

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 2058
94TH GENERAL ASSEMBLY

4495S.16T

2008

AN ACT

To repeal sections 32.057, 32.105, 67.1501, 67.1545, 99.820, 105.485, 135.305, 135.348, 135.800, 135.805, 135.815, 135.967, 137.115, 260.285, 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 with twenty-three new sections relating to tax incentives for business development.

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

Section A. Sections 32.057, 32.105, 67.1501, 67.1545, 99.820, 105.485, 135.305,
2 135.348, 135.800, 135.805, 135.815, 135.967, 137.115, 260.285, 348.436, 353.150, 447.708,
3 620.1878, and 620.1881, RSMo, section 99.825 as enacted by senate committee substitute for
4 house committee substitute for house bill no. 741, ninety-fourth general assembly, first regular
5 session, and section 99.825 as enacted by conference committee substitute for house committee
6 substitute for senate bill no. 1, eighty-ninth general assembly, second extraordinary session, are
7 repealed and twenty-three new sections enacted in lieu thereof, to be known as sections 32.057,
8 32.105, 67.1501, 67.1545, 99.820, 99.825, 105.485, 105.1270, 135.305, 135.682, 135.800,

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

9 135.803, 135.805, 135.815, 135.967, 137.115, 144.057, 348.436, 353.150, 447.708, 620.050,
10 620.1878, and 620.1881, to read as follows:

32.057. 1. Except as otherwise specifically provided by law, it shall be unlawful for the
2 director of revenue, any officer, employee, agent or deputy or former director, officer, employee,
3 agent or deputy of the department of revenue, any person engaged or retained by the department
4 of revenue on an independent contract basis, any person to whom authorized or unauthorized
5 disclosure is made by the department of revenue, or any person who lawfully or unlawfully
6 inspects any report or return filed with the department of revenue or to whom a copy, an abstract
7 or a portion of any report or return is furnished by the department of revenue to make known in
8 any manner, to permit the inspection or use of or to divulge to anyone any information relative
9 to any such report or return, any information obtained by an investigation conducted by the
10 department in the discharge of official duty, or any information received by the director in
11 cooperation with the United States or other states in the enforcement of the revenue laws of this
12 state. Such confidential information is limited to information received by the department in
13 connection with the administration of the tax laws of this state.

14 2. Nothing in this section shall be construed to prohibit:

15 (1) The disclosure of information, returns, reports, or facts shown thereby, as described
16 in subsection 1 of this section, by any officer, clerk or other employee of the department of
17 revenue charged with the custody of such information:

18 (a) To a taxpayer or the taxpayer's duly authorized representative under regulations
19 which the director of revenue may prescribe;

20 (b) In any action or proceeding, civil, criminal or mixed, brought to enforce the revenue
21 laws of this state;

22 (c) To the state auditor or the auditor's duly authorized employees as required by
23 subsection 4 of this section;

24 (d) To any city officer designated by ordinance of a city within this state to collect a city
25 earnings tax, upon written request of such officer, which request states that the request is made
26 for the purpose of determining or enforcing compliance with such city earnings tax ordinance
27 and provided that such information disclosed shall be limited to that sufficient to identify the
28 taxpayer, and further provided that in no event shall any information be disclosed that will result
29 in the department of revenue being denied such information by the United States or any other
30 state. The city officer requesting the identity of taxpayers filing state returns but not paying city
31 earnings tax shall furnish to the director of revenue a list of taxpayers paying such earnings tax,
32 and the director shall compare the list submitted with the director's records and return to such
33 city official the name and address of any taxpayer who is a resident of such city who has filed
34 a state tax return but who does not appear on the list furnished by such city. The director of

35 revenue may set a fee to reimburse the department for the costs reasonably incurred in providing
36 this information;

37 (e) To any employee of any county or other political subdivision imposing a sales tax
38 which is administered by the state department of revenue whose office is authorized by the
39 governing body of the county or other political subdivision to receive any and all records of the
40 state director of revenue pertaining to the administration, collection and enforcement of its sales
41 tax. The request for sales tax records and reports shall include a description of the type of report
42 requested, the media form including electronic transfer, computer tape or disk, or printed form,
43 and the frequency desired. The request shall be made by annual written application and shall be
44 filed with the director of revenue. The director of revenue may set a fee to reimburse the
45 department for the costs reasonably incurred in providing this information. Such city or county
46 or any employee thereof shall be subject to the same standards for confidentiality as required for
47 the department of revenue in using the information contained in the reports;

48 (f) To the director of the department of economic development or the director's duly
49 authorized employees in discharging the director's official duties to certify taxpayers eligibility
50 to claim state tax credits as prescribed by statutes;

51 (g) To any employee of any political subdivision, such records of the director of revenue
52 pertaining to the administration, collection and enforcement of the tax imposed in chapter 149,
53 RSMo, as are necessary for ensuring compliance with any cigarette or tobacco tax imposed by
54 such political subdivision. The request for such records shall be made in writing to the director
55 of revenue, and shall include a description of the type of information requested and the desired
56 frequency. The director of revenue may charge a fee to reimburse the department for costs
57 reasonably incurred in providing such information;

58 (2) The publication by the director of revenue or of the state auditor in the audit reports
59 relating to the department of revenue of:

60 (a) Statistics, statements or explanations so classified as to prevent the identification of
61 any taxpayer or of any particular reports or returns and the items thereof;

62 (b) The names and addresses without any additional information of persons who filed
63 returns and of persons whose tax refund checks have been returned undelivered by the United
64 States Post Office;

65 (3) The director of revenue from permitting the Secretary of the Treasury of the United
66 States or the Secretary's delegates, the proper officer of any state of the United States imposing
67 a tax equivalent to any of the taxes administered by the department of revenue of the state of
68 Missouri or the appropriate representative of the multistate tax commission to inspect any return
69 or report required by the respective tax provision of this state, or may furnish to such officer an
70 abstract of the return or report or supply the officer with information contained in the return or

71 disclosed by the report of any authorized investigation. Such permission, however, shall be
72 granted on condition that the corresponding revenue statute of the United States or of such other
73 state, as the case may be, grants substantially similar privileges to the director of revenue and on
74 further condition that such corresponding statute gives confidential status to the material with
75 which it is concerned;

76 (4) The disclosure of information, returns, reports, or facts shown thereby, by any person
77 on behalf of the director of revenue, in any action or proceeding to which the director is a party
78 or on behalf of any party to any action or proceeding pursuant to the revenue laws of this state
79 when such information is directly involved in the action or proceeding, in either of which events
80 the court may require the production of, and may admit in evidence, so much of such information
81 as is pertinent to the action or proceeding and no more;

82 (5) The disclosure of information, returns, reports, or facts shown thereby, by any person
83 to a state or federal prosecuting official, including, but not limited to, the state and federal
84 attorneys general, or the official's designees involved in any criminal, quasi-criminal, or civil
85 investigation, action or proceeding pursuant to the laws of this state or of the United States when
86 such information is pertinent to an investigation, action or proceeding involving the
87 administration of the revenue laws or duties of public office or employment connected therewith;

88 (6) Any school district from obtaining the aggregate amount of the financial institution
89 tax paid pursuant to chapter 148, RSMo, by financial institutions located partially or exclusively
90 within the school district's boundaries, provided that the school district request such disclosure
91 in writing to the department of revenue;

92 (7) The disclosure of records which identify all companies licensed by this state pursuant
93 to the provisions of subsections 1 and 2 of section 149.035, RSMo. The director of revenue may
94 charge a fee to reimburse the department for the costs reasonably incurred in providing such
95 records;

96 (8) The disclosure to the commissioner of administration pursuant to section 34.040,
97 RSMo, of a list of vendors and their affiliates who meet the conditions of section 144.635,
98 RSMo, but refuse to collect the use tax levied pursuant to chapter 144, RSMo, on their sales
99 delivered to this state;

100 **(9) The disclosure to the public of any information, or facts shown thereby**
101 **regarding the claiming of a state tax credit by a member of the Missouri general assembly**
102 **or any state-wide elected public official.**

103 3. Any person violating any provision of subsection 1 or 2 of this section shall, upon
104 conviction, be guilty of a class D felony.

105 4. The state auditor or the auditor's duly authorized employees who have taken the oath
106 of confidentiality required by section 29.070, RSMo, shall have the right to inspect any report

107 or return filed with the department of revenue if such inspection is related to and for the purpose
 108 of auditing the department of revenue; except that, the state auditor or the auditor's duly
 109 authorized employees shall have no greater right of access to, use and publication of information,
 110 audit and related activities with respect to income tax information obtained by the department
 111 of revenue pursuant to chapter 143, RSMo, or federal statute than specifically exists pursuant to
 112 the laws of the United States and of the income tax laws of the state of Missouri.

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

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

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

21		Percent of State or
22		Geographic Area Family
23	Size of Household	Median Income
24	One Person	35%
25	Two Persons	40%
26	Three Persons	45%
27	Four Persons	50%
28	Five Persons	54%
29	Six Persons	58%
30	Seven Persons	62%

31 Eight Persons

66%

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

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

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

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

48 (7) "Defense industry contractor", a person, corporation or other entity which will be or
49 has been negatively impacted as a result of its status as a prime contractor of the Department of
50 Defense or as a second or third tier contractor. A "second tier contractor" means a person,
51 corporation or other entity which contracts to perform manufacturing, maintenance or repair
52 services for a prime contractor of the Department of Defense, and a "third tier contractor" means
53 a person, corporation or other entity which contracts with a person, corporation or other entity
54 which contracts with a prime contractor of the Department of Defense;

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

59 (9) "Economic development", the acquisition, renovation, improvement, or the
60 furnishing or equipping of existing buildings and real estate in distressed or blighted areas of the
61 state when such acquisition, renovation, improvement, or the furnishing or equipping of the
62 business development projects will result in the creation or retention of jobs within the state; or,
63 until June 30, 1996, a defense conversion pilot project located in a standard metropolitan
64 statistical area which contains a city with a population of at least three hundred fifty thousand
65 inhabitants, which will assist Missouri-based defense industry contractors in their conversion
66 from predominately defense-related contracting to nondefense-oriented manufacturing. Only

67 neighborhood organizations, as defined in subdivision (13) of this section, may apply to conduct
68 economic development projects. Prior to the approval of an economic development project, the
69 neighborhood organization shall enter into a contractual agreement with the department of
70 economic development. Credits approved for economic development projects may not exceed
71 [four] **six** million dollars from within any one fiscal year's allocation[, except that for fiscal years
72 2005, 2006, and 2007 credits approved for economic development projects shall not exceed six
73 million dollars]. Neighborhood assistance program tax credits for economic development
74 projects and affordable housing assistance as defined in section 32.111 may be transferred, sold
75 or assigned by a notarized endorsement thereof naming the transferee;

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

80 (11) "Homeless assistance pilot project", the program established pursuant to section
81 32.117;

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

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

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

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

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

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

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

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

67.1501. 1. A district may use any one or more of the assessments, taxes, or other funding methods specifically authorized pursuant to sections 67.1401 to 67.1571 to provide funds to accomplish any power, duty or purpose of the district[]; provided, however, no district which is located in any city not within a county and which includes any real property that is also included in a special business district established pursuant to sections 71.790 to 71.808, RSMo, prior to the establishment of the district pursuant to sections 67.1401 to 67.1571 shall have the authority to impose any such tax or assessment pursuant to sections 67.1401 to 67.1571 until such time as all taxes or special assessments imposed pursuant to sections 71.790 to 71.808, RSMo, on any real property or on any business located in such special business district or on any business or individual doing business in such special business district have been repealed in accordance with this subsection. The governing body of a special business district which includes real property located in a district established pursuant to sections 67.1401 to 67.1571 shall have the power to repeal all taxes and assessments imposed pursuant to sections 71.790 to 71.808, RSMo, and such power may be exercised by the adoption of a resolution by the governing body of such special business district. Upon the adoption of such resolution such special business district shall no longer have the power to impose any tax or special assessment pursuant to sections 71.790 to 71.808, RSMo, until such time as the district or districts established pursuant to sections 67.1401 to 67.1571 which include any real property that is also included in such special business district have been terminated or have expired pursuant to sections 67.1401 to 67.1571].

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

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

67.1545. 1. Any district formed as a political subdivision may impose by resolution a district sales and use tax on all retail sales made in such district which are subject to taxation pursuant to sections 144.010 to 144.525, RSMo, except sales of motor vehicles, trailers, boats or outboard motors and sales to **or by public utilities and providers of communications, cable, or video services**. Any sales and use tax imposed pursuant to this section may be imposed in increments of one-eighth of one percent, up to a maximum of one percent. Such district sales and use tax may be imposed for any district purpose designated by the district in its ballot of submission to its qualified voters; except that, no resolution adopted pursuant to this section shall become effective unless the board of directors of the district submits to the qualified voters of

10 the district, by mail-in ballot, a proposal to authorize a sales and use tax pursuant to this section.
11 If a majority of the votes cast by the qualified voters on the proposed sales tax are in favor of the
12 sales tax, then the resolution is adopted. If a majority of the votes cast by the qualified voters
13 are opposed to the sales tax, then the resolution is void.

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

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

20 ☐ YES

☐ NO

21

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

24 3. Within ten days after the qualified voters have approved the imposition of the sales
25 and use tax, the district shall, in accordance with section 32.087, RSMo, notify the director of
26 the department of revenue. The sales and use tax authorized by this section shall become
27 effective on the first day of the second calendar quarter after the director of the department of
28 revenue receives notice of the adoption of such tax.

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

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

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

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

41 8. All revenue received by the district from a sales and use tax imposed pursuant to this
42 section which is designated for a specific purpose shall be deposited into a special trust fund and
43 expended solely for such purpose. Upon the expiration of any sales and use tax adopted pursuant
44 to this section, all funds remaining in the special trust fund shall continue to be used solely for
45 the specific purpose designated in the resolution adopted by the qualified voters. Any funds in

46 such special trust fund which are not needed for current expenditures may be invested by the
47 board of directors pursuant to applicable laws relating to the investment of other district funds.

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

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

99.820. 1. A municipality may:

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

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

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

26 procedures for obtaining such bids and proposals shall provide reasonable opportunity for any
27 person to submit alternative proposals or bids;

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

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

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

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

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

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

41 (10) Incur redevelopment costs and issue obligations;

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

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

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

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

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

56 (13) If any member of the governing body of the municipality, a member of a
57 commission established pursuant to subsection 2 **or** 3 of this section, or an employee or
58 consultant of the municipality, involved in the planning and preparation of a redevelopment plan,
59 or redevelopment project for a redevelopment area or proposed redevelopment area, owns or
60 controls an interest, direct or indirect, in any property included in any redevelopment area, or
61 proposed redevelopment area, which property is designated to be acquired or improved pursuant

62 to a redevelopment project, he or she shall disclose the same in writing to the clerk of the
63 municipality, and shall also so disclose the dates, terms, and conditions of any disposition of any
64 such interest, which disclosures shall be acknowledged by the governing body of the
65 municipality and entered upon the minutes books of the governing body of the municipality. If
66 an individual holds such an interest, then that individual shall refrain from any further official
67 involvement in regard to such redevelopment plan, redevelopment project or redevelopment area,
68 from voting on any matter pertaining to such redevelopment plan, redevelopment project or
69 redevelopment area, or communicating with other members concerning any matter pertaining
70 to that redevelopment plan, redevelopment project or redevelopment area. Furthermore, no such
71 member or employee shall acquire any interest, direct or indirect, in any property in a
72 redevelopment area or proposed redevelopment area after either (a) such individual obtains
73 knowledge of such plan or project, or (b) first public notice of such plan, project or area pursuant
74 to section 99.830, whichever first occurs;

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

79 2. Prior to adoption of an ordinance approving the designation of a redevelopment area
80 or approving a redevelopment plan or redevelopment project, the municipality shall create a
81 commission of nine persons if the municipality is a county or a city not within a county and not
82 a first class county with a charter form of government with a population in excess of nine
83 hundred thousand, and eleven persons if the municipality is not a county and not in a first class
84 county with a charter form of government having a population of more than nine hundred
85 thousand, and twelve persons if the municipality is located in or is a first class county with a
86 charter form of government having a population of more than nine hundred thousand, to be
87 appointed as follows:

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

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

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

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

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

115 (6) In a municipality which is located in the first class county with a charter form of
116 government having a population in excess of nine hundred thousand, three members shall be
117 appointed by the county of such municipality in the same manner as members are appointed in
118 subdivision (3) of this subsection;

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

131 (8) Effective January 1, 2008, when any city, town, or village under the authority of the
132 East-West Gateway Council of Governments, except any municipality in any county of the first
133 classification with more than ninety-three thousand eight hundred but fewer than ninety-three
134 thousand nine hundred inhabitants, desires to implement a tax increment financing project, such
135 city, town, or village shall first obtain the permission of the county tax increment financing
136 commission created in this subsection within which the city, town, or village is located. In the
137 event such commission votes in opposition to the redevelopment project, such redevelopment
138 project shall not be approved unless at least two-thirds of the governing body of the city, town,
139 or village votes to approve such project;

140 (9) At the option of the members appointed by the municipality, the members who are
141 appointed by the school boards and other taxing districts may serve on the commission for a term
142 to coincide with the length of time a redevelopment project, redevelopment plan or designation

of a redevelopment area is considered for approval by the commission, or for a definite term pursuant to this subdivision. If the members representing school districts and other taxing districts are appointed for a term coinciding with the length of time a redevelopment project, plan or area is approved, such term shall terminate upon final approval of the project, plan or designation of the area by the governing body of the municipality. Thereafter the commission shall consist of the six members appointed by the municipality, except that members representing school boards and other taxing districts shall be appointed as provided in this section prior to any amendments to any redevelopment plans, redevelopment projects or designation of a redevelopment area. If any school district or other taxing jurisdiction fails to appoint members of the commission within thirty days of receipt of written notice of a proposed redevelopment plan, redevelopment project or designation of a redevelopment area, the remaining members may proceed to exercise the power of the commission. Of the members first appointed by the municipality, two shall be designated to serve for terms of two years, two shall be designated to serve for a term of three years and two shall be designated to serve for a term of four years from the date of such initial appointments. Thereafter, the members appointed by the municipality shall serve for a term of four years, except that all vacancies shall be filled for unexpired terms in the same manner as were the original appointments. **Members appointed by the county executive or presiding commissioner prior to August 28, 2008, shall continue their service on the commission established in subsection 3 of this section without further appointment unless the county executive or presiding commissioner appoints a new member or members.**

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

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

(a) Six members appointed either by the county executive or presiding commissioner; notwithstanding any provision of law to the contrary, no approval by the county's governing body shall be required;

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

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

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

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

(2) Members appointed to the commission created under this subsection, except those six members appointed by either the county executive or presiding commissioner, shall serve on the commission for a term to coincide with the length of time a redevelopment project, redevelopment plan, or designation of a redevelopment area is considered for approval by the commission. The six members appointed by either the county executive or the presiding commissioner shall serve on all such commissions until replaced. The city, town, or village that creates a commission under this subsection shall send notice thereof by certified mail to the county executive or presiding commissioner, to the school districts whose boundaries include any portion of the proposed redevelopment area, and to the other taxing districts whose boundaries include any portion of the proposed redevelopment area. The city, town, or village that creates the commission shall also be solely responsible for notifying all other cities, towns, and villages in the county that have tax increment financing districts and shall exercise all administrative functions of the commission. The school districts receiving notice from the city, town, or village shall be solely responsible for notifying the other school districts within the county of the formation of the commission. If the county, school board, or other taxing district fails to appoint members to the commission within thirty days after the city, town, or village sends the written notice, as provided herein, that it has convened such a commission or within thirty days of the expiration of any such member's term, the remaining duly appointed members of the commission may exercise the full powers of the commission.

4. (1) Any commission created under this section, subject to approval of the governing body of the municipality, may exercise the powers enumerated in sections 99.800 to

203 99.865, except final approval of plans, projects and designation of redevelopment areas. The
204 commission shall hold public hearings and provide notice pursuant to sections 99.825 and
205 99.830. [The]

206 (2) Any commission created under subsection 2 of this section shall vote on all
207 proposed redevelopment plans, redevelopment projects and designations of redevelopment areas,
208 and amendments thereto, within thirty days following completion of the hearing on any such
209 plan, project or designation and shall make recommendations to the governing body within
210 ninety days of the hearing referred to in section 99.825 concerning the adoption of or amendment
211 to redevelopment plans and redevelopment projects and the designation of redevelopment areas.
212 The requirements of subsection 2 of this section and this subsection shall not apply to
213 redevelopment projects upon which the required hearings have been duly held prior to August
214 31, 1991.

215 (3) Any commission created under subsection 3 of this section shall, within fifteen
216 days of the receipt of a redevelopment plan meeting the minimum requirements of section
217 99.810, as determined by counsel to the city, town, or village creating the commission and
218 a request by the applicable city, town, or village for a public hearing, fix a time and place
219 for the public hearing referred to in section 99.825. The public hearing shall be held no
220 later than seventy-five days from the commission's receipt of such redevelopment plan and
221 request for public hearing. The commission shall vote and make recommendations to the
222 governing body of the city, town, or village requesting the public hearing on all proposed
223 redevelopment plans, redevelopment projects, and designations of redevelopment areas,
224 and amendments thereto within thirty days following the completion of the public hearing.
225 If the commission fails to vote within thirty days following the completion of the public
226 hearing referred to in section 99.825 concerning the proposed redevelopment plan,
227 redevelopment project, or designation of redevelopment area, or amendments thereto, such
228 plan, project, designation, or amendment thereto shall be deemed rejected by the
229 commission.

99.825. 1. Prior to the adoption of an ordinance proposing the designation of a
2 redevelopment area, or approving a redevelopment plan or redevelopment project, the
3 commission shall fix a time and place for a public hearing as required in subsection 4 of
4 section 99.820 and notify each taxing district located wholly or partially within the boundaries
5 of the proposed redevelopment area, plan or project. At the public hearing any interested person
6 or affected taxing district may file with the commission written objections to, or comments on,
7 and may be heard orally in respect to, any issues embodied in the notice. The commission shall
8 hear and consider all protests, objections, comments and other evidence presented at the hearing.
9 The hearing may be continued to another date without further notice other than a motion to be

10 entered upon the minutes fixing the time and place of the subsequent hearing; **provided, if the**
11 **commission is created under subsection 3 of section 99.820, the hearing shall not be**
12 **continued for more than thirty days beyond the date on which it is originally opened unless**
13 **such longer period is requested by the chief elected official of the municipality creating the**
14 **commission and approved by a majority of the commission.** Prior to the conclusion of the
15 hearing, changes may be made in the redevelopment plan, redevelopment project, or
16 redevelopment area, provided that each affected taxing district is given written notice of such
17 changes at least seven days prior to the conclusion of the hearing. After the public hearing but
18 prior to the adoption of an ordinance approving a redevelopment plan or redevelopment project,
19 or designating a redevelopment area, changes may be made to the redevelopment plan,
20 redevelopment projects or redevelopment areas without a further hearing, if such changes do not
21 enlarge the exterior boundaries of the redevelopment area or areas, and do not substantially affect
22 the general land uses established in the redevelopment plan or substantially change the nature
23 of the redevelopment projects, provided that notice of such changes shall be given by mail to
24 each affected taxing district and by publication in a newspaper of general circulation in the area
25 of the proposed redevelopment not less than ten days prior to the adoption of the changes by
26 ordinance. After the adoption of an ordinance approving a redevelopment plan or redevelopment
27 project, or designating a redevelopment area, no ordinance shall be adopted altering the exterior
28 boundaries, affecting the general land uses established pursuant to the redevelopment plan or
29 changing the nature of the redevelopment project without complying with the procedures
30 provided in this section pertaining to the initial approval of a redevelopment plan or
31 redevelopment project and designation of a redevelopment area. Hearings with regard to a
32 redevelopment project, redevelopment area, or redevelopment plan may be held simultaneously.

33 2. Effective January 1, 2008, if, after concluding the hearing required under this section,
34 the commission makes a recommendation under section 99.820 in opposition to a proposed
35 redevelopment plan, redevelopment project, or designation of a redevelopment area, or any
36 amendments thereto, a municipality desiring to approve such project, plan, designation, or
37 amendments shall do so only upon a two-thirds majority vote of the governing body of such
38 municipality.

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

2 [99.825. 1. Prior to the adoption of an ordinance proposing the
3 designation of a redevelopment area, or approving a redevelopment plan or
4 redevelopment project, the commission shall fix a time and place for a public
hearing and notify each taxing district located wholly or partially within the

5 boundaries of the proposed redevelopment area, plan or project. At the public
6 hearing any interested person or affected taxing district may file with the
7 commission written objections to, or comments on, and may be heard orally in
8 respect to, any issues embodied in the notice. The commission shall hear and
9 consider all protests, objections, comments and other evidence presented at the
10 hearing. The hearing may be continued to another date without further notice
11 other than a motion to be entered upon the minutes fixing the time and place of
12 the subsequent hearing. Prior to the conclusion of the hearing, changes may be
13 made in the redevelopment plan, redevelopment project, or redevelopment area,
14 provided that each affected taxing district is given written notice of such changes
15 at least seven days prior to the conclusion of the hearing. After the public hearing
16 but prior to the adoption of an ordinance approving a redevelopment plan or
17 redevelopment project, or designating a redevelopment area, changes may be
18 made to the redevelopment plan, redevelopment projects or redevelopment areas
19 without a further hearing, if such changes do not enlarge the exterior boundaries
20 of the redevelopment area or areas, and do not substantially affect the general
21 land uses established in the redevelopment plan or substantially change the nature
22 of the redevelopment projects, provided that notice of such changes shall be
23 given by mail to each affected taxing district and by publication in a newspaper
24 of general circulation in the area of the proposed redevelopment not less than ten
25 days prior to the adoption of the changes by ordinance. After the adoption of an
26 ordinance approving a redevelopment plan or redevelopment project, or
27 designating a redevelopment area, no ordinance shall be adopted altering the
28 exterior boundaries, affecting the general land uses established pursuant to the
29 redevelopment plan or changing the nature of the redevelopment project without
30 complying with the procedures provided in this section pertaining to the initial
31 approval of a redevelopment plan or redevelopment project and designation of
32 a redevelopment area. Hearings with regard to a redevelopment project,
33 redevelopment area, or redevelopment plan may be held simultaneously.

34 2. Tax incremental financing projects within an economic development
35 area shall apply to and fund only the following infrastructure projects: highways,
36 roads, streets, bridges, sewers, traffic control systems and devices, water
37 distribution and supply systems, curbing, sidewalks and any other similar public
38 improvements, but in no case shall it include buildings.]

105.485. 1. Each financial interest statement required by sections 105.483 to 105.492
2 shall be on a form prescribed by the commission and shall be signed and verified by a written
3 declaration that it is made under penalties of perjury; provided, however, the form shall not seek
4 information which is not specifically required by sections 105.483 to 105.492.

5 2. Each person required to file a financial interest statement pursuant to subdivisions (1)
6 to (12) of section 105.483 shall file the following information for himself, his spouse and
7 dependent children at any time during the period covered by the statement, whether singularly
8 or collectively; provided, however, that said person, if he does not know and his spouse will not

9 divulge any information required to be reported by this section concerning the financial interest
10 of his spouse, shall state on his financial interest statement that he has disclosed that information
11 known to him and that his spouse has refused or failed to provide other information upon his
12 bona fide request, and such statement shall be deemed to satisfy the requirements of this section
13 for such financial interest of his spouse; and provided further if the spouse of any person required
14 to file a financial interest statement is also required by section 105.483 to file a financial interest
15 statement, the financial interest statement filed by each need not disclose the financial interest
16 of the other, provided that each financial interest statement shall state that the spouse of the
17 person has filed a separate financial interest statement and the name under which the statement
18 was filed:

19 (1) The name and address of each of the employers of such person from whom income
20 of one thousand dollars or more was received during the year covered by the statement;

21 (2) The name and address of each sole proprietorship which he owned; the name, address
22 and the general nature of the business conducted of each general partnership and joint venture
23 in which he was a partner or participant; the name and address of each partner or coparticipant
24 for each partnership or joint venture unless such names and addresses are filed by the partnership
25 or joint venture with the secretary of state; the name, address and general nature of the business
26 conducted of any closely held corporation or limited partnership in which the person owned ten
27 percent or more of any class of the outstanding stock or limited partners' units; and the name of
28 any publicly traded corporation or limited partnership which is listed on a regulated stock
29 exchange or automated quotation system in which the person owned two percent or more of any
30 class of outstanding stock, limited partnership units or other equity interests;

31 (3) The name and address of any other source not reported pursuant to subdivisions (1)
32 and (2) and subdivisions (4) to (9) of this subsection from which such person received one
33 thousand dollars or more of income during the year covered by the statement, including, but not
34 limited to, any income otherwise required to be reported on any tax return such person is required
35 by law to file; except that only the name of any publicly traded corporation or limited partnership
36 which is listed on a regulated stock exchange or automated quotation system need be reported
37 pursuant to this subdivision;

38 (4) The location by county, the subclassification for property tax assessment purposes,
39 the approximate size and a description of the major improvements and use for each parcel of real
40 property in the state, other than the individual's personal residence, having a fair market value
41 of ten thousand dollars or more in which such person held a vested interest including a leasehold
42 for a term of ten years or longer, and, if the property was transferred during the year covered by
43 the statement, the name and address of the persons furnishing or receiving consideration for such
44 transfer;

45 (5) The name and address of each entity in which such person owned stock, bonds or
46 other equity interest with a value in excess of ten thousand dollars; except that, if the entity is a
47 corporation listed on a regulated stock exchange, only the name of the corporation need be listed;
48 and provided that any member of any board or commission of the state or any political
49 subdivision who does not receive any compensation for his services to the state or political
50 subdivision other than reimbursement for his actual expenses or a per diem allowance as
51 prescribed by law for each day of such service need not report interests in publicly traded
52 corporations or limited partnerships which are listed on a regulated stock exchange or automated
53 quotation system pursuant to this subdivision; and provided further that the provisions of this
54 subdivision shall not require reporting of any interest in any qualified plan or annuity pursuant
55 to the Employees' Retirement Income Security Act;

56 (6) The name and address of each corporation for which such person served in the
57 capacity of a director, officer or receiver;

58 (7) The name and address of each not-for-profit corporation and each association,
59 organization, or union, whether incorporated or not, except not-for-profit corporations formed
60 to provide church services, fraternal organizations or service clubs from which the officer or
61 employee draws no remuneration, in which such person was an officer, director, employee or
62 trustee at any time during the year covered by the statement, and for each such organization, a
63 general description of the nature and purpose of the organization;

64 (8) The name and address of each source from which such person received a gift or gifts,
65 or honorarium or honoraria in excess of two hundred dollars in value per source during the year
66 covered by the statement other than gifts from persons within the third degree of consanguinity
67 or affinity of the person filing the financial interest statement. For the purposes of this section,
68 a "gift" shall not be construed to mean political contributions otherwise required to be reported
69 by law or hospitality such as food, beverages or admissions to social, art, or sporting events or
70 the like, or informational material. For the purposes of this section, a "gift" shall include gifts
71 to or by creditors of the individual for the purpose of canceling, reducing or otherwise forgiving
72 the indebtedness of the individual to that creditor;

73 (9) The lodging and travel expenses provided by any third person for expenses incurred
74 outside the state of Missouri whether by gift or in relation to the duties of office of such official,
75 except that such statement shall not include travel or lodging expenses:

76 (a) Paid in the ordinary course of business for businesses described in subdivisions (1),
77 (2), (5) and (6) of this subsection which are related to the duties of office of such official; or

78 (b) For which the official may be reimbursed as provided by law; or

79 (c) Paid by persons related by the third degree of consanguinity or affinity to the person
80 filing the statement; or

81 (d) Expenses which are reported by the campaign committee or candidate committee of
82 the person filing the statement pursuant to the provisions of chapter 130, RSMo; or

83 (e) Paid for purely personal purposes which are not related to the person's official duties
84 by a third person who is not a lobbyist, a lobbyist principal or member, or officer or director of
85 a member, of any association or entity which employs a lobbyist. The statement shall include
86 the name and address of such person who paid the expenses, the date such expenses were
87 incurred, the amount incurred, the location of the travel and lodging, and the nature of the
88 services rendered or reason for the expenses;

89 (10) The assets in any revocable trust of which the individual is the settlor if such assets
90 would otherwise be required to be reported under this section;

91 (11) The name, position and relationship of any relative within the first degree of
92 consanguinity or affinity to any other person who:

93 (a) Is employed by the state of Missouri, by a political subdivision of the state or special
94 district, as defined in section 115.013, RSMo, of the state of Missouri;

95 (b) Is a lobbyist; or

96 (c) Is a fee agent of the department of revenue;

97 (12) The name and address of each campaign committee, political committee, candidate
98 committee, or continuing committee for which such person or any corporation listed on such
99 person's financial interest statement received payment; **and**

100 **(13) For members of the general assembly or any state-wide elected public official,**
101 **their spouses, and their dependent children, whether any state tax credits were claimed on**
102 **the member's, spouse's, or dependent child's most recent state income tax return.**

103 3. For the purposes of subdivisions (1), (2) and (3) of subsection 2 of this section, an
104 individual shall be deemed to have received a salary from his employer or income from any
105 source at the time when he shall receive a negotiable instrument whether or not payable at a later
106 date and at the time when under the practice of his employer or the terms of an agreement, he has
107 earned or is entitled to anything of actual value whether or not delivery of the value is deferred
108 or right to it has vested. The term "income" as used in this section shall have the same meaning
109 as provided in the Internal Revenue Code of 1986, and amendments thereto, as the same may be
110 or becomes effective, at any time or from time to time for the taxable year, provided that income
111 shall not be considered received or earned for purposes of this section from a partnership or sole
112 proprietorship until such income is converted from business to personal use.

113 4. Each official, officer or employee or candidate of any political subdivision described
114 in subdivision (11) of section 105.483 shall be required to file a financial interest statement as
115 required by subsection 2 of this section, unless the political subdivision biennially adopts an
116 ordinance, order or resolution at an open meeting by September fifteenth of the preceding year,

which establishes and makes public its own method of disclosing potential conflicts of interest and substantial interests and therefore excludes the political subdivision or district and its officers and employees from the requirements of subsection 2 of this section. A certified copy of the ordinance, order or resolution shall be sent to the commission within ten days of its adoption. The commission shall assist any political subdivision in developing forms to complete the requirements of this subsection. The ordinance, order or resolution shall contain, at a minimum, the following requirements with respect to disclosure of substantial interests:

(1) Disclosure in writing of the following described transactions, if any such transactions were engaged in during the calendar year:

(a) For such person, and all persons within the first degree of consanguinity or affinity of such person, the date and the identities of the parties to each transaction with a total value in excess of five hundred dollars, if any, that such person had with the political subdivision, other than compensation received as an employee or payment of any tax, fee or penalty due to the political subdivision, and other than transfers for no consideration to the political subdivision;

(b) The date and the identities of the parties to each transaction known to the person with a total value in excess of five hundred dollars, if any, that any business entity in which such person had a substantial interest, had with the political subdivision, other than payment of any tax, fee or penalty due to the political subdivision or transactions involving payment for providing utility service to the political subdivision, and other than transfers for no consideration to the political subdivision;

(2) The chief administrative officer and chief purchasing officer of such political subdivision shall disclose in writing the information described in subdivisions (1), (2) and (6) of subsection 2 of this section;

(3) Disclosure of such other financial interests applicable to officials, officers and employees of the political subdivision, as may be required by the ordinance or resolution;

(4) Duplicate disclosure reports made pursuant to this subsection shall be filed with the commission and the governing body of the political subdivision. The clerk of such governing body shall maintain such disclosure reports available for public inspection and copying during normal business hours.

105.1270. 1. Notwithstanding any provision to the contrary, a corporation, partnership, firm, trust, association, or other entity shall not be disqualified from receiving any state authorized tax credit, abatement, exemption, or loan on the basis that there exists a conflict of interest due to a relationship of any degree or affinity to any statewide elected official or member of the general assembly, when the person of relation holds less than a two percent equity interest in the entity standing to benefit from the credit, abatement, exemption, or loan.

135.305. A Missouri wood energy producer shall be eligible for a tax credit on taxes otherwise due under chapter 143, RSMo, except sections 143.191 to 143.261, RSMo, as a production incentive to produce processed wood products in a qualified wood producing facility using Missouri forest product residue. The tax credit to the wood energy producer shall be five dollars per ton of processed material. The credit may be claimed for a period of five years and is to be a tax credit against the tax otherwise due. **No new tax credits, provided for under sections 135.300 to 135.311, shall be authorized after June 30, 2013.**

135.682. 1. The director of the department of economic development or the director's designee shall issue letter rulings regarding the tax credit program authorized under section 135.680, subject to the terms and conditions set forth in this section. The director of the department of economic development may impose additional terms and conditions consistent with this section to requests for letter rulings by regulation promulgated under chapter 536, RSMo. For the purposes of this section, the term "letter ruling" means a written interpretation of law to a specific set of facts provided by the applicant requesting a letter ruling.

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

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

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

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

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

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

4. Letter rulings issued under the authority of this section shall not be a rule as defined in section 536.010, RSMo, in that it is an interpretation issued by the department

30 **with respect to a specific set of facts and intended to apply only to that specific set of facts,**
31 **and therefore shall not be subject to the rulemaking requirements of chapter 536, RSMo.**

32 **5. Information in letter ruling requests as described in section 620.014, RSMo, shall**
33 **be closed to the public. Copies of letter rulings shall be available to the public provided**
34 **that the applicant identifying information and otherwise protected information is redacted**
35 **from the letter ruling as provided in subsection 1 of section 610.024, RSMo.**

135.800. 1. The provisions of sections 135.800 to 135.830 shall be known and may be
2 cited as the "Tax Credit Accountability Act of 2004".

3 2. As used in sections 135.800 to 135.830, the following terms mean:

4 (1) "Administering agency", the state agency or department charged with administering
5 a particular tax credit program, as set forth by the program's enacting statute; where no
6 department or agency is set forth, the department of revenue;

7 (2) "Agricultural tax credits", the agricultural product utilization contributor tax credit
8 created pursuant to section 348.430, RSMo, the new generation cooperative incentive tax credit
9 created pursuant to section 348.432, RSMo, and the wine and grape production tax credit created
10 pursuant to section 135.700;

11 (3) "All tax credit programs", the tax credit programs included in the definitions of
12 agricultural tax credits, business recruitment tax credits, community development tax credits,
13 domestic and social tax credits, entrepreneurial tax credits, environmental tax credits, housing
14 tax credits, redevelopment tax credits, and training and educational tax credits;

15 (4) "Business recruitment tax credits", the business facility tax credit created pursuant
16 to sections 135.110 to 135.150 and section 135.258, the enterprise zone tax benefits created
17 pursuant to sections 135.200 to 135.270, the business use incentives for large-scale development
18 programs created pursuant to sections 100.700 to 100.850, RSMo, the development tax credits
19 created pursuant to sections 32.100 to 32.125, RSMo, the rebuilding communities tax credit
20 created pursuant to section 135.535, and the film production tax credit created pursuant to
21 section 135.750;

22 (5) "Community development tax credits", the neighborhood assistance tax credit created
23 pursuant to sections 32.100 to 32.125, RSMo, the family development account tax credit created
24 pursuant to sections 208.750 to 208.775, RSMo, the dry fire hydrant tax credit created pursuant
25 to section 320.093, RSMo, and the transportation development tax credit created pursuant to
26 section 135.545;

27 (6) "Domestic and social tax credits", the youth opportunities tax credit created pursuant
28 to section 135.460 and sections 620.1100 to 620.1103, RSMo, the shelter for victims of domestic
29 violence created pursuant to section 135.550, the senior citizen or disabled person property tax
30 credit created pursuant to sections 135.010 to 135.035, the special needs adoption tax credit

31 created pursuant to sections 135.325 to 135.339, the maternity home tax credit created pursuant
32 to section 135.600, and the shared care tax credit created pursuant to section 660.055, RSMo;

33 (7) "Entrepreneurial tax credits", the capital tax credit created pursuant to sections
34 135.400 to 135.429, the certified capital company tax credit created pursuant to sections 135.500
35 to 135.529, the seed capital tax credit created pursuant to sections 348.300 to 348.318, RSMo,
36 the new enterprise creation tax credit created pursuant to sections 620.635 to 620.653, RSMo,
37 the research tax credit created pursuant to section 620.1039, RSMo, the small business incubator
38 tax credit created pursuant to section 620.495, RSMo, the guarantee fee tax credit created
39 pursuant to section 135.766, and the new generation cooperative tax credit created pursuant to
40 sections 32.105 to 32.125, RSMo;

41 (8) "Environmental tax credits", the charcoal producer tax credit created pursuant to
42 section 135.313, the wood energy tax credit created pursuant to sections 135.300 to 135.311[,
43 and the manufacturing and recycling flexible cellulose casing tax credit created pursuant to
44 section 260.285, RSMo];

45 (9) "Housing tax credits", the neighborhood preservation tax credit created pursuant to
46 sections 135.475 to 135.487, the low-income housing tax credit created pursuant to sections
47 135.350 to 135.363, and the affordable housing tax credit created pursuant to sections 32.105 to
48 32.125, RSMo;

49 (10) "Recipient", the individual or entity who is the original applicant for and who
50 receives proceeds from a tax credit program directly from the administering agency, the person
51 or entity responsible for the reporting requirements established in section 135.805;

52 (11) "Redevelopment tax credits", the historic preservation tax credit created pursuant
53 to sections 253.545 to 253.561, RSMo, the brownfield redevelopment program tax credit created
54 pursuant to sections 447.700 to 447.718, RSMo, the community development corporations tax
55 credit created pursuant to sections 135.400 to 135.430, the infrastructure tax credit created
56 pursuant to subsection 6 of section 100.286, RSMo, the bond guarantee tax credit created
57 pursuant to section 100.297, RSMo, and the disabled access tax credit created pursuant to section
58 135.490;

59 (12) "Training and educational tax credits", the community college new jobs tax credit
60 created pursuant to sections 178.892 to 178.896, RSMo[, the skills development account tax
61 credit created pursuant to sections 620.1400 to 620.1460, RSMo, the mature worker tax credit
62 created pursuant to section 620.1560, RSMo, and the sponsorship and mentoring tax credit
63 created pursuant to section 135.348].

**135.803. A taxpayer shall not be deemed ineligible for any state tax credit program
2 in effect or hereinafter established on the basis that there exists a conflict of interest due
3 to a relationship of any degree or affinity to any statewide elected official or member of the**

4 general assembly, when the person of relation holds less than a two percent equity interest
5 in the taxpayer.

135.805. 1. A recipient of a community development tax credit shall annually, for a
2 period of three years following issuance of tax credits, provide to the administering agency
3 information confirming the title and location of the corresponding project, the estimated or actual
4 time period for completion of the project, and all geographic areas impacted by the project.

5 2. A recipient of a redevelopment tax credit shall annually, for a period of three years
6 following issuance of tax credits, provide to the administering agency information confirming
7 whether the property is used for residential, commercial, or governmental purposes, and the
8 projected or actual project cost, labor cost, and date of completion.

9 3. A recipient of a business recruitment tax credit shall annually, for a period of three
10 years following issuance of tax credits, provide to the administering agency information
11 confirming the category of business by size, the address of the business headquarters and all
12 offices located within this state, the number of employees at the time of the annual update, an
13 updated estimate of the number of employees projected to increase as a result of the completion
14 of the project, and the estimated or actual project cost.

15 4. A recipient of a training and educational tax credit shall annually, for a period of three
16 years following issuance of tax credits, provide to the administering agency information
17 confirming the name and address of the educational institution used, the average salary of
18 workers served as of such annual update, the estimated or actual project cost, and the number of
19 employees and number of students served as of such annual update.

20 5. A recipient of a housing tax credit shall annually, for a period of three years following
21 issuance of tax credits, provide to the administering agency information confirming the address
22 of the property, the fair market value of the property, as defined in subsection 6 of section
23 135.802, and the projected or actual labor cost and completion date of the project.

24 6. A recipient of an entrepreneurial tax credit shall annually, for a period of three years
25 following issuance of tax credits, provide to the administering agency information confirming
26 the amount of investment and the names of the project, fund, and research project.

27 7. A recipient of an agricultural tax credit shall annually, for a period of three years
28 following issuance of tax credits, provide to the administering agency information confirming
29 the type of agricultural commodity, the amount of contribution, the type of equipment purchased,
30 and the name and description of the facility, except that if the agricultural credit is issued as a
31 result of a producer member investing in a new generation processing entity then the new
32 generation processing entity, and not the recipient, shall annually, for a period of three years
33 following issuance of tax credits, provide to the administering agency information confirming

34 the type of agricultural commodity, the amount of contribution, the type of equipment purchased,
35 and the name and description of the facility.

36 8. A recipient of an environmental tax credit shall annually, for a period of three years
37 following issuance of tax credits, provide to the administering agency information detailing any
38 change to the type of equipment purchased, if applicable, and any change to any environmental
39 impact statement, if such statement is required by state or federal law.

40 9. The reporting requirements established in this section shall be due annually on June
41 thirtieth of each year. No person or entity shall be required to make an annual report until at least
42 one year after the credit issuance date.

43 10. Where the sole requirement for receiving a tax credit in the enabling legislation of
44 any tax credit is an obligatory assessment upon a taxpayer or a monetary contribution to a
45 particular group or entity, the reporting requirements provided in this section shall apply to the
46 recipient of such assessment or contribution and shall not apply to the assessed nor the
47 contributor.

48 11. Where the enacting statutes of a particular tax credit program or the rules of a
49 particular administering agency require reporting of information that includes the information
50 required in sections 135.802 to 135.810, upon reporting of the required information, the
51 applicant shall be deemed to be in compliance with the requirements of sections 135.802 to
52 135.810. The administering agency shall notify in writing the department of economic
53 development of the administering agency's status as custodian of any particular tax credit
54 program and that all records pertaining to the program are available at the administering agency's
55 office for review by the department of economic development.

56 12. The provisions of subsections 1 to 10 of this section shall apply beginning on June
57 30, 2005.

58 **13. Notwithstanding provisions of law to the contrary, every agency of this state**
59 **charged with administering a tax credit program authorized under the laws of this state**
60 **shall make available for public inspection the name of each tax credit recipient and the**
61 **amount of tax credits issued to each such recipient.**

135.815. 1. Prior to authorization of any tax credit application, an administering agency
2 shall verify through the department of revenue that the tax credit applicant does not owe any
3 delinquent income, sales, or use taxes, or interest or penalties on such taxes, and through the
4 department of insurance that the applicant does not owe any delinquent insurance taxes. Such
5 delinquency shall not affect the authorization of the application for such tax credits, except that
6 the amount of credits issued shall be reduced by the applicant's tax delinquency. If the
7 department of revenue or the department of insurance concludes that a taxpayer is delinquent
8 after June fifteenth but before July first of any year, and the application of tax credits to such

9 delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be
10 granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall
11 be tolled. After applying all available credits towards a tax delinquency, the administering
12 agency shall notify the appropriate department, and that department shall update the amount of
13 outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all
14 insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the
15 applicant, subject to the restrictions of other provisions of law.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

46 7. The number of new business facility employees during any taxable year shall be
47 determined by dividing by twelve the sum of the number of individuals employed on the last
48 business day of each month of such taxable year. If the new business facility is in operation for
49 less than the entire taxable year, the number of new business facility employees shall be
50 determined by dividing the sum of the number of individuals employed on the last business day
51 of each full calendar month during the portion of such taxable year during which the new
52 business facility was in operation by the number of full calendar months during such period. For
53 the purpose of computing the credit allowed by this section in the case of a facility which
54 qualifies as a new business facility under subsection 6 of this section, and in the case of a new
55 business facility which satisfies the requirements of paragraph (c) of subdivision (14) of section
56 135.950, or subdivision (22) of section 135.950, the number of new business facility employees
57 at such facility shall be reduced by the average number of individuals employed, computed as

58 provided in this subsection, at the facility during the taxable year immediately preceding the
59 taxable year in which such expansion, acquisition, or replacement occurred and shall further be
60 reduced by the number of individuals employed by the taxpayer or related taxpayer that was
61 subsequently transferred to the new business facility from another Missouri facility and for which
62 credits authorized in this section are not being earned, whether such credits are earned because
63 of an expansion, acquisition, relocation, or the establishment of a new facility.

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

71 9. For the purpose of computing the credit allowed by this section in the case of a facility
72 which qualifies as a new business facility pursuant to subsection 6 of this section, and in the case
73 of a new business facility which satisfies the requirements of paragraph (c) of subdivision (14)
74 of section 135.950 or subdivision (22) of section 135.950, the amount of the taxpayer's new
75 business facility investment in such facility shall be reduced by the average amount, computed
76 as provided in subdivision (14) of section 135.950 for new business facility investment, of the
77 investment of the taxpayer, or related taxpayer immediately preceding such expansion or
78 replacement or at the time of acquisition. Furthermore, the amount of the taxpayer's new
79 business facility investment shall also be reduced by the amount of investment employed by the
80 taxpayer or related taxpayer which was subsequently transferred to the new business facility from
81 another Missouri facility and for which credits authorized in this section are not being earned,
82 whether such credits are earned because of an expansion, acquisition, relocation, or the
83 establishment of a new facility.

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

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

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

93 information reasonably requested by the department. The sale price cannot be less than
94 seventy-five percent of the par value of such credits.

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

97 14. Prior to the issuance of tax credits, the department shall verify through the
98 department of revenue, or any other state department, that the tax credit applicant does not owe
99 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent
100 fees or assessments levied by any state department and through the department of insurance that
101 the applicant does not owe any delinquent insurance taxes. Such delinquency shall not affect the
102 authorization of the application for such tax credits, except that the amount of credits issued shall
103 be reduced by the applicant's tax delinquency. If the department of revenue or the department
104 of insurance, or any other state department, concludes that a taxpayer is delinquent after June
105 fifteenth but before July first of any year and the application of tax credits to such delinquency
106 causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty
107 days to satisfy the deficiency in which interest, penalties, and additions to tax shall be tolled.
108 After applying all available credits toward a tax delinquency, the administering agency shall
109 notify the appropriate department, and that department shall update the amount of outstanding
110 delinquent tax owed by the applicant. If any credits remain after satisfying all insurance, income,
111 sales, and use tax delinquencies, the remaining credits shall be issued to the applicant, subject
112 to the restrictions of other provisions of law.

137.115. 1. All other laws to the contrary notwithstanding, the assessor or the assessor's
2 deputies in all counties of this state including the city of St. Louis shall annually make a list of
3 all real and tangible personal property taxable in the assessor's city, county, town or district.
4 Except as otherwise provided in subsection 3 of this section and section 137.078, the assessor
5 shall annually assess all personal property at thirty-three and one-third percent of its true value
6 in money as of January first of each calendar year. The assessor shall annually assess all real
7 property, including any new construction and improvements to real property, and possessory
8 interests in real property at the percent of its true value in money set in subsection 5 of this
9 section. **The true value in money of any possessory interest in real property in subclass (3),**
10 **where such real property is on or lies within the ultimate airport boundary as shown by**
11 **a federal airport layout plan, as defined by 14 CFR 151.5 of a commercial airport having**
12 **a FAR Part 139 certification and owned by a political subdivision, shall be the otherwise**
13 **applicable true value in money of any such possessory interest in real property, less the**
14 **total dollar amount of costs paid by a party, other than the political subdivision, towards**
15 **any new construction or improvements on such real property completed after January 1,**
16 **2008, and which are included in the above-mentioned possessory interest, regardless of the**

17 **year in which such costs were incurred or whether such costs were considered in any prior**
18 **year.** The assessor shall annually assess all real property in the following manner: new assessed
19 values shall be determined as of January first of each odd-numbered year and shall be entered
20 in the assessor's books; those same assessed values shall apply in the following even-numbered
21 year, except for new construction and property improvements which shall be valued as though
22 they had been completed as of January first of the preceding odd-numbered year. The assessor
23 may call at the office, place of doing business, or residence of each person required by this
24 chapter to list property, and require the person to make a correct statement of all taxable tangible
25 personal property owned by the person or under his or her care, charge or management, taxable
26 in the county. On or before January first of each even-numbered year, the assessor shall prepare
27 and submit a two-year assessment maintenance plan to the county governing body and the state
28 tax commission for their respective approval or modification. The county governing body shall
29 approve and forward such plan or its alternative to the plan to the state tax commission by
30 February first. If the county governing body fails to forward the plan or its alternative to the plan
31 to the state tax commission by February first, the assessor's plan shall be considered approved
32 by the county governing body. If the state tax commission fails to approve a plan and if the state
33 tax commission and the assessor and the governing body of the county involved are unable to
34 resolve the differences, in order to receive state cost-share funds outlined in section 137.750, the
35 county or the assessor shall petition the administrative hearing commission, by May first, to
36 decide all matters in dispute regarding the assessment maintenance plan. Upon agreement of the
37 parties, the matter may be stayed while the parties proceed with mediation or arbitration upon
38 terms agreed to by the parties. The final decision of the administrative hearing commission shall
39 be subject to judicial review in the circuit court of the county involved. In the event a valuation
40 of subclass (1) real property within any county with a charter form of government, or within a
41 city not within a county, is made by a computer, computer-assisted method or a computer
42 program, the burden of proof, supported by clear, convincing and cogent evidence to sustain such
43 valuation, shall be on the assessor at any hearing or appeal. In any such county, unless the
44 assessor proves otherwise, there shall be a presumption that the assessment was made by a
45 computer, computer-assisted method or a computer program. Such evidence shall include, but
46 shall not be limited to, the following:

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

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

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

52 (b) Such properties are not more than one mile from the site of the disputed property,
53 except where no similar properties exist within one mile of the disputed property, the nearest
54 comparable property shall be used. Such property shall be within five hundred square feet in size
55 of the disputed property, and resemble the disputed property in age, floor plan, number of rooms,
56 and other relevant characteristics.

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

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

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

64 (2) Livestock, twelve percent;

65 (3) Farm machinery, twelve percent;

66 (4) Motor vehicles which are eligible for registration as and are registered as historic
67 motor vehicles pursuant to section 301.131, RSMo, and aircraft which are at least twenty-five
68 years old and which are used solely for noncommercial purposes and are operated less than fifty
69 hours per year or aircraft that are home built from a kit, five percent;

70 (5) Poultry, twelve percent; and

71 (6) Tools and equipment used for pollution control and tools and equipment used in
72 retooling for the purpose of introducing new product lines or used for making improvements to
73 existing products by any company which is located in a state enterprise zone and which is
74 identified by any standard industrial classification number cited in subdivision (6) of section
75 135.200, RSMo, twenty-five percent.

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

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

83 (1) For real property in subclass (1), nineteen percent;

84 (2) For real property in subclass (2), twelve percent; and

85 (3) For real property in subclass (3), thirty-two percent.

86 6. Manufactured homes, as defined in section 700.010, RSMo, which are actually used
87 as dwelling units shall be assessed at the same percentage of true value as residential real

88 property for the purpose of taxation. The percentage of assessment of true value for such
89 manufactured homes shall be the same as for residential real property. If the county collector
90 cannot identify or find the manufactured home when attempting to attach the manufactured home
91 for payment of taxes owed by the manufactured home owner, the county collector may request
92 the county commission to have the manufactured home removed from the tax books, and such
93 request shall be granted within thirty days after the request is made; however, the removal from
94 the tax books does not remove the tax lien on the manufactured home if it is later identified or
95 found. A manufactured home located in a manufactured home rental park, rental community or
96 on real estate not owned by the manufactured home owner shall be considered personal property.
97 A manufactured home located on real estate owned by the manufactured home owner may be
98 considered real property.

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

103 8. Any amount of tax due and owing based on the assessment of a manufactured home
104 shall be included on the personal property tax statement of the manufactured home owner unless
105 the manufactured home has been converted to real property in compliance with section 700.111,
106 RSMo, in which case the amount of tax due and owing on the assessment of the manufactured
107 home as a realty improvement to the existing real estate parcel shall be included on the real
108 property tax statement of the real estate owner.

109 9. The assessor of each county and each city not within a county shall use the trade-in
110 value published in the October issue of the National Automobile Dealers' Association Official
111 Used Car Guide, or its successor publication, as the recommended guide of information for
112 determining the true value of motor vehicles described in such publication. In the absence of a
113 listing for a particular motor vehicle in such publication, the assessor shall use such information
114 or publications which in the assessor's judgment will fairly estimate the true value in money of
115 the motor vehicle.

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

120 11. If a physical inspection is required, pursuant to subsection 10 of this section, the
121 assessor shall notify the property owner of that fact in writing and shall provide the owner clear
122 written notice of the owner's rights relating to the physical inspection. If a physical inspection
123 is required, the property owner may request that an interior inspection be performed during the

124 physical inspection. The owner shall have no less than thirty days to notify the assessor of a
125 request for an interior physical inspection.

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

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

135 14. A county or city collector may accept credit cards as proper form of payment of
136 outstanding property tax or license due. No county or city collector may charge surcharge for
137 payment by credit card which exceeds the fee or surcharge charged by the credit card bank,
138 processor, or issuer for its service. A county or city collector may accept payment by electronic
139 transfers of funds in payment of any tax or license and charge the person making such payment
140 a fee equal to the fee charged the county by the bank, processor, or issuer of such electronic
141 payment.

142 15. Any county or city not within a county in this state may, by an affirmative vote of
143 the governing body of such county, opt out of the provisions of this section and sections 137.073,
144 138.060, and 138.100, RSMo, as enacted by house bill no. 1150 of the ninety-first general
145 assembly, second regular session and section 137.073 as modified by [this act] **house committee**
146 **substitute for senate substitute for senate committee substitute for senate bill no. 960,**
147 **ninety-second general assembly, second regular session,** for the next year of the general
148 reassessment, prior to January first of any year. No county or city not within a county shall
149 exercise this opt-out provision after implementing the provisions of this section and sections
150 137.073, 138.060, and 138.100, RSMo, as enacted by house bill no. 1150 of the ninety-first
151 general assembly, second regular session and section 137.073 as modified by [this act] **house**
152 **committee substitute for senate substitute for senate committee substitute for senate bill**
153 **no. 960, ninety-second general assembly, second regular session,** in a year of general
154 reassessment. For the purposes of applying the provisions of this subsection, a political
155 subdivision contained within two or more counties where at least one of such counties has opted
156 out and at least one of such counties has not opted out shall calculate a single tax rate as in effect
157 prior to the enactment of house bill no. 1150 of the ninety-first general assembly, second regular
158 session. A governing body of a city not within a county or a county that has opted out under the
159 provisions of this subsection may choose to implement the provisions of this section and sections

160 137.073, 138.060, and 138.100, RSMo, as enacted by house bill no. 1150 of the ninety-first
161 general assembly, second regular session, and section 137.073 as modified by [this act] **house**
162 **committee substitute for senate substitute for senate committee substitute for senate bill**
163 **no. 960, ninety-second general assembly, second regular session**, for the next year of general
164 reassessment, by an affirmative vote of the governing body prior to December thirty-first of any
165 year.

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

144.057. In addition to the exemptions granted under this chapter, there shall also
2 **be specifically exempted from state and local sales and use taxes defined, levied, or**
3 **calculated under section 32.085, RSMo, sections 144.010 to 144.525, sections 144.600 to**
4 **144.761, or section 238.235, RSMo, all tangible personal property included on the United**
5 **States munitions list, as provided in 22 CFR 121.1, sold to or purchased by any foreign**
6 **government or agency or instrumentality of such foreign government which is used for a**
7 **governmental purpose.**

348.436. The provisions of sections 348.430 to 348.436 shall expire December 31,
2 [2010] **2016.**

353.150. 1. Any urban redevelopment corporation may borrow funds and secure the
2 repayment thereof by mortgage which shall contain reasonable amortization provisions and shall
3 be a lien upon no other real property except that forming the whole or a part of a single
4 development area.

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

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

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

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

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

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

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

21 4. Any urban redevelopment corporation may sell or otherwise dispose of any or all of
22 the real property acquired by it for the purposes of a redevelopment project. In the event of the
23 sale or other disposition of real property of any urban redevelopment corporation by reason of
24 the foreclosure of any mortgage or other lien, through insolvency or bankruptcy proceedings, by
25 order of any court of competent jurisdiction, by voluntary transfer or otherwise, and the
26 purchaser of such real property of such redevelopment corporation shall continue to use, operate
27 and maintain such real property in accordance with the provisions of any development plan, the
28 legislative authority of any city affected by the provisions of this chapter, may grant the partial
29 tax relief provided in section 353.110; but if such real property shall be used for a purpose
30 different than that described in the redevelopment plan, or in the event that the purchaser does
31 not desire the property to continue under the redevelopment plan, or if the legislative authority
32 shall refuse to grant the purchaser continuing tax relief, the real property shall be assessed for
33 ad valorem taxes upon the full true value of the real property and may be owned and operated
34 free from any of the conditions, restrictions or provisions of this chapter. **Nothing in this**
35 **chapter, any development plan, or any contract shall impose a limitation on earnings as a**
36 **condition to the granting of partial tax relief provided in section 353.110 to a purchaser**
37 **described in this subsection that is not an urban redevelopment corporation or life**
38 **insurance company operating as an urban redevelopment corporation.**

39 **5. Any limitation on earnings imposed on any purchaser that is not an urban**
40 **redevelopment corporation or life insurance company operating as an urban**
41 **redevelopment corporation under any existing or future redevelopment plan or any**
42 **existing or future contract shall be void.**

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

9 tax otherwise imposed by chapter 147, RSMo, or the tax otherwise imposed by chapter 148,
10 RSMo. For purposes of this subsection:

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

16 (2) For receipt of the income tax exemption pursuant to section 135.220, RSMo, and tax
17 credit for new or expanded business facilities pursuant to sections 135.100 to 135.150, and
18 135.225, RSMo, the eligible project must create at least ten new jobs or retain businesses which
19 supply at least twenty-five existing jobs, or combination thereof. For purposes of sections
20 447.700 to 447.718, the tax credits described in section 135.225, RSMo, are modified as follows:
21 the tax credit shall be four hundred dollars per employee per year, an additional four hundred
22 dollars per year for each employee exceeding the minimum employment thresholds of ten and
23 twenty-five jobs for new and existing businesses, respectively, an additional four hundred dollars
24 per year for each person who is "a person difficult to employ" as defined by section 135.240,
25 RSMo, and investment tax credits at the same amounts and levels as provided in subdivision (4)
26 of subsection 1 of section 135.225, RSMo;

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

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

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

37 (6) The taxpayer may claim the state tax credits authorized by this subsection and the
38 state income exemption for a period not in excess of ten consecutive tax years. For the purpose
39 of this section, "taxpayer" means an individual proprietorship, partnership or corporation
40 described in section 143.441 or 143.471, RSMo, who operates an eligible project. The director
41 shall determine the number of years the taxpayer may claim the state tax credits and the state
42 income exemption based on the projected net state economic benefits attributed to the eligible
43 project;

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

54 (8) For the purpose of meeting the existing job retention requirement, if the eligible
55 project replaces a similar facility that closed elsewhere in Missouri prior to the end of the
56 taxpayer's tax period in which the tax credits are earned, it shall be required that at least
57 twenty-five existing jobs be retained at, and in connection with the eligible project, on a full-time
58 basis during the taxpayer's tax period for which the credits are earned. "Retained job" means a
59 person who was previously employed by the taxpayer or related taxpayer, at a facility similar to
60 the eligible project that closed elsewhere in Missouri prior to the end of the taxpayer's tax period
61 in which the tax credits are earned, within the tax period immediately preceding the time the
62 person was employed by the taxpayer to work at, or in connection with, the eligible project on
63 a full-time basis. "Full-time basis" means the employee works an average of at least thirty-five
64 hours per week during the taxpayer's tax period for which the tax credits are earned;

65 (9) In the case where an eligible project replaces a similar facility that closed elsewhere
66 in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, the
67 owner and operator of the eligible project shall provide the director with a written statement
68 explaining the reason for discontinuing operations at the closed facility. The statement shall
69 include a comparison of the activities performed at the closed facility prior to the date the facility
70 ceased operating, to the activities performed at the eligible project, and a detailed account
71 describing the need and rationale for relocating to the eligible project. If the director finds the
72 relocation to the eligible project significantly impaired the economic stability of the area in
73 which the closed facility was located, and that such move was detrimental to the overall
74 economic development efforts of the state, the director may deny the taxpayer's request to claim
75 tax benefits;

76 (10) Notwithstanding any provision of law to the contrary, for the purpose of this
77 section, the number of new jobs created and maintained, the number of existing jobs retained,
78 and the value of new qualified investment used at the eligible project during any tax year shall
79 be determined by dividing by twelve, in the case of jobs, the sum of the number of individuals

80 employed at the eligible project, or in the case of new qualified investment, the value of new
81 qualified investment used at the eligible project, on the last business day of each full calendar
82 month of the tax year. If the eligible project is in operation for less than the entire tax year, the
83 number of new jobs created and maintained, the number of existing jobs retained, and the value
84 of new qualified investment created at the eligible project during any tax year shall be
85 determined by dividing the sum of the number of individuals employed at the eligible project,
86 or in the case of new qualified investment, the value of new qualified investment used at the
87 eligible project, on the last business day of each full calendar month during the portion of the tax
88 year during which the eligible project was in operation, by the number of full calendar months
89 during such period;

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

95 2. The determination of the director of economic development pursuant to subsection
96 1 of this section, shall not affect requirements for the prospective purchaser to obtain the
97 approval of the granting of real property tax abatement by the municipal or county government
98 where the eligible project is located.

99 3. (1) The director of the department of economic development, with the approval of
100 the director of the department of natural resources, may, in addition to the tax credits allowed
101 in subsection 1 of this section, grant a remediation tax credit to the applicant for up to one
102 hundred percent of the costs of materials, supplies, equipment, labor, professional engineering,
103 consulting and architectural fees, permitting fees and expenses, demolition, asbestos abatement,
104 and direct utility charges for performing the voluntary remediation activities for the preexisting
105 hazardous substance contamination and releases, including, but not limited to, the costs of
106 performing operation and maintenance of the remediation equipment at the property beyond the
107 year in which the systems and equipment are built and installed at the eligible project and the
108 costs of performing the voluntary remediation activities over a period not in excess of four tax
109 years following the taxpayer's tax year in which the system and equipment were first put into use
110 at the eligible project, provided the remediation activities are the subject of a plan submitted to,
111 and approved by, the director of natural resources pursuant to sections 260.565 to 260.575,
112 RSMo. **The tax credit may also include up to one hundred percent of the costs of**
113 **demolition that are not directly part of the remediation activities, provided that the**
114 **demolition is on the property where the voluntary remediation activities are occurring, the**
115 **demolition is necessary to accomplish the planned use of the facility where the remediation**

activities are occurring, and the demolition is part of a redevelopment plan approved by the municipal or county government and the department of economic development. The demolition may occur on an adjacent property if the project is located in a municipality which has a population less than twenty thousand and the above conditions are otherwise met. The adjacent property shall independently qualify as abandoned or underutilized. The amount of the credit available for demolition not associated with remediation can not exceed the total amount of credits approved for remediation including demolition required for remediation.

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

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

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

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

[(6)] (5) No more than seventy-five percent of earned remediation tax credits may be issued when the remediation costs were paid, and the remaining percentage may be issued when the department of natural resources issues a "Letter of Completion" letter or covenant not to sue following completion of the voluntary remediation activities. It shall not include any costs associated with ongoing operational environmental compliance of the facility or remediation

151 costs arising out of spills, leaks, or other releases arising out of the ongoing business operations
152 of the facility.

153 4. In the exercise of the sound discretion of the director of the department of economic
154 development or the director's designee, the tax credits and exemptions described in this section
155 may be terminated, suspended or revoked, if the eligible project fails to continue to meet the
156 conditions set forth in this section. In making such a determination, the director shall consider
157 the severity of the condition violation, actions taken to correct the violation, the frequency of any
158 condition violations and whether the actions exhibit a pattern of conduct by the eligible facility
159 owner and operator. The director shall also consider changes in general economic conditions and
160 the recommendation of the director of the department of natural resources, or his or her designee,
161 concerning the severity, scope, nature, frequency and extent of any violations of the
162 environmental compliance conditions. The taxpayer or person claiming the tax credits or
163 exemptions may appeal the decision regarding termination, suspension or revocation of any tax
164 credit or exemption in accordance with the procedures outlined in subsections 4 to 6 of section
165 135.250, RSMo. The director of the department of economic development shall notify the
166 directors of the departments of natural resources and revenue of the termination, suspension or
167 revocation of any tax credits as determined in this section or pursuant to the provisions of section
168 447.716.

169 5. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax
170 credits, exemptions or refund otherwise allowed in subdivisions (2), (3) and (4) of subsection
171 1 of this section and the tax credits otherwise allowed in section 135.110, RSMo, or the tax
172 credits, exemptions and refund otherwise allowed in sections 135.215, 135.220, 135.225 and
173 135.245, RSMo, respectively, for the same facility for the same tax period.

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

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

177 (2) One hundred percent of the total business' income tax if the eligible facility does not
178 replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax
179 period in which the tax credits are earned, and further provided the taxpayer does not operate any
180 other facilities besides the eligible project in Missouri; fifty percent of the total business' income
181 tax if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the
182 end of the taxpayer's tax period in which the credits are earned, and further provided the taxpayer
183 does not operate any other facilities besides the eligible project in Missouri; or twenty-five
184 percent of the total business income if the taxpayer operates, in addition to the eligible facility,
185 any other facilities in Missouri. In no case shall a taxpayer operating more than one eligible
186 project in Missouri be allowed to offset more than twenty-five percent of the taxpayer's business

187 income in any tax period. That portion of the taxpayer's income attributed to the eligible project
188 as referenced in subdivision (1) of this subsection, for which the credits allowed in sections
189 135.110 and 135.225, RSMo, and subsection 3 of this section, may apply, shall be determined
190 in the same manner as prescribed in subdivision (6) of section 135.100, RSMo. That portion of
191 the taxpayer's franchise tax attributed to the eligible project for which the remediation tax credit
192 may offset, shall be determined in the same manner as prescribed in paragraph (a) of subdivision
193 (6) of section 135.100, RSMo.

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

202 8. Taxpayers claiming the remediation tax credit allowed in subsection 3 of this section
203 shall be required to file all applicable tax credit applications, forms and schedules prescribed by
204 the director during the taxpayer's tax period immediately after the tax period in which the eligible
205 project was first put into use, or during the taxpayer's tax period immediately after the tax period
206 in which the voluntary remediation activities were performed.

207 9. The recipient of remediation tax credits, for the purpose of this subsection referred to
208 as assignor, may assign, sell or transfer, in whole or in part, the remediation tax credit allowed
209 in subsection 3 of this section, to any other person, for the purpose of this subsection referred to
210 as assignee. To perfect the transfer, the assignor shall provide written notice to the director of
211 the assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective,
212 the assignee's name, address and the assignee's tax period and the amount of tax credits to be
213 transferred. The number of tax periods during which the assignee may subsequently claim the
214 tax credits shall not exceed twenty tax periods, less the number of tax periods the assignor
215 previously claimed the credits before the transfer occurred.

216 10. In the case where an operator and assignor of an eligible project has been certified
217 to claim state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section, and
218 sells or otherwise transfers title of the eligible project to another taxpayer or assignee who
219 continues the same or substantially similar operations at the eligible project, the director shall
220 allow the assignee to claim the credits for a period of time to be determined by the director;
221 except that, the total number of tax periods the tax credits may be earned by the assignor and the
222 assignee shall not exceed ten. To perfect the transfer, the assignor shall provide written notice

223 to the director of the assignor's intent to transfer the tax credits to the assignee, the date the
224 transfer is effective, the assignee's name, address, and the assignee's tax period, and the amount
225 of tax credits to be transferred.

226 11. For the purpose of the state tax benefits described in this section, in the case of a
227 corporation described in section 143.471, RSMo, or partnership, in computing Missouri's tax
228 liability, such state benefits shall be allowed to the following:

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

230 (2) The partners of the partnership.

231

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

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

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

14 **3. There is hereby established in the state treasury, the "Entrepreneurial
15 Development and Intellectual Property Right Protection Fund" to be held separate and
16 apart from all other public moneys and funds of the state. The entrepreneurial
17 development and intellectual property right protection fund may accept state and federal
18 appropriations, grants, bequests, gifts, fees and awards to be held for use by the
19 entrepreneurial development council. Notwithstanding provisions of section 33.080,
20 RSMo, to the contrary, moneys remaining in the fund at the end of any biennium shall not
21 revert to general revenue.**

22 **4. Upon notification of an alleged infringement of intellectual property rights of a
23 entrepreneur, the entrepreneurial development council shall evaluate such allegations of
24 infringement and may, based upon need, award grants or financial assistance to subsidize**

25 legal expenses incurred in instituting legal action necessary to remedy the alleged
26 infringement. Pursuant to rules promulgated by the department, the entrepreneurial
27 development council may allocate moneys from entrepreneurial development and
28 intellectual property right protection fund, in the form of low interest loans and grants, to
29 registered entrepreneurs for the purpose of providing financial aid for product
30 development, manufacturing, and advertising of new products.

31 **5. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo,**
32 **that is created under the authority delegated in this section shall become effective only if**
33 **it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if**
34 **applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable**
35 **and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo,**
36 **to review, to delay the effective date, or to disapprove and annul a rule are subsequently**
37 **held unconstitutional, then the grant of rulemaking authority and any rule proposed or**
38 **adopted after August 28, 2008, shall be invalid and void.**

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

- 3 (1) "Approval", a document submitted by the department to the qualified company that
4 states the benefits that may be provided by this program;
- 5 (2) "Average wage", the new payroll divided by the number of new jobs;
- 6 (3) "Commencement of operations", the starting date for the qualified company's first
7 new employee, which must be no later than twelve months from the date of the approval;
- 8 (4) "County average wage", the average wages in each county as determined by the
9 department for the most recently completed full calendar year. However, if the computed county
10 average wage is above the statewide average wage, the statewide average wage shall be deemed
11 the county average wage for such county for the purpose of determining eligibility. The
12 department shall publish the county average wage for each county at least annually.
13 Notwithstanding the provisions of this subdivision to the contrary, for any qualified company
14 that in conjunction with their project is relocating employees from a Missouri county with a
15 higher county average wage, the company shall obtain the endorsement of the governing body
16 of the community from which jobs are being relocated or the county average wage for their
17 project shall be the county average wage for the county from which the employees are being
18 relocated;
- 19 (5) "Department", the Missouri department of economic development;
- 20 (6) "Director", the director of the department of economic development;
- 21 (7) "Employee", a person employed by a qualified company;

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

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

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

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

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

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

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

51 (15) "New payroll", the amount of taxable wages of full-time employees, excluding
52 owners, located at the project facility that exceeds the project facility base payroll. If full-time
53 employment at related facilities is below the related facility base employment, any decrease in
54 payroll for full-time employees at the related facilities below that related facility base payroll
55 shall also be subtracted to determine new payroll;

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

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

61 (18) "Program", the Missouri quality jobs program provided in sections 620.1875 to
62 620.1890;

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

67 (20) "Project facility base employment", the greater of the number of full-time
68 employees located at the project facility on the date of the notice of intent or for the
69 twelve-month period prior to the date of the notice of intent, the average number of full-time
70 employees located at the project facility. In the event the project facility has not been in
71 operation for a full twelve-month period, the average number of full-time employees for the
72 number of months the project facility has been in operation prior to the date of the notice of
73 intent;

74 (21) "Project facility base payroll", the total amount of taxable wages paid by the
75 qualified company to full-time employees of the qualified company located at the project facility
76 in the twelve months prior to the notice of intent, not including the payroll of the owners of the
77 qualified company unless the qualified company is participating in an employee stock ownership
78 plan. For purposes of calculating the benefits under this program, the amount of base payroll
79 shall increase each year based on an appropriate measure, as determined by the department;

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

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

- 88 (a) Gambling establishments (NAICS industry group 7132);
89 (b) Retail trade establishments (NAICS sectors 44 and 45);
90 (c) Food and drinking places (NAICS subsector 722);
91 (d) Public utilities (NAICS 221 including water and sewer services);

- 92 (e) Any company that is delinquent in the payment of any nonprotested taxes or any
93 other amounts due the state or federal government or any other political subdivision of this state;
94 (f) Any company that has filed for or has publicly announced its intention to file for
95 bankruptcy protection;
96 (g) Educational services (NAICS sector 61);
97 (h) Religious organizations (NAICS industry group 8131); [or]
98 (i) Public administration (NAICS sector 92);
99 **(j) Ethanol distillation or production; or**
100 **(k) Biodiesel production.**

101

102 Notwithstanding any provision of this section to the contrary, the headquarters or administrative
103 offices of an otherwise excluded business may qualify for benefits if the offices serve a multistate
104 territory. In the event a national, state, or regional headquarters operation is not the predominant
105 activity of a project facility, the new jobs and investment of such headquarters operation is
106 considered eligible for benefits under this section if the other requirements are satisfied;

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

109 **(a) Open-looped biomass;**

110 **(b) Close-looped biomass;**

111 **(c) Solar;**

112 **(d) Wind;**

113 **(e) Geothermal; and**

114 **(f) Hydropower;**

115 **(25) "Related company" means:**

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

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

119 (c) Corporations, partnerships, trusts or associations controlled by an individual,
120 corporation, partnership, trust or association in control of the qualified company. As used in this
121 subdivision, control of a corporation shall mean ownership, directly or indirectly, of stock
122 possessing at least fifty percent of the total combined voting power of all classes of stock entitled
123 to vote, control of a partnership or association shall mean ownership of at least fifty percent of
124 the capital or profits interest in such partnership or association, control of a trust shall mean
125 ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal
126 or income of such trust, and ownership shall be determined as provided in Section 318 of the
127 Internal Revenue Code of 1986, as amended;

128 [(25)] (26) "Related facility", a facility operated by the qualified company or a related
129 company located in this state that is directly related to the operations of the project facility;

130 [(26)] (27) "Related facility base employment", the greater of the number of full-time
131 employees located at all related facilities on the date of the notice of intent or for the
132 twelve-month period prior to the date of the notice of intent, the average number of full-time
133 employees located at all related facilities of the qualified company or a related company located
134 in this state;

135 [(27)] (28) "Related facility base payroll", the total amount of taxable wages paid by the
136 qualified company to full-time employees of the qualified company located at a related facility
137 in the twelve months prior to the filing of the notice of intent, not including the payroll of the
138 owners of the qualified company unless the qualified company is participating in an employee
139 stock ownership plan. For purposes of calculating the benefits under this program, the amount
140 of related facility base payroll shall increase each year based on an appropriate measure, as
141 determined by the department;

142 [(28)] (29) "Rural area", a county in Missouri with a population less than seventy-five
143 thousand or that does not contain an individual city with a population greater than fifty thousand
144 according to the most recent federal decennial census;

145 [(29)] (30) "Small and expanding business project", a qualified company that within two
146 years of the date of the approval creates a minimum of twenty new jobs if the project facility is
147 located in a rural area or a minimum of forty new jobs if the project facility is not located in a
148 rural area and creates fewer than one hundred new jobs regardless of the location of the project
149 facility;

150 [(30)] (31) "Tax credits", tax credits issued by the department to offset the state income
151 taxes imposed by chapters 143 and 148, RSMo, or which may be sold or refunded as provided
152 for in this program;

153 [(31)] (32) "Technology business project", a qualified company that within two years of
154 the date of the approval creates a minimum of ten new jobs involved in the operations of a
155 [technology] company:

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

158 (b) **Which owns or leases a facility which produces electricity derived from**
159 **qualified renewable energy sources, or produces fuel for the generation of electricity from**
160 **qualified renewable energy sources, but does not include any company that has received**
161 **the alcohol mixture credit, alcohol credit, or small ethanol producer credit pursuant to 26**
162 **U.S.C. Section 40 of the tax code in the previous tax year; or**

163 (c) Which researches, develops, or manufactures power system technology for:
164 aerospace; space; defense; hybrid vehicles; or implantable or wearable medical devices;
165 [(32)] (33) "Withholding tax", the state tax imposed by sections 143.191 to 143.265,
166 RSMo. For purposes of this program, the withholding tax shall be computed using a schedule
167 as determined by the department based on average wages.

620.1881. 1. The department of economic development shall respond within thirty days
2 to a company who provides a notice of intent with either an approval or a rejection of the notice
3 of intent. The department shall give preference to qualified companies and projects targeted at
4 an area of the state which has recently been classified as a disaster area by the federal
5 government. Failure to respond on behalf of the department of economic development shall
6 result in the notice of intent being deemed an approval for the purposes of this section. A
7 qualified company who is provided an approval for a project shall be allowed a benefit as
8 provided in this program in the amount and duration provided in this section. A qualified
9 company may receive additional periods for subsequent new jobs at the same facility after the
10 full initial period if the minimum thresholds are met as set forth in sections 620.1875 to
11 620.1890. There is no limit on the number of periods a qualified company may participate in the
12 program, as long as the minimum thresholds are achieved and the qualified company provides
13 the department with the required reporting and is in proper compliance for this program or other
14 state programs. A qualified company may elect to file a notice of intent to start a new project
15 period concurrent with an existing project period if the minimum thresholds are achieved and
16 the qualified company provides the department with the required reporting and is in proper
17 compliance for this program and other state programs; however, the qualified company may not
18 receive any further benefit under the original approval for jobs created after the date of the new
19 notice of intent, and any jobs created before the new notice of intent may not be included as new
20 jobs for the purpose of benefit calculation in relation to the new approval.

21 2. Notwithstanding any provision of law to the contrary, any qualified company that is
22 awarded benefits under this program may not simultaneously receive tax credits or exemptions
23 under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections
24 135.900 to 135.906, RSMo, at the same project facility. The benefits available to the company
25 under any other state programs for which the company is eligible and which utilize withholding
26 tax from the new jobs of the company must first be credited to the other state program before the
27 withholding retention level applicable under the Missouri quality jobs act will begin to accrue.
28 These other state programs include, but are not limited to, the new jobs training program under
29 sections 178.892 to 178.896, RSMo, the job retention program under sections 178.760 to
30 178.764, RSMo, the real property tax increment allocation redevelopment act, sections 99.800
31 to 99.865, RSMo, or the Missouri downtown and rural economic stimulus act under sections

32 99.915 to 99.980, RSMo. If any qualified company also participates in the new jobs training
33 program in sections 178.892 to 178.896, RSMo, the company shall retain no withholding tax,
34 but the department shall issue a refundable tax credit for the full amount of benefit allowed under
35 this subdivision. The calendar year annual maximum amount of tax credits which may be issued
36 to a qualifying company that also participates in the new job training program shall be increased
37 by an amount equivalent to the withholding tax retained by that company under the new jobs
38 training program. However, if the combined benefits of the quality jobs program and the new
39 jobs training program exceed the projected state benefit of the project, as determined by the
40 department of economic development through a cost-benefit analysis, the increase in the
41 maximum tax credits shall be limited to the amount that would not cause the combined benefits
42 to exceed the projected state benefit. Any taxpayer who is awarded benefits under this program
43 who knowingly hires individuals who are not allowed to work legally in the United States shall
44 immediately forfeit such benefits and shall repay the state an amount equal to any state tax
45 credits already redeemed and any withholding taxes already retained.

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

47 (1) Small and expanding business projects: in exchange for the consideration provided
48 by the new tax revenues and other economic stimuli that will be generated by the new jobs
49 created by the program, a qualified company may retain an amount equal to the withholding tax
50 as calculated under subdivision (32) of section 620.1878 from the new jobs that would otherwise
51 be withheld and remitted by the qualified company under the provisions of sections 143.191 to
52 143.265, RSMo, for a period of three years from the date the required number of new jobs were
53 created if the average wage of the new payroll equals or exceeds the county average wage or for
54 a period of five years from the date the required number of new jobs were created if the average
55 wage of the new payroll equals or exceeds one hundred twenty percent of the county average
56 wage;

57 (2) Technology business projects: in exchange for the consideration provided by the new
58 tax revenues and other economic stimuli that will be generated by the new jobs created by the
59 program, a qualified company may retain an amount equal to a maximum of five percent of new
60 payroll for a period of five years from the date the required number of jobs were created from
61 the withholding tax of the new jobs that would otherwise be withheld and remitted by the
62 qualified company under the provisions of sections 143.191 to 143.265, RSMo, if the average
63 wage of the new payroll equals or exceeds the county average wage. An additional one-half
64 percent of new payroll may be added to the five percent maximum if the average wage of the
65 new payroll in any year exceeds one hundred twenty percent of the county average wage in the
66 county in which the project facility is located, plus an additional one-half percent of new payroll
67 may be added if the average wage of the new payroll in any year exceeds one hundred forty

68 percent of the average wage in the county in which the project facility is located. The department
69 shall issue a refundable tax credit for any difference between the amount of benefit allowed
70 under this subdivision and the amount of withholding tax retained by the company, in the event
71 the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified
72 company under this subdivision. The calendar year annual maximum amount of tax credits that
73 may be issued to any qualified company for a project or combination of projects is five hundred
74 thousand dollars;

75 (3) High impact projects: in exchange for the consideration provided by the new tax
76 revenues and other economic stimuli that will be generated by the new jobs created by the
77 program, a qualified company may retain an amount from the withholding tax of the new jobs
78 that would otherwise be withheld and remitted by the qualified company under the provisions
79 of sections 143.191 to 143.265, RSMo, equal to three percent of new payroll for a period of five
80 years from the date the required number of jobs were created if the average wage of the new
81 payroll equals or exceeds the county average wage of the county in which the project facility is
82 located. The percentage of payroll allowed under this subdivision shall be three and one-half
83 percent of new payroll if the average wage of the new payroll in any year exceeds one hundred
84 twenty percent of the county average wage in the county in which the project facility is located.
85 The percentage of payroll allowed under this subdivision shall be four percent of new payroll if
86 the average wage of the new payroll in any year exceeds one hundred forty percent of the county
87 average wage in the county in which the project facility is located. An additional one percent
88 of new payroll may be added to these percentages if local incentives equal between ten percent
89 and twenty-four percent of the new direct local revenue; an additional two percent of new payroll
90 is added to these percentages if the local incentives equal between twenty-five percent and
91 forty-nine percent of the new direct local revenue; or an additional three percent of payroll is
92 added to these percentages if the local incentives equal fifty percent or more of the new direct
93 local revenue. The department shall issue a refundable tax credit for any difference between the
94 amount of benefit allowed under this subdivision and the amount of withholding tax retained by
95 the company, in the event the withholding tax is not sufficient to provide the entire amount of
96 benefit due to the qualified company under this subdivision. The calendar year annual maximum
97 amount of tax credits that may be issued to any qualified company for a project or combination
98 of projects is seven hundred fifty thousand dollars. The calendar year annual maximum amount
99 of tax credit that may be issued to any qualified company for a project or combination of projects
100 may be increased up to one million dollars if the number of new jobs will exceed five hundred
101 and if such action is proposed by the department and approved by the quality jobs advisory task
102 force established in section 620.1887; provided, however, until such time as the initial at-large
103 members of the quality jobs advisory task force are appointed, this determination shall be made

by the director of the department of economic development. In considering such a request, the task force shall rely on economic modeling and other information supplied by the department when requesting the increased limit on behalf of the project;

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

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

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

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

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

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

The quality jobs advisory task force may recommend to the department of economic development that appropriate penalties be applied to the company for violating the agreement. The amount of the job retention credit granted may be equal to up to fifty percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of five years. The calendar year annual maximum amount of tax credit that may be issued to any qualified company for a job retention project or combination of job retention projects shall be seven hundred fifty thousand dollars per year, but the maximum amount may be increased up to one million dollars if such action is proposed by the department and approved by the quality jobs advisory task force established in section 620.1887; provided, however, until such time as the initial at-large members of the quality jobs advisory task force are appointed, this determination

shall be made by the director of the department of economic development. In considering such a request, the task force shall rely on economic modeling and other information supplied by the department when requesting the increased limit on behalf of the job retention project. In no event shall the total amount of all tax credits issued for the entire job retention program under this subdivision exceed three million dollars annually. Notwithstanding the above, no tax credits shall be issued for job retention projects approved by the department after August 30, [2007] **2013;**

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

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

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

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

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

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

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

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

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

The amount of the small business job retention and flood survivor relief credit granted may be equal to up to one hundred percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of three years. The calendar year annual maximum amount of tax credit that may be issued to any qualified company for a small business job

176 retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the
177 maximum amount may be increased up to five hundred thousand dollars if such action is
178 proposed by the department and approved by the quality jobs advisory task force established in
179 section 620.1887. In considering such a request, the task force shall rely on economic modeling
180 and other information supplied by the department when requesting an increase in the limit on
181 behalf of the small business job retention and flood survivor relief project. In no event shall the
182 total amount of all tax credits issued for the entire small business job retention and flood survivor
183 relief program under this subdivision exceed five hundred thousand dollars annually.
184 Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued
185 for small business job retention and flood survivor relief projects approved by the department
186 after August 30, 2010.

187 4. The qualified company shall provide an annual report of the number of jobs and such
188 other information as may be required by the department to document the basis for the benefits
189 of this program. The department may withhold the approval of any benefits until it is satisfied
190 that proper documentation has been provided, and shall reduce the benefits to reflect any
191 reduction in full-time employees or new payroll. Upon approval by the department, the qualified
192 company may begin the retention of the withholding taxes when it reaches the minimum number
193 of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be
194 issued upon satisfaction by the department that the qualified company has exceeded the county
195 average wage and the minimum number of new jobs. In such annual report, if the average wage
196 is below the county average wage, the qualified company has not maintained the employee
197 insurance as required, or if the number of new jobs is below the minimum, the qualified
198 company shall not receive tax credits or retain the withholding tax for the balance of the benefit
199 period. In the case of a qualified company that initially filed a notice of intent and received an
200 approval from the department for high impact benefits and the minimum number of new jobs in
201 an annual report is below the minimum for high impact projects, the company shall not receive
202 tax credits for the balance of the benefit period but may continue to retain the withholding taxes
203 if it otherwise meets the requirements of a small and expanding business under this program.

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

210 6. The department shall allocate the annual tax credits based on the date of the approval,
211 reserving such tax credits based on the department's best estimate of new jobs and new payroll

of the project, and the other factors in the determination of benefits of this program. However, the annual issuance of tax credits is subject to the annual verification of the actual new payroll. The allocation of tax credits for the period assigned to a project shall expire if, within two years from the date of commencement of operations, or approval if applicable, the minimum thresholds have not been achieved. The qualified company may retain authorized amounts from the withholding tax under this section once the minimum new jobs thresholds are met for the duration of the project period. No benefits shall be provided under this program until the qualified company meets the minimum new jobs thresholds. In the event the qualified company does not meet the minimum new job threshold, the qualified company may submit a new notice of intent or the department may provide a new approval for a new project of the qualified company at the project facility or other facilities.

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

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

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

10. Prior to the issuance of tax credits, the department shall verify through the department of revenue, or any other state department, that the tax credit applicant does not owe any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments levied by any state department and through the department of insurance that the applicant does not owe any delinquent insurance taxes. Such delinquency shall not affect the authorization of the application for such tax credits, except that at issuance credits shall be first applied to the delinquency and any amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue or the department of insurance, or any other state department, concludes that a taxpayer is delinquent after June fifteenth but before July first of any year and the application of tax credits to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all available credits toward a tax delinquency, the administering agency shall notify the appropriate department and that department shall update the amount of outstanding delinquent tax owed by the applicant.

248 If any credits remain after satisfying all insurance, income, sales, and use tax delinquencies, the
249 remaining credits shall be issued to the applicant, subject to the restrictions of other provisions
250 of law.

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

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

256 13. If any provision of sections 620.1875 to 620.1890 or application thereof to any
257 person or circumstance is held invalid, the invalidity shall not affect other provisions or
258 application of these sections which can be given effect without the invalid provisions or
259 application, and to this end, the provisions of sections 620.1875 to 620.1890 are hereby declared
260 severable.

261 [135.348. 1. As used in this section, the following terms mean:

262 (1) "Approved program", a sponsorship and mentoring program
263 established pursuant to this section and approved by the department of
264 elementary and secondary education;

265 (2) "Eligible student", a resident pupil of a school district who is
266 determined by the local school board to be eligible to participate in a sponsorship
267 and mentoring program pursuant to this section and who participates in such
268 program for no less than eight calendar months in the tax year for which a return
269 is filed claiming a credit authorized in this section;

270 (3) "Net expenditures", only those amounts paid or incurred for the
271 participation of an eligible student participating in an approved sponsorship and
272 mentoring program less any amounts received by the qualified taxpayer from any
273 source for the provision of a sponsorship and mentoring program for an eligible
274 student;

275 (4) "Qualified taxpayer", an employer who makes expenditures pursuant
276 to this section.

277 2. For taxable years commencing on or after January 1, 1998, a qualified
278 taxpayer shall be allowed a credit against the tax imposed by chapter 143, RSMo,
279 exclusive of the provisions relating to the withholding of tax as provided in
280 sections 143.191 to 143.265, RSMo, to the extent of the lesser of two thousand
281 dollars times the number of eligible students for which the qualified taxpayer is
282 allowed a credit pursuant to this section or the net expenditures made directly or
283 through a fund during a taxable year by the qualified taxpayer for the
284 participation of an eligible student in an approved sponsorship and mentoring
285 program established pursuant to this section. No credit shall be allowed for any
286 amounts for which any other credit is claimed or allowed under any other
287 provision of state law for the same net expenditures.

288 3. The tax credit allowed by this section shall be claimed by the qualified
289 taxpayer at the time such taxpayer files a return and shall be applied against the
290 income tax liability imposed by chapter 143, RSMo, after all other credits
291 provided by law have been applied. Where the amount of the credit exceeds the
292 tax liability, the difference between the credit and the tax liability shall not be
293 refundable but may be carried forward to any of the taxpayer's four subsequent
294 taxable years.

295 4. The department of elementary and secondary education shall establish,
296 by rule, guidelines and criteria for approval of sponsorship and mentoring
297 programs established by school districts and for determining the eligibility of
298 students for participation in sponsorship and mentoring programs established
299 pursuant to this section. Such determinations for eligibility of students shall be
300 based upon a definition of an at-risk student as established by the department by
301 rule.

302 5. A local school board may establish a sponsorship and mentoring
303 program and apply to the department of elementary and secondary education for
304 approval of such program. A tax credit may only be received pursuant to this
305 section for expenditures for sponsorship and mentoring programs approved by
306 the department. The school board of each district which has an approved
307 program shall annually certify to the department of elementary and secondary
308 education the number of eligible students participating in the program. The
309 principal of any school in a district which has an approved program may
310 recommend, to the local school board, those students who do not meet the
311 definition of "at-risk" students established pursuant to this section, and the school
312 board may submit the names of such students and the circumstances which justify
313 the student's participation in an approved program to the department of
314 elementary and secondary education for approval of such student's participation.
315 If approved by the department, such students shall be considered eligible students
316 for participation in an approved program.

317 6. The department of elementary and secondary education shall provide
318 written notification to the department of revenue of each eligible student
319 participating in an approved program pursuant to this section, the student's school
320 district, the name of the qualified taxpayer approved to receive a tax credit on the
321 basis of such eligible student's participation in an approved program pursuant to
322 this section and the amount of such credit as determined in subsection 2 of this
323 section. This section is subject to appropriations.]

2 [260.285. 1. Any manufacturer engaged in this state in production of a
3 meat or poultry food product intended for human consumption that is recycling
4 flexible cellulose casing manufactured from cotton linters used and consumed
5 directly in the production of such food product shall be eligible for a credit as
6 defined in subsection 2 of this section. For purposes of this section, "cotton
7 linters" means fibers from any plant or wood pulp material used for the creation
of flexible cellulose casings.

8 2. The credit authorized in subsection 1 shall be equal to the amount of
9 state sales or use taxes paid by a manufacturer to a retailer on such packaging
10 material which is subsequently recycled by either the manufacturer or other
11 person or entity to which the manufacturer conveys such packaging materials,
12 less any consideration received by the manufacturer for such conveyance.

13 3. A manufacturer shall claim the refund in the month following the
14 month in which the material has been recycled or conveyed for recycling. When
15 claiming a credit pursuant to this section, a manufacturer shall provide a detailed
16 accounting of the amount of packaging material recycled, amount of sales or use
17 tax paid on such material, an affidavit attesting that the manufacturer is eligible
18 pursuant to the provisions of this section for the credit being claimed,
19 documentation that the activity constitutes recycling as certified by the director
20 of the department of natural resources and any other documentation determined
21 necessary by the director of the department of revenue. The director shall refund
22 any valid credit claims within sixty days of receipt. If the director determines that
23 a fraudulent claim for the credit has been filed, the director may assess a penalty
24 in an amount not to exceed twice the amount of fraudulent credits claimed.

25 4. Payment of credits authorized by this section shall not alter the liability
26 of a retailer regarding sales tax on such material. Credits authorized by this
27 section shall be paid from funds appropriated for the refund of taxes.]

✓