a  
19 contractual agreement with the department of economic  
20 development. Credits approved for economic development projects  
21 may not exceed ~~four~~ six million dollars from within any one  
22 fiscal year's allocation[, except that for fiscal years 2005,  
23 2006, and 2007 credits approved for economic development projects  
24 shall not exceed six million dollars]. Neighborhood assistance  
25 program tax credits for economic development projects and  
26 affordable housing assistance as defined in section 32.111 may be  
27 transferred, sold or assigned by a notarized endorsement thereof  
28 naming the transferee;

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

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

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

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

17           (a) Holding a ruling from the Internal Revenue Service of  
18 the United States Department of the Treasury that the  
19 organization is exempt from income taxation pursuant to the  
20 provisions of the Internal Revenue Code; or

21           (b) Incorporated in the state of Missouri as a  
22 not-for-profit corporation pursuant to the provisions of chapter  
23 355, RSMo; or

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

27           (14) "Physical revitalization", furnishing financial  
28 assistance, labor, material, or technical advice to aid in the

1 physical improvement or rehabilitation of any part or all of a  
2 neighborhood area;

3 (15) "S corporation", a corporation described in Section  
4 1361(a)(1) of the United States Internal Revenue Code and not  
5 subject to the taxes imposed by section 143.071, RSMo, by reason  
6 of section 143.471, RSMo;

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

9 67.1501. 1. A district may use any one or more of the  
10 assessments, taxes, or other funding methods specifically  
11 authorized pursuant to sections 67.1401 to 67.1571 to provide  
12 funds to accomplish any power, duty or purpose of the district[;  
13 provided, however, no district which is located in any city not  
14 within a county and which includes any real property that is also  
15 included in a special business district established pursuant to  
16 sections 71.790 to 71.808, RSMo, prior to the establishment of  
17 the district pursuant to sections 67.1401 to 67.1571 shall have  
18 the authority to impose any such tax or assessment pursuant to  
19 sections 67.1401 to 67.1571 until such time as all taxes or  
20 special assessments imposed pursuant to sections 71.790 to  
21 71.808, RSMo, on any real property or on any business located in  
22 such special business district or on any business or individual  
23 doing business in such special business district have been  
24 repealed in accordance with this subsection. The governing body  
25 of a special business district which includes real property  
26 located in a district established pursuant to sections 67.1401 to  
27 67.1571 shall have the power to repeal all taxes and assessments  
28 imposed pursuant to sections 71.790 to 71.808, RSMo, and such

1 power may be exercised by the adoption of a resolution by the  
2 governing body of such special business district. Upon the  
3 adoption of such resolution such special business district shall  
4 no longer have the power to impose any tax or special assessment  
5 pursuant to sections 71.790 to 71.808, RSMo, until such time as  
6 the district or districts established pursuant to sections  
7 67.1401 to 67.1571 which include any real property that is also  
8 included in such special business district have been terminated  
9 or have expired pursuant to sections 67.1401 to 67.1571].

10 2. A district may establish different classes of real  
11 property within the district for purposes of special assessments.  
12 The levy rate for special assessments may vary for each class or  
13 subclass based on the level of benefit derived from services or  
14 improvements funded, provided or caused to be provided by the  
15 district.

16 3. Notwithstanding anything in sections 67.1401 to 67.1571  
17 to the contrary, any district which is not a political  
18 subdivision shall have no power to levy any tax but shall have  
19 the power to levy special assessments in accordance with section  
20 67.1521.

21 67.1545. 1. Any district formed as a political subdivision  
22 may impose by resolution a district sales and use tax on all  
23 retail sales made in such district which are subject to taxation  
24 pursuant to sections 144.010 to 144.525, RSMo, except sales of  
25 motor vehicles, trailers, boats or outboard motors and sales to  
26 or by public utilities and providers of communications, cable, or  
27 video services. Any sales and use tax imposed pursuant to this  
28 section may be imposed in increments of one-eighth of one



1 percent, up to a maximum of one percent. Such district sales and  
2 use tax may be imposed for any district purpose designated by the  
3 district in its ballot of submission to its qualified voters;  
4 except that, no resolution adopted pursuant to this section shall  
5 become effective unless the board of directors of the district  
6 submits to the qualified voters of the district, by mail-in  
7 ballot, a proposal to authorize a sales and use tax pursuant to  
8 this section. If a majority of the votes cast by the qualified  
9 voters on the proposed sales tax are in favor of the sales tax,  
10 then the resolution is adopted. If a majority of the votes cast  
11 by the qualified voters are opposed to the sales tax, then the  
12 resolution is void.

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

14 Shall the ..... (insert name of district)  
15 Community Improvement District impose a community improvement  
16 districtwide sales and use tax at the maximum rate of  
17 ..... (insert amount) for a period of .....  
18 (insert number) years from the date on which such tax is first  
19 imposed for the purpose of providing revenue for  
20 ..... (insert general  
21 description of the purpose)?

22 ☐ YES

☐ NO

23  
24 If you are in favor of the question, place an "X" in the box  
25 opposite "YES". If you are opposed to the question, place an "X"  
26 in the box opposite "NO".

27 3. Within ten days after the qualified voters have approved  
28 the imposition of the sales and use tax, the district shall, in

1 accordance with section 32.087, RSMo, notify the director of the  
2 department of revenue. The sales and use tax authorized by this  
3 section shall become effective on the first day of the second  
4 calendar quarter after the director of the department of revenue  
5 receives notice of the adoption of such tax.

6 4. The director of the department of revenue shall collect  
7 any tax adopted pursuant to this section pursuant to section  
8 32.087, RSMo.

9 5. In each district in which a sales and use tax is imposed  
10 pursuant to this section, every retailer shall add such  
11 additional tax imposed by the district to such retailer's sale  
12 price, and when so added such tax shall constitute a part of the  
13 purchase price, shall be a debt of the purchaser to the retailer  
14 until paid and shall be recoverable at law in the same manner as  
15 the purchase price.

16 6. In order to allow retailers to collect and report the  
17 sales and use tax authorized by this section as well as all other  
18 sales and use taxes required by law in the simplest and most  
19 efficient manner possible, a district may establish appropriate  
20 brackets to be used in the district imposing a tax pursuant to  
21 this section in lieu of the brackets provided in section 144.285,  
22 RSMo.

23 7. The penalties provided in sections 144.010 to 144.525,  
24 RSMo, shall apply to violations of this section.

25 8. All revenue received by the district from a sales and  
26 use tax imposed pursuant to this section which is designated for  
27 a specific purpose shall be deposited into a special trust fund  
28 and expended solely for such purpose. Upon the expiration of any

1 sales and use tax adopted pursuant to this section, all funds  
2 remaining in the special trust fund shall continue to be used  
3 solely for the specific purpose designated in the resolution  
4 adopted by the qualified voters. Any funds in such special trust  
5 fund which are not needed for current expenditures may be  
6 invested by the board of directors pursuant to applicable laws  
7 relating to the investment of other district funds.

8 9. A district may repeal by resolution any sales and use  
9 tax imposed pursuant to this section before the expiration date  
10 of such sales and use tax unless the repeal of such sales and use  
11 tax will impair the district's ability to repay any liabilities  
12 the district has incurred, moneys the district has borrowed or  
13 obligation the district has issued to finance any improvements or  
14 services rendered for the district.

15 10. Notwithstanding the provisions of chapter 115, RSMo, an  
16 election for a district sales and use tax under this section  
17 shall be conducted in accordance with the provisions of this  
18 section.

19 99.820. 1. A municipality may:

20 (1) By ordinance introduced in the governing body of the  
21 municipality within fourteen to ninety days from the completion  
22 of the hearing required in section 99.825, approve redevelopment  
23 plans and redevelopment projects, and designate redevelopment  
24 project areas pursuant to the notice and hearing requirements of  
25 sections 99.800 to 99.865. No redevelopment project shall be  
26 approved unless a redevelopment plan has been approved and a  
27 redevelopment area has been designated prior to or concurrently  
28 with the approval of such redevelopment project and the area

1 selected for the redevelopment project shall include only those  
2 parcels of real property and improvements thereon directly and  
3 substantially benefited by the proposed redevelopment project  
4 improvements;

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

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

1 opportunity for any person to submit alternative proposals or  
2 bids;

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

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

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

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

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

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

20 (10) Incur redevelopment costs and issue obligations;

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

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

25 (a) Such surplus payments in lieu of taxes shall be  
26 distributed to taxing districts within the redevelopment area  
27 which impose ad valorem taxes on a basis that is proportional to  
28 the current collections of revenue which each taxing district

1 receives from real property in the redevelopment area;

2 (b) Surplus economic activity taxes shall be distributed to  
3 taxing districts in the redevelopment area which impose economic  
4 activity taxes, on a basis that is proportional to the amount of  
5 such economic activity taxes the taxing district would have  
6 received from the redevelopment area had tax increment financing  
7 not been adopted;

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

13 (13) If any member of the governing body of the  
14 municipality, a member of a commission established pursuant to  
15 subsection 2 or 3 of this section, or an employee or consultant  
16 of the municipality, involved in the planning and preparation of  
17 a redevelopment plan, or redevelopment project for a  
18 redevelopment area or proposed redevelopment area, owns or  
19 controls an interest, direct or indirect, in any property  
20 included in any redevelopment area, or proposed redevelopment  
21 area, which property is designated to be acquired or improved  
22 pursuant to a redevelopment project, he or she shall disclose the  
23 same in writing to the clerk of the municipality, and shall also  
24 so disclose the dates, terms, and conditions of any disposition  
25 of any such interest, which disclosures shall be acknowledged by  
26 the governing body of the municipality and entered upon the  
27 minutes books of the governing body of the municipality. If an  
28 individual holds such an interest, then that individual shall

1 refrain from any further official involvement in regard to such  
2 redevelopment plan, redevelopment project or redevelopment area,  
3 from voting on any matter pertaining to such redevelopment plan,  
4 redevelopment project or redevelopment area, or communicating  
5 with other members concerning any matter pertaining to that  
6 redevelopment plan, redevelopment project or redevelopment area.  
7 Furthermore, no such member or employee shall acquire any  
8 interest, direct or indirect, in any property in a redevelopment  
9 area or proposed redevelopment area after either (a) such  
10 individual obtains knowledge of such plan or project, or (b)  
11 first public notice of such plan, project or area pursuant to  
12 section 99.830, whichever first occurs;

13 (14) Charge as a redevelopment cost the reasonable costs  
14 incurred by its clerk or other official in administering the  
15 redevelopment project. The charge for the clerk's or other  
16 official's costs shall be determined by the municipality based on  
17 a recommendation from the commission, created pursuant to this  
18 section.

19 2. Prior to adoption of an ordinance approving the  
20 designation of a redevelopment area or approving a redevelopment  
21 plan or redevelopment project, the municipality shall create a  
22 commission of nine persons if the municipality is a county or a  
23 city not within a county and not a first class county with a  
24 charter form of government with a population in excess of nine  
25 hundred thousand, and eleven persons if the municipality is not a  
26 county and not in a first class county with a charter form of  
27 government having a population of more than nine hundred  
28 thousand, and twelve persons if the municipality is located in or

1 is a first class county with a charter form of government having  
2 a population of more than nine hundred thousand, to be appointed  
3 as follows:

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

8 (2) In all municipalities one member shall be appointed, in  
9 any manner agreed upon by the affected districts, to represent  
10 all other districts levying ad valorem taxes within the area  
11 selected for a redevelopment project or the redevelopment area,  
12 excluding representatives of the governing body of the  
13 municipality;

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

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

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

28 (6) In a municipality which is located in the first class



1 county with a charter form of government having a population in  
2 excess of nine hundred thousand, three members shall be appointed  
3 by the county of such municipality in the same manner as members  
4 are appointed in subdivision (3) of this subsection;

5 (7) [Effective January 1, 2008, in a municipality which is  
6 in a county under the authority of the East-West Gateway Council  
7 of Governments, except any municipality in any county of the  
8 first classification with more than ninety-three thousand eight  
9 hundred but fewer than ninety-three thousand nine hundred  
10 inhabitants, the municipality shall create a commission in the  
11 same manner as the commission for any county with a charter form  
12 of government and with more than one million inhabitants, such  
13 commission shall have twelve members with two such members  
14 appointed by the school boards whose districts are included in  
15 the county in a manner in which such school boards agree, with  
16 one such member to represent all other districts levying ad  
17 valorem taxes in a manner in which all such districts agree, six  
18 such members appointed either by the county executive or county  
19 commissioner, and three such members appointed by the cities in  
20 the county which have tax increment financing districts in a  
21 manner in which the cities shall agree;

22 (8) Effective January 1, 2008, when any city, town, or  
23 village under the authority of the East-West Gateway Council of  
24 Governments, except any municipality in any county of the first  
25 classification with more than ninety-three thousand eight hundred  
26 but fewer than ninety-three thousand nine hundred inhabitants,  
27 desires to implement a tax increment financing project, such  
28 city, town, or village shall first obtain the permission of the

1 county tax increment financing commission created in this  
2 subsection within which the city, town, or village is located.  
3 In the event such commission votes in opposition to the  
4 redevelopment project, such redevelopment project shall not be  
5 approved unless at least two-thirds of the governing body of the  
6 city, town, or village votes to approve such project;

7 (9)] At the option of the members appointed by the  
8 municipality, the members who are appointed by the school boards  
9 and other taxing districts may serve on the commission for a term  
10 to coincide with the length of time a redevelopment project,  
11 redevelopment plan or designation of a redevelopment area is  
12 considered for approval by the commission, or for a definite term  
13 pursuant to this subdivision. If the members representing school  
14 districts and other taxing districts are appointed for a term  
15 coinciding with the length of time a redevelopment project, plan  
16 or area is approved, such term shall terminate upon final  
17 approval of the project, plan or designation of the area by the  
18 governing body of the municipality. Thereafter the commission  
19 shall consist of the six members appointed by the municipality,  
20 except that members representing school boards and other taxing  
21 districts shall be appointed as provided in this section prior to  
22 any amendments to any redevelopment plans, redevelopment projects  
23 or designation of a redevelopment area. If any school district  
24 or other taxing jurisdiction fails to appoint members of the  
25 commission within thirty days of receipt of written notice of a  
26 proposed redevelopment plan, redevelopment project or designation  
27 of a redevelopment area, the remaining members may proceed to  
28 exercise the power of the commission. Of the members first

1 appointed by the municipality, two shall be designated to serve  
2 for terms of two years, two shall be designated to serve for a  
3 term of three years and two shall be designated to serve for a  
4 term of four years from the date of such initial appointments.  
5 Thereafter, the members appointed by the municipality shall serve  
6 for a term of four years, except that all vacancies shall be  
7 filled for unexpired terms in the same manner as were the  
8 original appointments. Members appointed by the county executive  
9 or presiding commissioner prior to August 28, 2008, shall  
10 continue their service on the commission established in  
11 subsection 3 of this section without further appointment unless  
12 the county executive or presiding commissioner appoints a new  
13 member or members.

14 3. [The commission] Beginning August 28, 2008:

15 (1) In lieu of a commission created under subsection 2 of  
16 this section, any city, town, or village in a county with a  
17 charter form of government and with more than one million  
18 inhabitants, in a county with a charter form of government and  
19 with more than two hundred fifty thousand but fewer than three  
20 hundred fifty thousand inhabitants, or in a county of the first  
21 classification with more than one hundred eighty-five thousand  
22 but fewer than two hundred thousand inhabitants shall, prior to  
23 adoption of an ordinance approving the designation of a  
24 redevelopment area or approving a redevelopment plan or  
25 redevelopment project, create a commission consisting of twelve  
26 persons to be appointed as follows:

27 (a) Six members appointed either by the county executive or  
28 presiding commissioner; notwithstanding any provision of law to

1 the contrary, no approval by the county's governing body shall be  
2 required;

3 (b) Three members appointed by the cities, towns, or  
4 villages in the county which have tax increment financing  
5 districts in a manner in which the chief elected officials of  
6 such cities, towns, or villages agree;

7 (c) Two members appointed by the school boards whose  
8 districts are included in the county in a manner in which the  
9 school boards agree; and

10 (d) One member to represent all other districts levying ad  
11 valorem taxes in the proposed redevelopment area in a manner in  
12 which all such districts agree.

13  
14 No city, town, or village subject to this subsection shall create  
15 or maintain a commission under subsection 2 of this section,  
16 except as necessary to complete a public hearing for which notice  
17 under section 99.830 has been provided prior to August 28, 2008,  
18 and to vote or make recommendations relating to redevelopment  
19 plans, redevelopment projects, or designation of redevelopment  
20 areas, or amendments thereto that were the subject of such public  
21 hearing;

22 (2) Members appointed to the commission created under this  
23 subsection, except those six members appointed by either the  
24 county executive or presiding commissioner, shall serve on the  
25 commission for a term to coincide with the length of time a  
26 redemption project, redemption plan, or designation of a  
27 redemption area is considered for approval by the commission.  
28 The six members appointed by either the county executive or the

1 presiding commissioner shall serve on all such commissions until  
2 replaced. The city, town, or village that creates a commission  
3 under this subsection shall send notice thereof by certified mail  
4 to the county executive or presiding commissioner, to the school  
5 districts whose boundaries include any portion of the proposed  
6 redevelopment area, and to the other taxing districts whose  
7 boundaries include any portion of the proposed redevelopment  
8 area. The city, town, or village that creates the commission  
9 shall also be solely responsible for notifying all other cities,  
10 towns, and villages in the county that have tax increment  
11 financing districts and shall exercise all administrative  
12 functions of the commission. The school districts receiving  
13 notice from the city, town, or village shall be solely  
14 responsible for notifying the other school districts within the  
15 county of the formation of the commission. If the county, school  
16 board, or other taxing district fails to appoint members to the  
17 commission within thirty days after the city, town, or village  
18 sends the written notice, as provided herein, that it has  
19 convened such a commission or within thirty days of the  
20 expiration of any such member's term, the remaining duly  
21 appointed members of the commission may exercise the full powers  
22 of the commission.

23 4. (1) Any commission created under this section, subject  
24 to approval of the governing body of the municipality, may  
25 exercise the powers enumerated in sections 99.800 to 99.865,  
26 except final approval of plans, projects and designation of  
27 redevelopment areas. The commission shall hold public hearings  
28 and provide notice pursuant to sections 99.825 and 99.830. [The]

1       (2) Any commission created under subsection 2 of this  
2 section shall vote on all proposed redevelopment plans,  
3 redevelopment projects and designations of redevelopment areas,  
4 and amendments thereto, within thirty days following completion  
5 of the hearing on any such plan, project or designation and shall  
6 make recommendations to the governing body within ninety days of  
7 the hearing referred to in section 99.825 concerning the adoption  
8 of or amendment to redevelopment plans and redevelopment projects  
9 and the designation of redevelopment areas. The requirements of  
10 subsection 2 of this section and this subsection shall not apply  
11 to redevelopment projects upon which the required hearings have  
12 been duly held prior to August 31, 1991.

13       (3) Any commission created under subsection 3 of this  
14 section shall, within fifteen days of the receipt of a  
15 redevelopment plan meeting the minimum requirements of section  
16 99.810, as determined by counsel to the city, town, or village  
17 creating the commission and a request by the applicable city,  
18 town, or village for a public hearing, fix a time and place for  
19 the public hearing referred to in section 99.825. The public  
20 hearing shall be held no later than seventy-five days from the  
21 commission's receipt of such redevelopment plan and request for  
22 public hearing. The commission shall vote and make  
23 recommendations to the governing body of the city, town, or  
24 village requesting the public hearing on all proposed  
25 redevelopment plans, redevelopment projects, and designations of  
26 redevelopment areas, and amendments thereto within thirty days  
27 following the completion of the public hearing. If the  
28 commission fails to vote within thirty days following the

1 completion of the public hearing referred to in section 99.825  
2 concerning the proposed redevelopment plan, redevelopment  
3 project, or designation of redevelopment area, or amendments  
4 thereto, such plan, project, designation, or amendment thereto  
5 shall be deemed rejected by the commission.

6       99.825. 1. Prior to the adoption of an ordinance proposing  
7 the designation of a redevelopment area, or approving a  
8 redevelopment plan or redevelopment project, the commission shall  
9 fix a time and place for a public hearing as required in  
10 subsection 4 of section 99.820 and notify each taxing district  
11 located wholly or partially within the boundaries of the proposed  
12 redevelopment area, plan or project. At the public hearing any  
13 interested person or affected taxing district may file with the  
14 commission written objections to, or comments on, and may be  
15 heard orally in respect to, any issues embodied in the notice.  
16 The commission shall hear and consider all protests, objections,  
17 comments and other evidence presented at the hearing. The  
18 hearing may be continued to another date without further notice  
19 other than a motion to be entered upon the minutes fixing the  
20 time and place of the subsequent hearing; provided, if the  
21 commission is created under subsection 3 of section 99.820, the  
22 hearing shall not be continued for more than thirty days beyond  
23 the date on which it is originally opened unless such longer  
24 period is requested by the chief elected official of the  
25 municipality creating the commission and approved by a majority  
26 of the commission. Prior to the conclusion of the hearing,  
27 changes may be made in the redevelopment plan, redevelopment  
28 project, or redevelopment area, provided that each affected

1     taxing district is given written notice of such changes at least  
2     seven days prior to the conclusion of the hearing. After the  
3     public hearing but prior to the adoption of an ordinance  
4     approving a redevelopment plan or redevelopment project, or  
5     designating a redevelopment area, changes may be made to the  
6     redevelopment plan, redevelopment projects or redevelopment areas  
7     without a further hearing, if such changes do not enlarge the  
8     exterior boundaries of the redevelopment area or areas, and do  
9     not substantially affect the general land uses established in the  
10    redevelopment plan or substantially change the nature of the  
11    redevelopment projects, provided that notice of such changes  
12    shall be given by mail to each affected taxing district and by  
13    publication in a newspaper of general circulation in the area of  
14    the proposed redevelopment not less than ten days prior to the  
15    adoption of the changes by ordinance. After the adoption of an  
16    ordinance approving a redevelopment plan or redevelopment  
17    project, or designating a redevelopment area, no ordinance shall  
18    be adopted altering the exterior boundaries, affecting the  
19    general land uses established pursuant to the redevelopment plan  
20    or changing the nature of the redevelopment project without  
21    complying with the procedures provided in this section pertaining  
22    to the initial approval of a redevelopment plan or redevelopment  
23    project and designation of a redevelopment area. Hearings with  
24    regard to a redevelopment project, redevelopment area, or  
25    redevelopment plan may be held simultaneously.

26         2. Effective January 1, 2008, if, after concluding the  
27    hearing required under this section, the commission makes a  
28    recommendation under section 99.820 in opposition to a proposed



1 redevelopment plan, redevelopment project, or designation of a  
2 redevelopment area, or any amendments thereto, a municipality  
3 desiring to approve such project, plan, designation, or  
4 amendments shall do so only upon a two-thirds majority vote of  
5 the governing body of such municipality.

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

12 [99.825. 1. Prior to the adoption of an  
13 ordinance proposing the designation of a redevelopment  
14 area, or approving a redevelopment plan or  
15 redevelopment project, the commission shall fix a time  
16 and place for a public hearing and notify each taxing  
17 district located wholly or partially within the  
18 boundaries of the proposed redevelopment area, plan or  
19 project. At the public hearing any interested person  
20 or affected taxing district may file with the  
21 commission written objections to, or comments on, and  
22 may be heard orally in respect to, any issues embodied  
23 in the notice. The commission shall hear and consider  
24 all protests, objections, comments and other evidence  
25 presented at the hearing. The hearing may be continued  
26 to another date without further notice other than a  
27 motion to be entered upon the minutes fixing the time  
28 and place of the subsequent hearing. Prior to the  
29 conclusion of the hearing, changes may be made in the  
30 redevelopment plan, redevelopment project, or  
31 redevelopment area, provided that each affected taxing  
32 district is given written notice of such changes at  
33 least seven days prior to the conclusion of the  
34 hearing. After the public hearing but prior to the  
35 adoption of an ordinance approving a redevelopment plan  
36 or redevelopment project, or designating a  
37 redevelopment area, changes may be made to the  
38 redevelopment plan, redevelopment projects or  
39 redevelopment areas without a further hearing, if such  
40 changes do not enlarge the exterior boundaries of the  
41 redevelopment area or areas, and do not substantially  
42 affect the general land uses established in the

1 redevelopment plan or substantially change the nature  
2 of the redevelopment projects, provided that notice of  
3 such changes shall be given by mail to each affected  
4 taxing district and by publication in a newspaper of  
5 general circulation in the area of the proposed  
6 redevelopment not less than ten days prior to the  
7 adoption of the changes by ordinance. After the  
8 adoption of an ordinance approving a redevelopment plan  
9 or redevelopment project, or designating a  
10 redevelopment area, no ordinance shall be adopted  
11 altering the exterior boundaries, affecting the general  
12 land uses established pursuant to the redevelopment  
13 plan or changing the nature of the redevelopment  
14 project without complying with the procedures provided  
15 in this section pertaining to the initial approval of a  
16 redevelopment plan or redevelopment project and  
17 designation of a redevelopment area. Hearings with  
18 regard to a redevelopment project, redevelopment area,  
19 or redevelopment plan may be held simultaneously.

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

28 135.535. 1. A corporation, limited liability corporation,  
29 partnership or sole proprietorship, which moves its operations  
30 from outside Missouri or outside a distressed community into a  
31 distressed community, or which commences operations in a  
32 distressed community on or after January 1, 1999, and in either  
33 case has more than seventy-five percent of its employees at the  
34 facility in the distressed community, and which has fewer than  
35 one hundred employees for whom payroll taxes are paid, and which  
36 is a manufacturing, biomedical, medical devices, scientific  
37 research, animal research, computer software design or  
38 development, computer programming, including Internet, web  
39 hosting, and other information technology, wireless or wired or  
40 other telecommunications or a professional firm shall receive a

1     forty percent credit against income taxes owed pursuant to  
2     chapter 143, 147 or 148, RSMo, other than taxes withheld pursuant  
3     to sections 143.191 to 143.265, RSMo, for each of the three years  
4     after such move, if approved by the department of economic  
5     development, which shall issue a certificate of eligibility if  
6     the department determines that the taxpayer is eligible for such  
7     credit. The maximum amount of credits per taxpayer set forth in  
8     this subsection shall not exceed one hundred twenty-five thousand  
9     dollars for each of the three years for which the credit is  
10    claimed. The department of economic development, by means of  
11    rule or regulation promulgated pursuant to the provisions of  
12    chapter 536, RSMo, shall assign appropriate North American  
13    Industry Classification System numbers to the companies which are  
14    eligible for the tax credits provided for in this section. Such  
15    three-year credits shall be awarded only one time to any company  
16    which moves its operations from outside of Missouri or outside of  
17    a distressed community into a distressed community or to a  
18    company which commences operations within a distressed community.  
19    A taxpayer shall file an application for certification of the tax  
20    credits for the first year in which credits are claimed and for  
21    each of the two succeeding taxable years for which credits are  
22    claimed.

23         2. Employees of such facilities physically working and  
24    earning wages for that work within a distressed community whose  
25    employers have been approved for tax credits pursuant to  
26    subsection 1 of this section by the department of economic  
27    development for whom payroll taxes are paid shall also be  
28    eligible to receive a tax credit against individual income tax,

1 imposed pursuant to chapter 143, RSMo, equal to one and one-half  
2 percent of their gross salary paid at such facility earned for  
3 each of the three years that the facility receives the tax credit  
4 provided by this section, so long as they were qualified  
5 employees of such entity. The employer shall calculate the  
6 amount of such credit and shall report the amount to the employee  
7 and the department of revenue.

8 3. A tax credit against income taxes owed pursuant to  
9 chapter 143, 147 or 148, RSMo, other than the taxes withheld  
10 pursuant to sections 143.191 to 143.265, RSMo, in lieu of the  
11 credit against income taxes as provided in subsection 1 of this  
12 section, may be taken by such an entity in a distressed community  
13 in an amount of forty percent of the amount of funds expended for  
14 computer equipment and its maintenance, medical laboratories and  
15 equipment, research laboratory equipment, manufacturing  
16 equipment, fiber optic equipment, high speed telecommunications,  
17 wiring or software development expense up to a maximum of  
18 seventy-five thousand dollars in tax credits for such equipment  
19 or expense per year per entity and for each of three years after  
20 commencement in or moving operations into a distressed community.

21 4. A corporation, partnership or sole partnership, which  
22 has no more than one hundred employees for whom payroll taxes are  
23 paid, which is already located in a distressed community and  
24 which expends funds for such equipment pursuant to subsection 3  
25 of this section in an amount exceeding its average of the prior  
26 two years for such equipment, shall be eligible to receive a tax  
27 credit against income taxes owed pursuant to chapters 143, 147  
28 and 148, RSMo, in an amount equal to the lesser of seventy-five

1 thousand dollars or twenty-five percent of the funds expended for  
2 such additional equipment per such entity. Tax credits allowed  
3 pursuant to this subsection or subsection 1 of this section may  
4 be carried back to any of the three prior tax years and carried  
5 forward to any of the five tax years.

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

23 6. Tax credits shall be approved for applicants meeting the  
24 requirements of this section in the order that such applications  
25 are received. Certificates of tax credits issued in accordance  
26 with this section may be transferred, sold or assigned by  
27 notarized endorsement which names the transferee.

28 7. The tax credits allowed pursuant to subsections 1, 2, 3,

1 4 and 5 of this section shall be for an amount of no more than  
2 ten million dollars for each year beginning in 1999. To the  
3 extent there are available tax credits remaining under the ten  
4 million dollar cap provided in this section, [up to one hundred  
5 thousand dollars in the] such remaining credits shall first be  
6 used for tax credits authorized under section 135.562. The total  
7 maximum credit for all entities already located in distressed  
8 communities and claiming credits pursuant to subsection 4 of this  
9 section shall be seven hundred and fifty thousand dollars. The  
10 department of economic development in approving taxpayers for the  
11 credit as provided for in subsection 6 of this section shall use  
12 information provided by the department of revenue regarding taxes  
13 paid in the previous year, or projected taxes for those entities  
14 newly established in the state, as the method of determining when  
15 this maximum will be reached and shall maintain a record of the  
16 order of approval. Any tax credit not used in the period for  
17 which the credit was approved may be carried over until the full  
18 credit has been allowed.

19 8. A Missouri employer relocating into a distressed  
20 community and having employees covered by a collective bargaining  
21 agreement at the facility from which it is relocating shall not  
22 be eligible for the credits in subsection 1, 3, 4 or 5 of this  
23 section, and its employees shall not be eligible for the credit  
24 in subsection 2 of this section if the relocation violates or  
25 terminates a collective bargaining agreement covering employees  
26 at the facility, unless the affected collective bargaining unit  
27 concurs with the move.

28 9. Notwithstanding any provision of law to the contrary, no

1 taxpayer shall earn the tax credits allowed in this section and  
2 the tax credits otherwise allowed in section 135.110, or the tax  
3 credits, exemptions, and refund otherwise allowed in sections  
4 135.200, 135.220, 135.225 and 135.245, respectively, for the same  
5 business for the same tax period.

6 135.562. 1. If any taxpayer with a federal adjusted gross  
7 income of thirty thousand dollars or less incurs costs for the  
8 purpose of making all or any portion of such taxpayer's principal  
9 dwelling accessible to an individual with a disability or a  
10 senior who permanently resides with the taxpayer, such taxpayer  
11 shall receive a tax credit against such taxpayer's Missouri  
12 income tax liability in an amount equal to the lesser of one  
13 hundred percent of such costs or two thousand five hundred  
14 dollars per taxpayer, per tax year. For purposes of this  
15 section, "disability" shall have the same meaning as such term is  
16 defined in section 135.010 and "senior" shall mean a person  
17 sixty-five years of age or older.

18 2. Any taxpayer with a federal adjusted gross income  
19 greater than thirty thousand dollars but less than sixty thousand  
20 dollars who incurs costs for the purpose of making all or any  
21 portion of such taxpayer's principal dwelling accessible to an  
22 individual with a disability or senior who permanently resides  
23 with the taxpayer shall receive a tax credit against such  
24 taxpayer's Missouri income tax liability in an amount equal to  
25 the lesser of fifty percent of such costs or two thousand five  
26 hundred dollars per taxpayer per tax year. No taxpayer shall be  
27 eligible to receive tax credits under this section in any tax  
28 year immediately following a tax year in which such taxpayer

1 received tax credits under the provisions of this section.

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

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

- 7 (1) Constructing entrance or exit ramps;
- 8 (2) Widening exterior or interior doorways;
- 9 (3) Widening hallways;
- 10 (4) Installing handrails or grab bars;
- 11 (5) Moving electrical outlets and switches;
- 12 (6) Installing stairway lifts;
- 13 (7) Installing or modifying fire alarms, smoke detectors,  
14 and other alerting systems;
- 15 (8) Modifying hardware of doors; [or]
- 16 (9) Modifying bathrooms; or
- 17 (10) Constructing additional rooms in the dwelling or  
18 structures on the property for the purpose of accommodating the  
19 senior or person with disability.

20 5. The tax credits allowed, including the maximum amount  
21 that may be claimed, pursuant to this section shall be reduced by  
22 an amount sufficient to offset any amount of such costs a  
23 taxpayer has already deducted from such taxpayer's federal  
24 adjusted gross income or to the extent such taxpayer has applied  
25 any other state or federal income tax credit to such costs.

26 6. A taxpayer shall claim a credit allowed by this section  
27 in the same taxable year as the credit is issued, and at the time  
28 such taxpayer files his or her Missouri income tax return;



1 provided that such return is timely filed.

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

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

18 9. The provisions of this section shall expire December 31,  
19 2013.

20 10. In no event shall the aggregate amount of all tax  
21 credits allowed pursuant to this section exceed [one hundred  
22 thousand dollars] the amount of tax credits remaining unused  
23 under the program authorized under section 135.535 in any given  
24 fiscal year. The tax credits issued pursuant to this section  
25 shall be on a first-come, first-served filing basis.

26 135.682. 1. The director of the department of economic  
27 development or the director's designee shall issue letter rulings  
28 regarding the tax credit program authorized under section

1 135.680, subject to the terms and conditions set forth in this  
2 section. The director of the department of economic development  
3 may impose additional terms and conditions consistent with this  
4 section to requests for letter rulings by regulation promulgated  
5 under chapter 536, RSMo. For the purposes of this section, the  
6 term "letter ruling" means a written interpretation of law to a  
7 specific set of facts provided by the applicant requesting a  
8 letter ruling.

9 2. The director or director's designee shall respond to a  
10 request for a letter ruling within sixty days of receipt of such  
11 request. The applicant may provide a draft letter ruling for the  
12 department's consideration. The applicant may withdraw the  
13 request for a letter ruling, in writing, prior to the issuance of  
14 the letter ruling. The director or the director's designee may  
15 refuse to issue a letter ruling for good cause, but must list the  
16 specific reasons for refusing to issue the letter ruling. Good  
17 cause includes, but is not limited to:

18 (1) The applicant requests the director to determine  
19 whether a statute is constitutional or a regulation is lawful;

20 (2) The request involves a hypothetical situation or  
21 alternative plans;

22 (3) The facts or issues presented in the request are  
23 unclear, overbroad, insufficient, or otherwise inappropriate as a  
24 basis upon which to issue a letter ruling; and

25 (4) The issue is currently being considered in a rulemaking  
26 procedure, contested case, or other agency or judicial proceeding  
27 that may definitely resolve the issue.

28 3. Letter rulings shall bind the director and the

1 director's agents and their successors until such time as the  
2 taxpayer or its shareholders, members, or partners, as  
3 applicable, claim all of such tax credits on a Missouri tax  
4 return, subject to the terms and conditions set forth in properly  
5 published regulations. The letter ruling shall apply only to the  
6 applicant.

7 4. Letter rulings issued under the authority of this  
8 section shall not be a rule as defined in section 536.010, RSMo,  
9 in that it is an interpretation issued by the department with  
10 respect to a specific set of facts and intended to apply only to  
11 that specific set of facts, and therefore shall not be subject to  
12 the rulemaking requirements of chapter 536, RSMo.

13 5. Information in letter ruling requests as described in  
14 section 620.014, RSMo, shall be closed to the public. Copies of  
15 letter rulings shall be available to the public provided that the  
16 applicant identifying information and otherwise protected  
17 information is redacted from the letter ruling as provided in  
18 subsection 1 of section 610.024, RSMo.

19 135.815. 1. Prior to authorization of any tax credit  
20 application, an administering agency shall verify through the  
21 department of revenue that the tax credit applicant does not owe  
22 any delinquent income, sales, or use taxes, or interest or  
23 penalties on such taxes, and through the department of insurance  
24 that the applicant does not owe any delinquent insurance taxes.  
25 Such delinquency shall not affect the authorization of the  
26 application for such tax credits, except that the amount of  
27 credits issued shall be reduced by the applicant's tax  
28 delinquency. If the department of revenue or the department of

1 insurance concludes that a taxpayer is delinquent after June  
2 fifteenth but before July first of any year, and the application  
3 of tax credits to such delinquency causes a tax deficiency on  
4 behalf of the taxpayer to arise, then the taxpayer shall be  
5 granted thirty days to satisfy the deficiency in which interest,  
6 penalties, and additions to tax shall be tolled. After applying  
7 all available credits towards a tax delinquency, the  
8 administering agency shall notify the appropriate department, and  
9 that department shall update the amount of outstanding delinquent  
10 tax owed by the applicant. If any credits remain after  
11 satisfying all insurance, income, sales, and use tax  
12 delinquencies, the remaining credits shall be issued to the  
13 applicant, subject to the restrictions of other provisions of  
14 law.

15 2. Any applicant of a tax credit program contained in the  
16 definition of the term "all tax credit programs" who purposely  
17 and directly employs unauthorized aliens shall forfeit any tax  
18 credits issued to such applicant which have not been redeemed,  
19 and shall repay the amount of any tax credits redeemed by such  
20 applicant during the period of time such unauthorized alien was  
21 employed by the applicant. As used in this subsection, the term  
22 "unauthorized alien" shall mean an alien who does not have the  
23 legal right or authorization under federal law to work in the  
24 United States, as defined under Section 8 U.S.C. 1324a(h)(3).

25 135.967. 1. A taxpayer who establishes a new business  
26 facility may, upon approval by the department, be allowed a  
27 credit, each tax year for up to ten tax years, in an amount  
28 determined as set forth in this section, against the tax imposed

1 by chapter 143, RSMo, excluding withholding tax imposed by  
2 sections 143.191 to 143.265, RSMo. No taxpayer shall receive  
3 multiple ten-year periods for subsequent expansions at the same  
4 facility.

5 2. Notwithstanding any provision of law to the contrary,  
6 any taxpayer who establishes a new business facility in an  
7 enhanced enterprise zone and is awarded state tax credits under  
8 this section may not also receive tax credits under sections  
9 135.100 to 135.150, sections 135.200 to ~~[135.268]~~ 135.286, or  
10 section 135.535, and may not simultaneously receive tax credits  
11 under sections 620.1875 to 620.1890, RSMo, at the same facility.

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

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

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

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

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

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

28 (a) A credit of four hundred dollars for each new business

1 facility employee employed within an enhanced enterprise zone;

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

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

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

12 5. Prior to January 1, 2007, in no event shall the  
13 department authorize more than four million dollars annually to  
14 be issued for all enhanced business enterprises. After December  
15 31, 2006, in no event shall the department authorize more than  
16 **[fourteen]** twenty-four million dollars annually to be issued for  
17 all enhanced business enterprises.

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

21 (1) The taxpayer's new business facility investment in the  
22 expansion during the tax period in which the credits allowed in  
23 this section are claimed exceeds one hundred thousand dollars and  
24 if the number of new business facility employees engaged or  
25 maintained in employment at the expansion facility for the  
26 taxable year for which credit is claimed equals or exceeds two,  
27 and the total number of employees at the facility after the  
28 expansion is at least two greater than the total number of

1 employees before the expansion; and

2 (2) The taxpayer's investment in the expansion and in the  
3 original facility prior to expansion shall be determined in the  
4 manner provided in subdivision (14) of section 135.950.

5 7. The number of new business facility employees during any  
6 taxable year shall be determined by dividing by twelve the sum of  
7 the number of individuals employed on the last business day of  
8 each month of such taxable year. If the new business facility is  
9 in operation for less than the entire taxable year, the number of  
10 new business facility employees shall be determined by dividing  
11 the sum of the number of individuals employed on the last  
12 business day of each full calendar month during the portion of  
13 such taxable year during which the new business facility was in  
14 operation by the number of full calendar months during such  
15 period. For the purpose of computing the credit allowed by this  
16 section in the case of a facility which qualifies as a new  
17 business facility under subsection 6 of this section, and in the  
18 case of a new business facility which satisfies the requirements  
19 of paragraph (c) of subdivision (14) of section 135.950, or  
20 subdivision (22) of section 135.950, the number of new business  
21 facility employees at such facility shall be reduced by the  
22 average number of individuals employed, computed as provided in  
23 this subsection, at the facility during the taxable year  
24 immediately preceding the taxable year in which such expansion,  
25 acquisition, or replacement occurred and shall further be reduced  
26 by the number of individuals employed by the taxpayer or related  
27 taxpayer that was subsequently transferred to the new business  
28 facility from another Missouri facility and for which credits

1 authorized in this section are not being earned, whether such  
2 credits are earned because of an expansion, acquisition,  
3 relocation, or the establishment of a new facility.

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

14 9. For the purpose of computing the credit allowed by this  
15 section in the case of a facility which qualifies as a new  
16 business facility pursuant to subsection 6 of this section, and  
17 in the case of a new business facility which satisfies the  
18 requirements of paragraph (c) of subdivision (14) of section  
19 135.950 or subdivision (22) of section 135.950, the amount of the  
20 taxpayer's new business facility investment in such facility  
21 shall be reduced by the average amount, computed as provided in  
22 subdivision (14) of section 135.950 for new business facility  
23 investment, of the investment of the taxpayer, or related  
24 taxpayer immediately preceding such expansion or replacement or  
25 at the time of acquisition. Furthermore, the amount of the  
26 taxpayer's new business facility investment shall also be reduced  
27 by the amount of investment employed by the taxpayer or related  
28 taxpayer which was subsequently transferred to the new business



1 facility from another Missouri facility and for which credits  
2 authorized in this section are not being earned, whether such  
3 credits are earned because of an expansion, acquisition,  
4 relocation, or the establishment of a new facility.

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

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

13 12. Certificates of tax credit authorized by this section  
14 may be transferred, sold, or assigned by filing a notarized  
15 endorsement thereof with the department that names the  
16 transferee, the amount of tax credit transferred, and the value  
17 received for the credit, as well as any other information  
18 reasonably requested by the department. The sale price cannot be  
19 less than seventy-five percent of the par value of such credits.

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

23 14. Prior to the issuance of tax credits, the department  
24 shall verify through the department of revenue, or any other  
25 state department, that the tax credit applicant does not owe any  
26 delinquent income, sales, or use tax or interest or penalties on  
27 such taxes, or any delinquent fees or assessments levied by any  
28 state department and through the department of insurance that the

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

20 137.115. 1. All other laws to the contrary  
21 notwithstanding, the assessor or the assessor's deputies in all  
22 counties of this state including the city of St. Louis shall  
23 annually make a list of all real and tangible personal property  
24 taxable in the assessor's city, county, town or district. Except  
25 as otherwise provided in subsection 3 of this section and section  
26 137.078, the assessor shall annually assess all personal property  
27 at thirty-three and one-third percent of its true value in money  
28 as of January first of each calendar year. The assessor shall

1 annually assess all real property, including any new construction  
2 and improvements to real property, and possessory interests in  
3 real property at the percent of its true value in money set in  
4 subsection 5 of this section. The true value in money of any  
5 possessory interest in real property in subclass (3), where such  
6 real property is on or lies within the ultimate airport boundary  
7 as shown by a federal airport layout plan, as defined by 14 CFR  
8 151.5 of a commercial airport having a FAR Part 139 certification  
9 and owned by a political subdivision, shall be the otherwise  
10 applicable true value in money of any such possessory interest in  
11 real property, less the total dollar amount of costs paid by a  
12 party, other than the political subdivision, towards any new  
13 construction or improvements on such real property completed  
14 after January 1, 2008, and which are included in the above-  
15 mentioned possessory interest, regardless of the year in which  
16 such costs were incurred or whether such costs were considered in  
17 any prior year. The assessor shall annually assess all real  
18 property in the following manner: new assessed values shall be  
19 determined as of January first of each odd-numbered year and  
20 shall be entered in the assessor's books; those same assessed  
21 values shall apply in the following even-numbered year, except  
22 for new construction and property improvements which shall be  
23 valued as though they had been completed as of January first of  
24 the preceding odd-numbered year. The assessor may call at the  
25 office, place of doing business, or residence of each person  
26 required by this chapter to list property, and require the person  
27 to make a correct statement of all taxable tangible personal  
28 property owned by the person or under his or her care, charge or

1 management, taxable in the county. On or before January first of  
2 each even-numbered year, the assessor shall prepare and submit a  
3 two-year assessment maintenance plan to the county governing body  
4 and the state tax commission for their respective approval or  
5 modification. The county governing body shall approve and  
6 forward such plan or its alternative to the plan to the state tax  
7 commission by February first. If the county governing body fails  
8 to forward the plan or its alternative to the plan to the state  
9 tax commission by February first, the assessor's plan shall be  
10 considered approved by the county governing body. If the state  
11 tax commission fails to approve a plan and if the state tax  
12 commission and the assessor and the governing body of the county  
13 involved are unable to resolve the differences, in order to  
14 receive state cost-share funds outlined in section 137.750, the  
15 county or the assessor shall petition the administrative hearing  
16 commission, by May first, to decide all matters in dispute  
17 regarding the assessment maintenance plan. Upon agreement of the  
18 parties, the matter may be stayed while the parties proceed with  
19 mediation or arbitration upon terms agreed to by the parties.  
20 The final decision of the administrative hearing commission shall  
21 be subject to judicial review in the circuit court of the county  
22 involved. In the event a valuation of subclass (1) real property  
23 within any county with a charter form of government, or within a  
24 city not within a county, is made by a computer,  
25 computer-assisted method or a computer program, the burden of  
26 proof, supported by clear, convincing and cogent evidence to  
27 sustain such valuation, shall be on the assessor at any hearing  
28 or appeal. In any such county, unless the assessor proves

1 otherwise, there shall be a presumption that the assessment was  
2 made by a computer, computer-assisted method or a computer  
3 program. Such evidence shall include, but shall not be limited  
4 to, the following:

5 (1) The findings of the assessor based on an appraisal of  
6 the property by generally accepted appraisal techniques; and

7 (2) The purchase prices from sales of at least three  
8 comparable properties and the address or location thereof. As  
9 used in this [paragraph] subdivision, the word "comparable" means  
10 that:

11 (a) Such sale was closed at a date relevant to the property  
12 valuation; and

13 (b) Such properties are not more than one mile from the  
14 site of the disputed property, except where no similar properties  
15 exist within one mile of the disputed property, the nearest  
16 comparable property shall be used. Such property shall be within  
17 five hundred square feet in size of the disputed property, and  
18 resemble the disputed property in age, floor plan, number of  
19 rooms, and other relevant characteristics.

20 2. Assessors in each county of this state and the city of  
21 St. Louis may send personal property assessment forms through the  
22 mail.

23 3. The following items of personal property shall each  
24 constitute separate subclasses of tangible personal property and  
25 shall be assessed and valued for the purposes of taxation at the  
26 following percentages of their true value in money:

27 (1) Grain and other agricultural crops in an unmanufactured  
28 condition, one-half of one percent;

1           (2)   Livestock, twelve percent;  
2           (3)   Farm machinery, twelve percent;  
3           (4)   Motor vehicles which are eligible for registration as  
4 and are registered as historic motor vehicles pursuant to section  
5 301.131, RSMo, and aircraft which are at least twenty-five years  
6 old and which are used solely for noncommercial purposes and are  
7 operated less than fifty hours per year or aircraft that are home  
8 built from a kit, five percent;

9           (5)   Poultry, twelve percent; and

10          (6)   Tools and equipment used for pollution control and  
11 tools and equipment used in retooling for the purpose of  
12 introducing new product lines or used for making improvements to  
13 existing products by any company which is located in a state  
14 enterprise zone and which is identified by any standard  
15 industrial classification number cited in subdivision (6) of  
16 section 135.200, RSMo, twenty-five percent.

17          4.   The person listing the property shall enter a true and  
18 correct statement of the property, in a printed blank prepared  
19 for that purpose. The statement, after being filled out, shall  
20 be signed and either affirmed or sworn to as provided in section  
21 137.155. The list shall then be delivered to the assessor.

22          5.   All subclasses of real property, as such subclasses are  
23 established in section 4(b) of article X of the Missouri  
24 Constitution and defined in section 137.016, shall be assessed at  
25 the following percentages of true value:

- 26           (1)   For real property in subclass (1), nineteen percent;  
27           (2)   For real property in subclass (2), twelve percent; and  
28           (3)   For real property in subclass (3), thirty-two percent.

1           6. Manufactured homes, as defined in section 700.010, RSMo,  
2     which are actually used as dwelling units shall be assessed at  
3     the same percentage of true value as residential real property  
4     for the purpose of taxation. The percentage of assessment of  
5     true value for such manufactured homes shall be the same as for  
6     residential real property. If the county collector cannot  
7     identify or find the manufactured home when attempting to attach  
8     the manufactured home for payment of taxes owed by the  
9     manufactured home owner, the county collector may request the  
10    county commission to have the manufactured home removed from the  
11    tax books, and such request shall be granted within thirty days  
12    after the request is made; however, the removal from the tax  
13    books does not remove the tax lien on the manufactured home if it  
14    is later identified or found. A manufactured home located in a  
15    manufactured home rental park, rental community or on real estate  
16    not owned by the manufactured home owner shall be considered  
17    personal property. A manufactured home located on real estate  
18    owned by the manufactured home owner may be considered real  
19    property.

20           7. Each manufactured home assessed shall be considered a  
21    parcel for the purpose of reimbursement pursuant to section  
22    137.750, unless the manufactured home has been converted to real  
23    property in compliance with section 700.111, RSMo, and assessed  
24    as a realty improvement to the existing real estate parcel.

25           8. Any amount of tax due and owing based on the assessment  
26    of a manufactured home shall be included on the personal property  
27    tax statement of the manufactured home owner unless the  
28    manufactured home has been converted to real property in

1 compliance with section 700.111, RSMo, in which case the amount  
2 of tax due and owing on the assessment of the manufactured home  
3 as a realty improvement to the existing real estate parcel shall  
4 be included on the real property tax statement of the real estate  
5 owner.

6 9. The assessor of each county and each city not within a  
7 county shall use the trade-in value published in the October  
8 issue of the National Automobile Dealers' Association Official  
9 Used Car Guide, or its successor publication, as the recommended  
10 guide of information for determining the true value of motor  
11 vehicles described in such publication. In the absence of a  
12 listing for a particular motor vehicle in such publication, the  
13 assessor shall use such information or publications which in the  
14 assessor's judgment will fairly estimate the true value in money  
15 of the motor vehicle.

16 10. Before the assessor may increase the assessed valuation  
17 of any parcel of subclass (1) real property by more than fifteen  
18 percent since the last assessment, excluding increases due to new  
19 construction or improvements, the assessor shall conduct a  
20 physical inspection of such property.

21 11. If a physical inspection is required, pursuant to  
22 subsection 10 of this section, the assessor shall notify the  
23 property owner of that fact in writing and shall provide the  
24 owner clear written notice of the owner's rights relating to the  
25 physical inspection. If a physical inspection is required, the  
26 property owner may request that an interior inspection be  
27 performed during the physical inspection. The owner shall have  
28 no less than thirty days to notify the assessor of a request for



1 an interior physical inspection.

2 12. A physical inspection, as required by subsection 10 of  
3 this section, shall include, but not be limited to, an on-site  
4 personal observation and review of all exterior portions of the  
5 land and any buildings and improvements to which the inspector  
6 has or may reasonably and lawfully gain external access, and  
7 shall include an observation and review of the interior of any  
8 buildings or improvements on the property upon the timely request  
9 of the owner pursuant to subsection 11 of this section. Mere  
10 observation of the property via a "drive-by inspection" or the  
11 like shall not be considered sufficient to constitute a physical  
12 inspection as required by this section.

13 13. The provisions of subsections 11 and 12 of this section  
14 shall only apply in any county with a charter form of government  
15 with more than one million inhabitants.

16 14. A county or city collector may accept credit cards as  
17 proper form of payment of outstanding property tax or license  
18 due. No county or city collector may charge surcharge for  
19 payment by credit card which exceeds the fee or surcharge charged  
20 by the credit card bank, processor, or issuer for its service. A  
21 county or city collector may accept payment by electronic  
22 transfers of funds in payment of any tax or license and charge  
23 the person making such payment a fee equal to the fee charged the  
24 county by the bank, processor, or issuer of such electronic  
25 payment.

26 15. Any county or city not within a county in this state  
27 may, by an affirmative vote of the governing body of such county,  
28 opt out of the provisions of this section and sections 137.073,

1 138.060, and 138.100, RSMo, as enacted by house bill no. 1150 of  
2 the ninety-first general assembly, second regular session and  
3 section 137.073 as modified by [this act] house committee  
4 substitute for senate substitute for senate committee substitute  
5 for senate bill no. 960, ninety-second general assembly, second  
6 regular session, for the next year of the general reassessment,  
7 prior to January first of any year. No county or city not within  
8 a county shall exercise this opt-out provision after implementing  
9 the provisions of this section and sections 137.073, 138.060, and  
10 138.100, RSMo, as enacted by house bill no. 1150 of the  
11 ninety-first general assembly, second regular session and section  
12 137.073 as modified by [this act] house committee substitute for  
13 senate substitute for senate committee substitute for senate bill  
14 no. 960, ninety-second general assembly, second regular session,  
15 in a year of general reassessment. For the purposes of applying  
16 the provisions of this subsection, a political subdivision  
17 contained within two or more counties where at least one of such  
18 counties has opted out and at least one of such counties has not  
19 opted out shall calculate a single tax rate as in effect prior to  
20 the enactment of house bill no. 1150 of the ninety-first general  
21 assembly, second regular session. A governing body of a city not  
22 within a county or a county that has opted out under the  
23 provisions of this subsection may choose to implement the  
24 provisions of this section and sections 137.073, 138.060, and  
25 138.100, RSMo, as enacted by house bill no. 1150 of the  
26 ninety-first general assembly, second regular session, and  
27 section 137.073 as modified by [this act] house committee  
28 substitute for senate substitute for senate committee substitute

1 for senate bill no. 960, ninety-second general assembly, second  
2 regular session, for the next year of general reassessment, by an  
3 affirmative vote of the governing body prior to December  
4 thirty-first of any year.

5 16. The governing body of any city of the third  
6 classification with more than twenty-six thousand three hundred  
7 but fewer than twenty-six thousand seven hundred inhabitants  
8 located in any county that has exercised its authority to opt out  
9 under subsection 15 of this section may levy separate and  
10 differing tax rates for real and personal property only if such  
11 city bills and collects its own property taxes or satisfies the  
12 entire cost of the billing and collection of such separate and  
13 differing tax rates. Such separate and differing rates shall not  
14 exceed such city's tax rate ceiling.

15 144.057. In addition to the exemptions granted under this  
16 chapter, there shall also be specifically exempted from state and  
17 local sales and use taxes defined, levied, or calculated under  
18 section 32.085, RSMo, sections 144.010 to 144.525, sections  
19 144.600 to 144.761, or section 238.235, RSMo, all tangible  
20 personal property included on the United States munitions list,  
21 as provided in 22 CFR 121.1, sold to or purchased by any foreign  
22 government or agency or instrumentality of such foreign  
23 government which is used for a governmental purpose.

24 348.436. The provisions of sections 348.430 to 348.436  
25 shall expire December 31, ~~[2010]~~ 2016.

26 353.150. 1. Any urban redevelopment corporation may borrow  
27 funds and secure the repayment thereof by mortgage which shall  
28 contain reasonable amortization provisions and shall be a lien

1 upon no other real property except that forming the whole or a  
2 part of a single development area.

3 2. Certificates, bonds and notes, or part interest therein,  
4 or any part of an issue thereof, which are secured by a first  
5 mortgage on the real property in a development area, or any part  
6 thereof, shall be securities in which all the following persons,  
7 partnerships, or corporations and public bodies or public  
8 officers may legally invest the funds within their control:

9 (1) Every executor, administrator, trustee, guardian,  
10 committee or other person or corporation holding trust funds or  
11 acting in a fiduciary capacity;

12 (2) Persons, partnerships and corporations organized under  
13 or subject to the provisions of the banking law (including  
14 savings banks, savings and loan associations and trust  
15 companies);

16 (3) The state director of finance as conservator,  
17 liquidator or rehabilitator of any such person, partnership or  
18 corporation;

19 (4) Persons, partnerships or corporations organized under  
20 or subject to the provisions of the insurance law; fraternal  
21 benefit societies; and

22 (5) The state director of the department of insurance as  
23 conservator, liquidator or rehabilitator of any such person,  
24 partnership or corporation.

25 3. Any mortgage on the real property in a development area,  
26 or any part thereof, may create a first lien, or a second or  
27 other junior lien, upon such real property.

28 4. Any urban redevelopment corporation may sell or

1 otherwise dispose of any or all of the real property acquired by  
2 it for the purposes of a redevelopment project. In the event of  
3 the sale or other disposition of real property of any urban  
4 redevelopment corporation by reason of the foreclosure of any  
5 mortgage or other lien, through insolvency or bankruptcy  
6 proceedings, by order of any court of competent jurisdiction, by  
7 voluntary transfer or otherwise, and the purchaser of such real  
8 property of such redevelopment corporation shall continue to use,  
9 operate and maintain such real property in accordance with the  
10 provisions of any development plan, the legislative authority of  
11 any city affected by the provisions of this chapter, may grant  
12 the partial tax relief provided in section 353.110; but if such  
13 real property shall be used for a purpose different than that  
14 described in the redevelopment plan, or in the event that the  
15 purchaser does not desire the property to continue under the  
16 redevelopment plan, or if the legislative authority shall refuse  
17 to grant the purchaser continuing tax relief, the real property  
18 shall be assessed for ad valorem taxes upon the full true value  
19 of the real property and may be owned and operated free from any  
20 of the conditions, restrictions or provisions of this chapter.  
21 Nothing in this chapter, any development plan, or any contract  
22 shall impose a limitation on earnings as a condition to the  
23 granting of partial tax relief provided in section 353.110 to a  
24 purchaser described in this subsection that is not an urban  
25 redevelopment corporation or life insurance company operating as  
26 an urban redevelopment corporation.

27 5. Any limitation on earnings imposed on any purchaser that  
28 is not an urban redevelopment corporation or life insurance

1 company operating as an urban redevelopment corporation under any  
2 existing or future redevelopment plan or any existing or future  
3 contract shall be void.

4 447.708. 1. For eligible projects, the director of the  
5 department of economic development, with notice to the directors  
6 of the departments of natural resources and revenue, and subject  
7 to the other provisions of sections 447.700 to 447.718, may not  
8 create a new enterprise zone but may decide that a prospective  
9 operator of a facility being remedied and renovated pursuant to  
10 sections 447.700 to 447.718 may receive the tax credits and  
11 exemptions pursuant to sections 135.100 to 135.150, RSMo, and  
12 sections 135.200 to 135.257, RSMo. The tax credits allowed  
13 pursuant to this subsection shall be used to offset the tax  
14 imposed by chapter 143, RSMo, excluding withholding tax imposed  
15 by sections 143.191 to 143.265, RSMo, or the tax otherwise  
16 imposed by chapter 147, RSMo, or the tax otherwise imposed by  
17 chapter 148, RSMo. For purposes of this subsection:

18 (1) For receipt of the ad valorem tax abatement pursuant to  
19 section 135.215, RSMo, the eligible project must create at least  
20 ten new jobs or retain businesses which supply at least  
21 twenty-five existing jobs. The city, or county if the eligible  
22 project is not located in a city, must provide ad valorem tax  
23 abatement of at least fifty percent for a period not less than  
24 ten years and not more than twenty-five years;

25 (2) For receipt of the income tax exemption pursuant to  
26 section 135.220, RSMo, and tax credit for new or expanded  
27 business facilities pursuant to sections 135.100 to 135.150, and  
28 135.225, RSMo, the eligible project must create at least ten new

1 jobs or retain businesses which supply at least twenty-five  
2 existing jobs, or combination thereof. For purposes of sections  
3 447.700 to 447.718, the tax credits described in section 135.225,  
4 RSMo, are modified as follows: the tax credit shall be four  
5 hundred dollars per employee per year, an additional four hundred  
6 dollars per year for each employee exceeding the minimum  
7 employment thresholds of ten and twenty-five jobs for new and  
8 existing businesses, respectively, an additional four hundred  
9 dollars per year for each person who is "a person difficult to  
10 employ" as defined by section 135.240, RSMo, and investment tax  
11 credits at the same amounts and levels as provided in subdivision  
12 (4) of subsection 1 of section 135.225, RSMo;

13 (3) For eligibility to receive the income tax refund  
14 pursuant to section 135.245, RSMo, the eligible project must  
15 create at least ten new jobs or retain businesses which supply at  
16 least twenty-five existing jobs, or combination thereof, and  
17 otherwise comply with the provisions of section 135.245, RSMo,  
18 for application and use of the refund and the eligibility  
19 requirements of this section;

20 (4) The eligible project operates in compliance with  
21 applicable environmental laws and regulations, including  
22 permitting and registration requirements, of this state as well  
23 as the federal and local requirements;

24 (5) The eligible project operator shall file such reports  
25 as may be required by the director of economic development or the  
26 director's designee;

27 (6) The taxpayer may claim the state tax credits authorized  
28 by this subsection and the state income exemption for a period

1 not in excess of ten consecutive tax years. For the purpose of  
2 this section, "taxpayer" means an individual proprietorship,  
3 partnership or corporation described in section 143.441 or  
4 143.471, RSMo, who operates an eligible project. The director  
5 shall determine the number of years the taxpayer may claim the  
6 state tax credits and the state income exemption based on the  
7 projected net state economic benefits attributed to the eligible  
8 project;

9 (7) For the purpose of meeting the new job requirement  
10 prescribed in subdivisions (1), (2) and (3) of this subsection,  
11 it shall be required that at least ten new jobs be created and  
12 maintained during the taxpayer's tax period for which the credits  
13 are earned, in the case of an eligible project that does not  
14 replace a similar facility in Missouri. "New job" means a person  
15 who was not previously employed by the taxpayer or related  
16 taxpayer within the twelve-month period immediately preceding the  
17 time the person was employed by that taxpayer to work at, or in  
18 connection with, the eligible project on a full-time basis.  
19 "Full-time basis" means the employee works an average of at least  
20 thirty-five hours per week during the taxpayer's tax period for  
21 which the tax credits are earned. For the purposes of this  
22 section, "related taxpayer" has the same meaning as defined in  
23 subdivision (9) of section 135.100, RSMo;

24 (8) For the purpose of meeting the existing job retention  
25 requirement, if the eligible project replaces a similar facility  
26 that closed elsewhere in Missouri prior to the end of the  
27 taxpayer's tax period in which the tax credits are earned, it  
28 shall be required that at least twenty-five existing jobs be



1 retained at, and in connection with the eligible project, on a  
2 full-time basis during the taxpayer's tax period for which the  
3 credits are earned. "Retained job" means a person who was  
4 previously employed by the taxpayer or related taxpayer, at a  
5 facility similar to the eligible project that closed elsewhere in  
6 Missouri prior to the end of the taxpayer's tax period in which  
7 the tax credits are earned, within the tax period immediately  
8 preceding the time the person was employed by the taxpayer to  
9 work at, or in connection with, the eligible project on a  
10 full-time basis. "Full-time basis" means the employee works an  
11 average of at least thirty-five hours per week during the  
12 taxpayer's tax period for which the tax credits are earned;

13 (9) In the case where an eligible project replaces a  
14 similar facility that closed elsewhere in Missouri prior to the  
15 end of the taxpayer's tax period in which the tax credits are  
16 earned, the owner and operator of the eligible project shall  
17 provide the director with a written statement explaining the  
18 reason for discontinuing operations at the closed facility. The  
19 statement shall include a comparison of the activities performed  
20 at the closed facility prior to the date the facility ceased  
21 operating, to the activities performed at the eligible project,  
22 and a detailed account describing the need and rationale for  
23 relocating to the eligible project. If the director finds the  
24 relocation to the eligible project significantly impaired the  
25 economic stability of the area in which the closed facility was  
26 located, and that such move was detrimental to the overall  
27 economic development efforts of the state, the director may deny  
28 the taxpayer's request to claim tax benefits;

1           (10) Notwithstanding any provision of law to the contrary,  
2     for the purpose of this section, the number of new jobs created  
3     and maintained, the number of existing jobs retained, and the  
4     value of new qualified investment used at the eligible project  
5     during any tax year shall be determined by dividing by twelve, in  
6     the case of jobs, the sum of the number of individuals employed  
7     at the eligible project, or in the case of new qualified  
8     investment, the value of new qualified investment used at the  
9     eligible project, on the last business day of each full calendar  
10    month of the tax year. If the eligible project is in operation  
11    for less than the entire tax year, the number of new jobs created  
12    and maintained, the number of existing jobs retained, and the  
13    value of new qualified investment created at the eligible project  
14    during any tax year shall be determined by dividing the sum of  
15    the number of individuals employed at the eligible project, or in  
16    the case of new qualified investment, the value of new qualified  
17    investment used at the eligible project, on the last business day  
18    of each full calendar month during the portion of the tax year  
19    during which the eligible project was in operation, by the number  
20    of full calendar months during such period;

21           (11) For the purpose of this section, "new qualified  
22    investment" means new business facility investment as defined and  
23    as determined in subdivision (7) of section 135.100, RSMo, which  
24    is used at and in connection with the eligible project. "New  
25    qualified investment" shall not include small tools, supplies and  
26    inventory. "Small tools" means tools that are portable and can  
27    be hand held.

28           2. The determination of the director of economic

1 development pursuant to subsection 1 of this section, shall not  
2 affect requirements for the prospective purchaser to obtain the  
3 approval of the granting of real property tax abatement by the  
4 municipal or county government where the eligible project is  
5 located.

6 3. (1) The director of the department of economic  
7 development, with the approval of the director of the department  
8 of natural resources, may, in addition to the tax credits allowed  
9 in subsection 1 of this section, grant a remediation tax credit  
10 to the applicant for up to one hundred percent of the costs of  
11 materials, supplies, equipment, labor, professional engineering,  
12 consulting and architectural fees, permitting fees and expenses,  
13 demolition, asbestos abatement, and direct utility charges for  
14 performing the voluntary remediation activities for the  
15 preexisting hazardous substance contamination and releases,  
16 including, but not limited to, the costs of performing operation  
17 and maintenance of the remediation equipment at the property  
18 beyond the year in which the systems and equipment are built and  
19 installed at the eligible project and the costs of performing the  
20 voluntary remediation activities over a period not in excess of  
21 four tax years following the taxpayer's tax year in which the  
22 system and equipment were first put into use at the eligible  
23 project, provided the remediation activities are the subject of a  
24 plan submitted to, and approved by, the director of natural  
25 resources pursuant to sections 260.565 to 260.575, RSMo. The tax  
26 credit may also include up to one hundred percent of the costs of  
27 demolition that are not directly part of the remediation  
28 activities, provided that the demolition is on the property where

1 the voluntary remediation activities are occurring, the  
2 demolition is necessary to accomplish the planned use of the  
3 facility where the remediation activities are occurring, and the  
4 demolition is part of a redevelopment plan approved by the  
5 municipal or county government and the department of economic  
6 development. The demolition may occur on an adjacent property if  
7 the project is located in a municipality which has a population  
8 less than twenty thousand and the above conditions are otherwise  
9 met. The adjacent property shall independently qualify as  
10 abandoned or underutilized. The amount of the credit available  
11 for demolition not associated with remediation can not exceed the  
12 total amount of credits approved for remediation including  
13 demolition required for remediation.

14       (2) [The director of the department of economic  
15 development, with the approval of the director of the department  
16 of natural resources, may, in addition to the tax credits  
17 otherwise allowed in this section, grant a demolition tax credit  
18 to the applicant for up to one hundred percent of the costs of  
19 demolition that are not part of the voluntary remediation  
20 activities, provided that the demolition is either on the  
21 property where the voluntary remediation activities are occurring  
22 or on any adjacent property, and that the demolition is part of a  
23 redevelopment plan approved by the municipal or county government  
24 and the department of economic development.

25       (3)] The amount of remediation [and demolition] tax credits  
26 issued shall be limited to the least amount necessary to cause  
27 the project to occur, as determined by the director of the  
28 department of economic development.

1           [(4)] (3) The director may, with the approval of the  
2 director of natural resources, extend the tax credits allowed for  
3 performing voluntary remediation maintenance activities, in  
4 increments of three-year periods, not to exceed five consecutive  
5 three-year periods. The tax credits allowed in this subsection  
6 shall be used to offset the tax imposed by chapter 143, RSMo,  
7 excluding withholding tax imposed by sections 143.191 to 143.265,  
8 RSMo, or the tax otherwise imposed by chapter 147, RSMo, or the  
9 tax otherwise imposed by chapter 148, RSMo. The remediation [and  
10 demolition] tax credit may be taken in the same tax year in which  
11 the tax credits are received or may be taken over a period not to  
12 exceed twenty years.

13           [(5)] (4) The project facility shall be projected to create  
14 at least ten new jobs or at least twenty-five retained jobs, or a  
15 combination thereof, as determined by the department of economic  
16 development, to be eligible for tax credits pursuant to this  
17 section.

18           [(6)] (5) No more than seventy-five percent of earned  
19 remediation tax credits may be issued when the remediation costs  
20 were paid, and the remaining percentage may be issued when the  
21 department of natural resources issues a "Letter of Completion"  
22 letter or covenant not to sue following completion of the  
23 voluntary remediation activities. It shall not include any costs  
24 associated with ongoing operational environmental compliance of  
25 the facility or remediation costs arising out of spills, leaks,  
26 or other releases arising out of the ongoing business operations  
27 of the facility.

28           4. In the exercise of the sound discretion of the director

1 of the department of economic development or the director's  
2 designee, the tax credits and exemptions described in this  
3 section may be terminated, suspended or revoked, if the eligible  
4 project fails to continue to meet the conditions set forth in  
5 this section. In making such a determination, the director shall  
6 consider the severity of the condition violation, actions taken  
7 to correct the violation, the frequency of any condition  
8 violations and whether the actions exhibit a pattern of conduct  
9 by the eligible facility owner and operator. The director shall  
10 also consider changes in general economic conditions and the  
11 recommendation of the director of the department of natural  
12 resources, or his or her designee, concerning the severity,  
13 scope, nature, frequency and extent of any violations of the  
14 environmental compliance conditions. The taxpayer or person  
15 claiming the tax credits or exemptions may appeal the decision  
16 regarding termination, suspension or revocation of any tax credit  
17 or exemption in accordance with the procedures outlined in  
18 subsections 4 to 6 of section 135.250, RSMo. The director of the  
19 department of economic development shall notify the directors of  
20 the departments of natural resources and revenue of the  
21 termination, suspension or revocation of any tax credits as  
22 determined in this section or pursuant to the provisions of  
23 section 447.716.

24 5. Notwithstanding any provision of law to the contrary, no  
25 taxpayer shall earn the tax credits, exemptions or refund  
26 otherwise allowed in subdivisions (2), (3) and (4) of subsection  
27 1 of this section and the tax credits otherwise allowed in  
28 section 135.110, RSMo, or the tax credits, exemptions and refund

1 otherwise allowed in sections 135.215, 135.220, 135.225 and  
2 135.245, RSMo, respectively, for the same facility for the same  
3 tax period.

4 6. The total amount of the tax credits allowed in  
5 subsection 1 of this section may not exceed the greater of:

6 (1) That portion of the taxpayer's income attributed to the  
7 eligible project; or

8 (2) One hundred percent of the total business' income tax  
9 if the eligible facility does not replace a similar facility that  
10 closed elsewhere in Missouri prior to the end of the taxpayer's  
11 tax period in which the tax credits are earned, and further  
12 provided the taxpayer does not operate any other facilities  
13 besides the eligible project in Missouri; fifty percent of the  
14 total business' income tax if the eligible facility replaces a  
15 similar facility that closed elsewhere in Missouri prior to the  
16 end of the taxpayer's tax period in which the credits are earned,  
17 and further provided the taxpayer does not operate any other  
18 facilities besides the eligible project in Missouri; or  
19 twenty-five percent of the total business income if the taxpayer  
20 operates, in addition to the eligible facility, any other  
21 facilities in Missouri. In no case shall a taxpayer operating  
22 more than one eligible project in Missouri be allowed to offset  
23 more than twenty-five percent of the taxpayer's business income  
24 in any tax period. That portion of the taxpayer's income  
25 attributed to the eligible project as referenced in subdivision  
26 (1) of this subsection, for which the credits allowed in sections  
27 135.110 and 135.225, RSMo, and subsection 3 of this section, may  
28 apply, shall be determined in the same manner as prescribed in

1 subdivision (6) of section 135.100, RSMo. That portion of the  
2 taxpayer's franchise tax attributed to the eligible project for  
3 which the remediation tax credit may offset, shall be determined  
4 in the same manner as prescribed in paragraph (a) of subdivision  
5 (6) of section 135.100, RSMo.

6 7. Taxpayers claiming the state tax benefits allowed in  
7 subdivisions (2) and (3) of subsection 1 of this section shall be  
8 required to file all applicable tax credit applications, forms  
9 and schedules prescribed by the director during the taxpayer's  
10 tax period immediately after the tax period in which the eligible  
11 project was first put into use. Otherwise, the taxpayer's right  
12 to claim such state tax benefits shall be forfeited. Unused  
13 business facility and enterprise zone tax credits shall not be  
14 carried forward but shall be initially claimed for the tax period  
15 during which the eligible project was first capable of being  
16 used, and during any applicable subsequent tax periods.

17 8. Taxpayers claiming the remediation tax credit allowed in  
18 subsection 3 of this section shall be required to file all  
19 applicable tax credit applications, forms and schedules  
20 prescribed by the director during the taxpayer's tax period  
21 immediately after the tax period in which the eligible project  
22 was first put into use, or during the taxpayer's tax period  
23 immediately after the tax period in which the voluntary  
24 remediation activities were performed.

25 9. The recipient of remediation tax credits, for the  
26 purpose of this subsection referred to as assignor, may assign,  
27 sell or transfer, in whole or in part, the remediation tax credit  
28 allowed in subsection 3 of this section, to any other person, for



1 the purpose of this subsection referred to as assignee. To  
2 perfect the transfer, the assignor shall provide written notice  
3 to the director of the assignor's intent to transfer the tax  
4 credits to the assignee, the date the transfer is effective, the  
5 assignee's name, address and the assignee's tax period and the  
6 amount of tax credits to be transferred. The number of tax  
7 periods during which the assignee may subsequently claim the tax  
8 credits shall not exceed twenty tax periods, less the number of  
9 tax periods the assignor previously claimed the credits before  
10 the transfer occurred.

11 10. In the case where an operator and assignor of an  
12 eligible project has been certified to claim state tax benefits  
13 allowed in subdivisions (2) and (3) of subsection 1 of this  
14 section, and sells or otherwise transfers title of the eligible  
15 project to another taxpayer or assignee who continues the same or  
16 substantially similar operations at the eligible project, the  
17 director shall allow the assignee to claim the credits for a  
18 period of time to be determined by the director; except that, the  
19 total number of tax periods the tax credits may be earned by the  
20 assignor and the assignee shall not exceed ten. To perfect the  
21 transfer, the assignor shall provide written notice to the  
22 director of the assignor's intent to transfer the tax credits to  
23 the assignee, the date the transfer is effective, the assignee's  
24 name, address, and the assignee's tax period, and the amount of  
25 tax credits to be transferred.

26 11. For the purpose of the state tax benefits described in  
27 this section, in the case of a corporation described in section  
28 143.471, RSMo, or partnership, in computing Missouri's tax

liability, such state benefits shall be allowed to the following:

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

(2) The partners of the partnership.

The credit provided in this subsection shall be apportioned to the entities described in subdivisions (1) and (2) of this subsection in proportion to their share of ownership on the last day of the taxpayer's tax period.

620.050. 1. There is hereby created, within the department of economic development, the "Entrepreneurial Development Council". The entrepreneurial development council shall consist of seven members from businesses located within the state and licensed attorneys with specialization in intellectual property matters. All members of the council shall be appointed by the governor with the advice and consent of the senate. The terms of membership shall be set by the department of economic development by rule as deemed necessary and reasonable. Once the department of economic development has set the terms of membership, such terms shall not be modified and shall apply to all subsequent members.

2. The entrepreneurial development council shall, as provided by department rule, impose a registration fee sufficient to cover costs of the program for entrepreneurs of this state who desire to avail themselves of benefits, provided by the council, to registered entrepreneurs.

3. There is hereby established in the state treasury, the "Entrepreneurial Development and Intellectual Property Right

1 Protection Fund" to be held separate and apart from all other  
2 public moneys and funds of the state. The entrepreneurial  
3 development and intellectual property right protection fund may  
4 accept state and federal appropriations, grants, bequests, gifts,  
5 fees and awards to be held for use by the entrepreneurial  
6 development council. Notwithstanding provisions of section  
7 33.080, RSMo, to the contrary, moneys remaining in the fund at  
8 the end of any biennium shall not revert to general revenue.

9 4. Upon notification of an alleged infringement of  
10 intellectual property rights of a entrepreneur, the  
11 entrepreneurial development council shall evaluate such  
12 allegations of infringement and may, based upon need, award  
13 grants or financial assistance to subsidize legal expenses  
14 incurred in instituting legal action necessary to remedy the  
15 alleged infringement. Pursuant to rules promulgated by the  
16 department, the entrepreneurial development council may allocate  
17 moneys from entrepreneurial development and intellectual property  
18 right protection fund, in the form of low interest loans and  
19 grants, to registered entrepreneurs for the purpose of providing  
20 financial aid for product development, manufacturing, and  
21 advertising of new products.

22 5. Any rule or portion of a rule, as that term is defined  
23 in section 536.010, RSMo, that is created under the authority  
24 delegated in this section shall become effective only if it  
25 complies with and is subject to all of the provisions of chapter  
26 536, RSMo, and, if applicable, section 536.028, RSMo. This  
27 section and chapter 536, RSMo, are nonseverable and if any of the  
28 powers vested with the general assembly pursuant to chapter 536,

1 RSMo, to review, to delay the effective date, or to disapprove  
2 and annul a rule are subsequently held unconstitutional, then the  
3 grant of rulemaking authority and any rule proposed or adopted  
4 after August 28, 2008, shall be invalid and void.

5 620.1878. For the purposes of sections 620.1875 to  
6 620.1890, the following terms shall mean:

7 (1) "Approval", a document submitted by the department to  
8 the qualified company that states the benefits that may be  
9 provided by this program;

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

12 (3) "Commencement of operations", the starting date for the  
13 qualified company's first new employee, which must be no later  
14 than twelve months from the date of the approval;

15 (4) "County average wage", the average wages in each county  
16 as determined by the department for the most recently completed  
17 full calendar year. However, if the computed county average wage  
18 is above the statewide average wage, the statewide average wage  
19 shall be deemed the county average wage for such county for the  
20 purpose of determining eligibility. The department shall publish  
21 the county average wage for each county at least annually.

22 Notwithstanding the provisions of this subdivision to the  
23 contrary, for any qualified company that in conjunction with  
24 their project is relocating employees from a Missouri county with  
25 a higher county average wage, the company shall obtain the  
26 endorsement of the governing body of the community from which  
27 jobs are being relocated or the county average wage for their  
28 project shall be the county average wage for the county from

1     which the employees are being relocated;

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

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

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

7             (8) "Full-time employee", an employee of the qualified  
8     company that is scheduled to work an average of at least  
9     thirty-five hours per week for a twelve-month period, and one for  
10    which the qualified company offers health insurance and pays at  
11    least fifty percent of such insurance premiums;

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

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

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

27            (12) "New direct local revenue", the present value of the  
28    dollar amount of direct net new tax revenues of the local

1 political subdivisions likely to be produced by the project over  
2 a ten-year period as calculated by the department, excluding  
3 local earnings tax, and net new utility revenues, provided the  
4 local incentives include a discount or other direct incentives  
5 from utilities owned or operated by the political subdivision;

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

9 (14) "New job", the number of full-time employees located  
10 at the project facility that exceeds the project facility base  
11 employment less any decrease in the number of full-time employees  
12 at related facilities below the related facility base employment.  
13 No job that was created prior to the date of the notice of intent  
14 shall be deemed a new job. An employee that spends less than  
15 fifty percent of the employee's work time at the facility is  
16 still considered to be located at a facility if the employee  
17 receives his or her directions and control from that facility, is  
18 on the facility's payroll, one hundred percent of the employee's  
19 income from such employment is Missouri income, and the employee  
20 is paid at or above the state average wage;

21 (15) "New payroll", the amount of taxable wages of  
22 full-time employees, excluding owners, located at the project  
23 facility that exceeds the project facility base payroll. If  
24 full-time employment at related facilities is below the related  
25 facility base employment, any decrease in payroll for full-time  
26 employees at the related facilities below that related facility  
27 base payroll shall also be subtracted to determine new payroll;

28 (16) "Notice of intent", a form developed by the

1 department, completed by the qualified company and submitted to  
2 the department which states the qualified company's intent to  
3 hire new jobs and request benefits under this program;

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

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

8 (19) "Project facility", the building used by a qualified  
9 company at which the new jobs and new investment will be located.  
10 A project facility may include separate buildings that are  
11 located within one mile of each other or within the same county  
12 such that their purpose and operations are interrelated;

13 (20) "Project facility base employment", the greater of the  
14 number of full-time employees located at the project facility on  
15 the date of the notice of intent or for the twelve-month period  
16 prior to the date of the notice of intent, the average number of  
17 full-time employees located at the project facility. In the  
18 event the project facility has not been in operation for a full  
19 twelve-month period, the average number of full-time employees  
20 for the number of months the project facility has been in  
21 operation prior to the date of the notice of intent;

22 (21) "Project facility base payroll", the total amount of  
23 taxable wages paid by the qualified company to full-time  
24 employees of the qualified company located at the project  
25 facility in the twelve months prior to the notice of intent, not  
26 including the payroll of the owners of the qualified company  
27 unless the qualified company is participating in an employee  
28 stock ownership plan. For purposes of calculating the benefits

1 under this program, the amount of base payroll shall increase  
2 each year based on an appropriate measure, as determined by the  
3 department;

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

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

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

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

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

18 (d) Public utilities (NAICS 221 including water and sewer  
19 services);

20 (e) Any company that is delinquent in the payment of any  
21 nonprotested taxes or any other amounts due the state or federal  
22 government or any other political subdivision of this state;

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

25 (g) Educational services (NAICS sector 61);

26 (h) Religious organizations (NAICS industry group 8131);

27 [or]

28 (i) Public administration (NAICS sector 92);



1       (j) Ethanol distillation or production; or  
2       (k) Biodiesel production.

3  
4       Notwithstanding any provision of this section to the contrary,  
5       the headquarters or administrative offices of an otherwise  
6       excluded business may qualify for benefits if the offices serve a  
7       multistate territory. In the event a national, state, or  
8       regional headquarters operation is not the predominant activity  
9       of a project facility, the new jobs and investment of such  
10      headquarters operation is considered eligible for benefits under  
11      this section if the other requirements are satisfied;

12      (24) "Qualified renewable energy sources" shall not be  
13      construed to include ethanol distillation or production or  
14      biodiesel production; however, it shall include:

- 15      (a) Open-looped biomass;  
16      (b) Close-looped biomass;  
17      (c) Solar;  
18      (d) Wind;  
19      (e) Geothermal; and  
20      (f) Hydropower;

21      (25) "Related company" means:

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

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

26      (c) Corporations, partnerships, trusts or associations  
27      controlled by an individual, corporation, partnership, trust or  
28      association in control of the qualified company. As used in this

1 subdivision, control of a corporation shall mean ownership,  
2 directly or indirectly, of stock possessing at least fifty  
3 percent of the total combined voting power of all classes of  
4 stock entitled to vote, control of a partnership or association  
5 shall mean ownership of at least fifty percent of the capital or  
6 profits interest in such partnership or association, control of a  
7 trust shall mean ownership, directly or indirectly, of at least  
8 fifty percent of the beneficial interest in the principal or  
9 income of such trust, and ownership shall be determined as  
10 provided in Section 318 of the Internal Revenue Code of 1986, as  
11 amended;

12       **[(25)]** (26) "Related facility", a facility operated by the  
13 qualified company or a related company located in this state that  
14 is directly related to the operations of the project facility;

15       **[(26)]** (27) "Related facility base employment", the greater  
16 of the number of full-time employees located at all related  
17 facilities on the date of the notice of intent or for the  
18 twelve-month period prior to the date of the notice of intent,  
19 the average number of full-time employees located at all related  
20 facilities of the qualified company or a related company located  
21 in this state;

22       **[(27)]** (28) "Related facility base payroll", the total  
23 amount of taxable wages paid by the qualified company to  
24 full-time employees of the qualified company located at a related  
25 facility in the twelve months prior to the filing of the notice  
26 of intent, not including the payroll of the owners of the  
27 qualified company unless the qualified company is participating  
28 in an employee stock ownership plan. For purposes of calculating

1 the benefits under this program, the amount of related facility  
2 base payroll shall increase each year based on an appropriate  
3 measure, as determined by the department;

4 [(28)] (29) "Rural area", a county in Missouri with a  
5 population less than seventy-five thousand or that does not  
6 contain an individual city with a population greater than fifty  
7 thousand according to the most recent federal decennial census;

8 [(29)] (30) "Small and expanding business project", a  
9 qualified company that within two years of the date of the  
10 approval creates a minimum of twenty new jobs if the project  
11 facility is located in a rural area or a minimum of forty new  
12 jobs if the project facility is not located in a rural area and  
13 creates fewer than one hundred new jobs regardless of the  
14 location of the project facility;

15 [(30)] (31) "Tax credits", tax credits issued by the  
16 department to offset the state income taxes imposed by chapters  
17 143 and 148, RSMo, or which may be sold or refunded as provided  
18 for in this program;

19 [(31)] (32) "Technology business project", a qualified  
20 company that within two years of the date of the approval creates  
21 a minimum of ten new jobs involved in the operations of a  
22 [technology] company:

23 (a) Which is a technology company, as determined by a  
24 regulation promulgated by the department under the provisions of  
25 section 620.1884 or classified by NAICS codes;

26 (b) Which owns or leases a facility which produces  
27 electricity derived from qualified renewable energy sources, or  
28 produces fuel for the generation of electricity from qualified

1 renewable energy sources, but does not include any company that  
2 has received the alcohol mixture credit, alcohol credit, or small  
3 ethanol producer credit pursuant to 26 U.S.C. Section 40 of the  
4 tax code in the previous tax year; or

5 (c) Which researches, develops, or manufactures power  
6 system technology for: aerospace; space; defense; hybrid  
7 vehicles; or implantable or wearable medical devices;

8 [(32)] (33) "Withholding tax", the state tax imposed by  
9 sections 143.191 to 143.265, RSMo. For purposes of this program,  
10 the withholding tax shall be computed using a schedule as  
11 determined by the department based on average wages.

12 620.1881. 1. The department of economic development shall  
13 respond within thirty days to a company who provides a notice of  
14 intent with either an approval or a rejection of the notice of  
15 intent. The department shall give preference to qualified  
16 companies and projects targeted at an area of the state which has  
17 recently been classified as a disaster area by the federal  
18 government. Failure to respond on behalf of the department of  
19 economic development shall result in the notice of intent being  
20 deemed an approval for the purposes of this section. A qualified  
21 company who is provided an approval for a project shall be  
22 allowed a benefit as provided in this program in the amount and  
23 duration provided in this section. A qualified company may  
24 receive additional periods for subsequent new jobs at the same  
25 facility after the full initial period if the minimum thresholds  
26 are met as set forth in sections 620.1875 to 620.1890. There is  
27 no limit on the number of periods a qualified company may  
28 participate in the program, as long as the minimum thresholds are

1 achieved and the qualified company provides the department with  
2 the required reporting and is in proper compliance for this  
3 program or other state programs. A qualified company may elect  
4 to file a notice of intent to start a new project period  
5 concurrent with an existing project period if the minimum  
6 thresholds are achieved and the qualified company provides the  
7 department with the required reporting and is in proper  
8 compliance for this program and other state programs; however,  
9 the qualified company may not receive any further benefit under  
10 the original approval for jobs created after the date of the new  
11 notice of intent, and any jobs created before the new notice of  
12 intent may not be included as new jobs for the purpose of benefit  
13 calculation in relation to the new approval.

14 2. Notwithstanding any provision of law to the contrary,  
15 any qualified company that is awarded benefits under this program  
16 may not simultaneously receive tax credits or exemptions under  
17 sections 135.100 to 135.150, sections 135.200 to 135.286, section  
18 135.535, or sections 135.900 to 135.906, RSMo, at the same  
19 project facility. The benefits available to the company under  
20 any other state programs for which the company is eligible and  
21 which utilize withholding tax from the new jobs of the company  
22 must first be credited to the other state program before the  
23 withholding retention level applicable under the Missouri quality  
24 jobs act will begin to accrue. These other state programs  
25 include, but are not limited to, the new jobs training program  
26 under sections 178.892 to 178.896, RSMo, the job retention  
27 program under sections 178.760 to 178.764, RSMo, the real  
28 property tax increment allocation redevelopment act, sections

1 99.800 to 99.865, RSMo, or the Missouri downtown and rural  
2 economic stimulus act under sections 99.915 to 99.980, RSMo. If  
3 any qualified company also participates in the new jobs training  
4 program in sections 178.892 to 178.896, RSMo, the company shall  
5 retain no withholding tax, but the department shall issue a  
6 refundable tax credit for the full amount of benefit allowed  
7 under this subdivision. The calendar year annual maximum amount  
8 of tax credits which may be issued to a qualifying company that  
9 also participates in the new job training program shall be  
10 increased by an amount equivalent to the withholding tax retained  
11 by that company under the new jobs training program. However, if  
12 the combined benefits of the quality jobs program and the new  
13 jobs training program exceed the projected state benefit of the  
14 project, as determined by the department of economic development  
15 through a cost-benefit analysis, the increase in the maximum tax  
16 credits shall be limited to the amount that would not cause the  
17 combined benefits to exceed the projected state benefit. Any  
18 taxpayer who is awarded benefits under this program who knowingly  
19 hires individuals who are not allowed to work legally in the  
20 United States shall immediately forfeit such benefits and shall  
21 repay the state an amount equal to any state tax credits already  
22 redeemed and any withholding taxes already retained.

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

25 (1) Small and expanding business projects: in exchange for  
26 the consideration provided by the new tax revenues and other  
27 economic stimuli that will be generated by the new jobs created  
28 by the program, a qualified company may retain an amount equal to

1 the withholding tax as calculated under subdivision (32) of  
2 section 620.1878 from the new jobs that would otherwise be  
3 withheld and remitted by the qualified company under the  
4 provisions of sections 143.191 to 143.265, RSMo, for a period of  
5 three years from the date the required number of new jobs were  
6 created if the average wage of the new payroll equals or exceeds  
7 the county average wage or for a period of five years from the  
8 date the required number of new jobs were created if the average  
9 wage of the new payroll equals or exceeds one hundred twenty  
10 percent of the county average wage;

11 (2) Technology business projects: in exchange for the  
12 consideration provided by the new tax revenues and other economic  
13 stimuli that will be generated by the new jobs created by the  
14 program, a qualified company may retain an amount equal to a  
15 maximum of five percent of new payroll for a period of five years  
16 from the date the required number of jobs were created from the  
17 withholding tax of the new jobs that would otherwise be withheld  
18 and remitted by the qualified company under the provisions of  
19 sections 143.191 to 143.265, RSMo, if the average wage of the new  
20 payroll equals or exceeds the county average wage. An additional  
21 one-half percent of new payroll may be added to the five percent  
22 maximum if the average wage of the new payroll in any year  
23 exceeds one hundred twenty percent of the county average wage in  
24 the county in which the project facility is located, plus an  
25 additional one-half percent of new payroll may be added if the  
26 average wage of the new payroll in any year exceeds one hundred  
27 forty percent of the average wage in the county in which the  
28 project facility is located. The department shall issue a

1 refundable tax credit for any difference between the amount of  
2 benefit allowed under this subdivision and the amount of  
3 withholding tax retained by the company, in the event the  
4 withholding tax is not sufficient to provide the entire amount of  
5 benefit due to the qualified company under this subdivision. The  
6 calendar year annual maximum amount of tax credits that may be  
7 issued to any qualified company for a project or combination of  
8 projects is five hundred thousand dollars;

9 (3) High impact projects: in exchange for the  
10 consideration provided by the new tax revenues and other economic  
11 stimuli that will be generated by the new jobs created by the  
12 program, a qualified company may retain an amount from the  
13 withholding tax of the new jobs that would otherwise be withheld  
14 and remitted by the qualified company under the provisions of  
15 sections 143.191 to 143.265, RSMo, equal to three percent of new  
16 payroll for a period of five years from the date the required  
17 number of jobs were created if the average wage of the new  
18 payroll equals or exceeds the county average wage of the county  
19 in which the project facility is located. The percentage of  
20 payroll allowed under this subdivision shall be three and  
21 one-half percent of new payroll if the average wage of the new  
22 payroll in any year exceeds one hundred twenty percent of the  
23 county average wage in the county in which the project facility  
24 is located. The percentage of payroll allowed under this  
25 subdivision shall be four percent of new payroll if the average  
26 wage of the new payroll in any year exceeds one hundred forty  
27 percent of the county average wage in the county in which the  
28 project facility is located. An additional one percent of new



1 payroll may be added to these percentages if local incentives  
2 equal between ten percent and twenty-four percent of the new  
3 direct local revenue; an additional two percent of new payroll is  
4 added to these percentages if the local incentives equal between  
5 twenty-five percent and forty-nine percent of the new direct  
6 local revenue; or an additional three percent of payroll is added  
7 to these percentages if the local incentives equal fifty percent  
8 or more of the new direct local revenue. The department shall  
9 issue a refundable tax credit for any difference between the  
10 amount of benefit allowed under this subdivision and the amount  
11 of withholding tax retained by the company, in the event the  
12 withholding tax is not sufficient to provide the entire amount of  
13 benefit due to the qualified company under this subdivision. The  
14 calendar year annual maximum amount of tax credits that may be  
15 issued to any qualified company for a project or combination of  
16 projects is seven hundred fifty thousand dollars. The calendar  
17 year annual maximum amount of tax credit that may be issued to  
18 any qualified company for a project or combination of projects  
19 may be increased up to one million dollars if the number of new  
20 jobs will exceed five hundred and if such action is proposed by  
21 the department and approved by the quality jobs advisory task  
22 force established in section 620.1887; provided, however, until  
23 such time as the initial at-large members of the quality jobs  
24 advisory task force are appointed, this determination shall be  
25 made by the director of the department of economic development.  
26 In considering such a request, the task force shall rely on  
27 economic modeling and other information supplied by the  
28 department when requesting the increased limit on behalf of the

1 project;

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

6 (a) For each of the twenty-four months preceding the year  
7 in which application for the program is made the qualified  
8 company must have maintained at least one thousand full-time  
9 employees at the employer's site in the state at which the jobs  
10 are based, and the average wage of such employees must meet or  
11 exceed the county average wage;

12 (b) The qualified company retained at the project facility  
13 the level of full-time employees that existed in the taxable year  
14 immediately preceding the year in which application for the  
15 program is made;

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

24 (d) The qualified company in the project facility will  
25 cause to be invested a minimum of seventy million dollars in new  
26 investment prior to the end of two years or will cause to be  
27 invested a minimum of thirty million dollars in new investment  
28 prior to the end of two years and maintain an annual payroll of

1 at least seventy million dollars during each of the years for  
2 which a credit is claimed; and

3 (e) The local taxing entities shall provide local  
4 incentives of at least fifty percent of the new direct local  
5 revenues created by the project over a ten-year period.  
6

7 The quality jobs advisory task force may recommend to the  
8 department of economic development that appropriate penalties be  
9 applied to the company for violating the agreement. The amount  
10 of the job retention credit granted may be equal to up to fifty  
11 percent of the amount of withholding tax generated by the  
12 full-time jobs at the project facility for a period of five  
13 years. The calendar year annual maximum amount of tax credit  
14 that may be issued to any qualified company for a job retention  
15 project or combination of job retention projects shall be seven  
16 hundred fifty thousand dollars per year, but the maximum amount  
17 may be increased up to one million dollars if such action is  
18 proposed by the department and approved by the quality jobs  
19 advisory task force established in section 620.1887; provided,  
20 however, until such time as the initial at-large members of the  
21 quality jobs advisory task force are appointed, this  
22 determination shall be made by the director of the department of  
23 economic development. In considering such a request, the task  
24 force shall rely on economic modeling and other information  
25 supplied by the department when requesting the increased limit on  
26 behalf of the job retention project. In no event shall the total  
27 amount of all tax credits issued for the entire job retention  
28 program under this subdivision exceed three million dollars

1 annually. Notwithstanding the above, no tax credits shall be  
2 issued for job retention projects approved by the department  
3 after August 30, ~~[2007]~~ 2013;

4 (5) Small business job retention and flood survivor relief:  
5 a qualified company may receive a tax credit under sections  
6 620.1875 to 620.1890 for the retention of jobs and flood survivor  
7 relief in this state for each job retained over a three-year  
8 period, provided that:

9 (a) The qualified company did not receive any state or  
10 federal benefits, incentives, or tax relief or abatement in  
11 locating its facility in a flood plain;

12 (b) The qualified company and related companies have fewer  
13 than one hundred employees at the time application for the  
14 program is made;

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

17 (d) All of the qualified company's and related companies'  
18 facilities are located in this state;

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

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

26 (g) For each year it receives tax credits under sections  
27 620.1875 to 620.1890, the qualified company and related companies  
28 retained, at the company's facilities in this state, at least the

1 level of full-time, year-round employees that existed in the  
2 taxable year immediately preceding the year in which application  
3 for the program is made; and

4 (h) In the years it receives tax credits under sections  
5 620.1875 to 620.1890, the company cumulatively invests at least  
6 two million dollars in capital improvements in facilities and  
7 equipment located at such facilities that are not located within  
8 a five hundred year flood plain as designated by the Federal  
9 Emergency Management Agency, and amended from time to time.

10  
11 The amount of the small business job retention and flood survivor  
12 relief credit granted may be equal to up to one hundred percent  
13 of the amount of withholding tax generated by the full-time jobs  
14 at the project facility for a period of three years. The  
15 calendar year annual maximum amount of tax credit that may be  
16 issued to any qualified company for a small business job  
17 retention and survivor relief project shall be two hundred fifty  
18 thousand dollars per year, but the maximum amount may be  
19 increased up to five hundred thousand dollars if such action is  
20 proposed by the department and approved by the quality jobs  
21 advisory task force established in section 620.1887. In  
22 considering such a request, the task force shall rely on economic  
23 modeling and other information supplied by the department when  
24 requesting an increase in the limit on behalf of the small  
25 business job retention and flood survivor relief project. In no  
26 event shall the total amount of all tax credits issued for the  
27 entire small business job retention and flood survivor relief  
28 program under this subdivision exceed five hundred thousand

1 dollars annually. Notwithstanding the provisions of this  
2 subdivision to the contrary, no tax credits shall be issued for  
3 small business job retention and flood survivor relief projects  
4 approved by the department after August 30, 2010.

5 4. The qualified company shall provide an annual report of  
6 the number of jobs and such other information as may be required  
7 by the department to document the basis for the benefits of this  
8 program. The department may withhold the approval of any  
9 benefits until it is satisfied that proper documentation has been  
10 provided, and shall reduce the benefits to reflect any reduction  
11 in full-time employees or new payroll. Upon approval by the  
12 department, the qualified company may begin the retention of the  
13 withholding taxes when it reaches the minimum number of new jobs  
14 and the average wage exceeds the county average wage. Tax  
15 credits, if any, may be issued upon satisfaction by the  
16 department that the qualified company has exceeded the county  
17 average wage and the minimum number of new jobs. In such annual  
18 report, if the average wage is below the county average wage, the  
19 qualified company has not maintained the employee insurance as  
20 required, or if the number of new jobs is below the minimum, the  
21 qualified company shall not receive tax credits or retain the  
22 withholding tax for the balance of the benefit period. In the  
23 case of a qualified company that initially filed a notice of  
24 intent and received an approval from the department for high  
25 impact benefits and the minimum number of new jobs in an annual  
26 report is below the minimum for high impact projects, the company  
27 shall not receive tax credits for the balance of the benefit  
28 period but may continue to retain the withholding taxes if it

1 otherwise meets the requirements of a small and expanding  
2 business under this program.

3 5. The maximum calendar year annual tax credits issued for  
4 the entire program shall not exceed [forty] sixty million  
5 dollars. Notwithstanding any provision of law to the contrary,  
6 the maximum annual tax credits authorized under section 135.535,  
7 RSMo, are hereby reduced from ten million dollars to eight  
8 million dollars, with the balance of two million dollars  
9 transferred to this program. There shall be no limit on the  
10 amount of withholding taxes that may be retained by approved  
11 companies under this program.

12 6. The department shall allocate the annual tax credits  
13 based on the date of the approval, reserving such tax credits  
14 based on the department's best estimate of new jobs and new  
15 payroll of the project, and the other factors in the  
16 determination of benefits of this program. However, the annual  
17 issuance of tax credits is subject to the annual verification of  
18 the actual new payroll. The allocation of tax credits for the  
19 period assigned to a project shall expire if, within two years  
20 from the date of commencement of operations, or approval if  
21 applicable, the minimum thresholds have not been achieved. The  
22 qualified company may retain authorized amounts from the  
23 withholding tax under this section once the minimum new jobs  
24 thresholds are met for the duration of the project period. No  
25 benefits shall be provided under this program until the qualified  
26 company meets the minimum new jobs thresholds. In the event the  
27 qualified company does not meet the minimum new job threshold,  
28 the qualified company may submit a new notice of intent or the

1 department may provide a new approval for a new project of the  
2 qualified company at the project facility or other facilities.

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

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

13 9. Tax credits authorized by this section may be  
14 transferred, sold, or assigned by filing a notarized endorsement  
15 thereof with the department that names the transferee, the amount  
16 of tax credit transferred, and the value received for the credit,  
17 as well as any other information reasonably requested by the  
18 department.

19 10. Prior to the issuance of tax credits, the department  
20 shall verify through the department of revenue, or any other  
21 state department, that the tax credit applicant does not owe any  
22 delinquent income, sales, or use tax or interest or penalties on  
23 such taxes, or any delinquent fees or assessments levied by any  
24 state department and through the department of insurance that the  
25 applicant does not owe any delinquent insurance taxes. Such  
26 delinquency shall not affect the authorization of the application  
27 for such tax credits, except that at issuance credits shall be  
28 first applied to the delinquency and any amount issued shall be



1 reduced by the applicant's tax delinquency. If the department of  
2 revenue or the department of insurance, or any other state  
3 department, concludes that a taxpayer is delinquent after June  
4 fifteenth but before July first of any year and the application  
5 of tax credits to such delinquency causes a tax deficiency on  
6 behalf of the taxpayer to arise, then the taxpayer shall be  
7 granted thirty days to satisfy the deficiency in which interest,  
8 penalties, and additions to tax shall be tolled. After applying  
9 all available credits toward a tax delinquency, the administering  
10 agency shall notify the appropriate department and that  
11 department shall update the amount of outstanding delinquent tax  
12 owed by the applicant. If any credits remain after satisfying  
13 all insurance, income, sales, and use tax delinquencies, the  
14 remaining credits shall be issued to the applicant, subject to  
15 the restrictions of other provisions of law.

16 11. Except as provided under subdivision (4) of subsection  
17 3 of this section, the director of revenue shall issue a refund  
18 to the qualified company to the extent that the amount of credits  
19 allowed in this section exceeds the amount of the qualified  
20 company's income tax.

21 12. An employee of a qualified company will receive full  
22 credit for the amount of tax withheld as provided in section  
23 143.211, RSMo.

24 13. If any provision of sections 620.1875 to 620.1890 or  
25 application thereof to any person or circumstance is held  
26 invalid, the invalidity shall not affect other provisions or  
27 application of these sections which can be given effect without  
28 the invalid provisions or application, and to this end, the

1 provisions of sections 620.1875 to 620.1890 are hereby declared  
2 severable.