

SECOND REGULAR SESSION

# HOUSE BILL NO. 2571

## 94TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES ROBB (Sponsor), ICET, LEMBKE, SCHLOTTACH,  
HUNTER AND STREAM (Co-sponsors).

Read 1st time April 1, 2008 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

5614L.01I

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### AN ACT

To repeal sections 135.352, 135.484, 135.535, 135.545, 253.557, 348.430, and 348.432, RSMo,  
and to enact in lieu thereof seven new sections relating to tax credits.

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

Section A. Sections 135.352, 135.484, 135.535, 135.545, 253.557, 348.430, and  
2 348.432, RSMo, are repealed and seven new sections enacted in lieu thereof, to be known as  
3 sections 135.352, 135.484, 135.535, 135.545, 253.557, 348.430, and 348.432, to read as follows:

135.352. 1. A taxpayer owning an interest in a qualified Missouri project shall be  
2 allowed a state tax credit, whether or not allowed a federal tax credit, to be termed the Missouri  
3 low-income housing tax credit, if the commission issues an eligibility statement for that project.

4 2. For qualified Missouri projects placed in service after January 1, 1997, the Missouri  
5 low-income housing tax credit available to a project shall be such amount as the commission  
6 shall determine is necessary to ensure the feasibility of the project, up to an amount equal to the  
7 federal low-income housing tax credit for a qualified Missouri project, for a federal tax period,  
8 and such amount shall be subtracted from the amount of state tax otherwise due for the same tax  
9 period.

10 3. The Missouri low-income housing tax credit shall be taken against the taxes and in  
11 the order specified pursuant to section 32.115, RSMo. The credit authorized by this section shall  
12 not be refundable. **For all tax years ending on or before December 31, 2008**, any amount of  
13 credit that exceeds the tax due for a taxpayer's taxable year may be carried back to any of the

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.

14 taxpayer's three prior taxable years or carried forward to any of the taxpayer's five subsequent  
15 taxable years. **For all tax years beginning on or after January 1, 2009, any amount of credit**  
16 **that exceeds the tax due for a taxpayer's taxable year may be carried forward to any of the**  
17 **taxpayer's five subsequent taxable years.**

18 4. All or any portion of Missouri tax credits issued in accordance with the provisions of  
19 sections 135.350 to 135.362 may be allocated to parties who are eligible pursuant to the  
20 provisions of subsection 1 of this section. Beginning January 1, 1995, for qualified projects  
21 which began on or after January 1, 1994, an owner of a qualified Missouri project shall certify  
22 to the director the amount of credit allocated to each taxpayer. The owner of the project shall  
23 provide to the director appropriate information so that the low-income housing tax credit can be  
24 properly allocated.

25 5. In the event that recapture of Missouri low-income housing tax credits is required  
26 pursuant to subsection 2 of section 135.355, any statement submitted to the director as provided  
27 in this section shall include the proportion of the state credit required to be recaptured, the  
28 identity of each taxpayer subject to the recapture and the amount of credit previously allocated  
29 to such taxpayer.

30 6. The director of the department may promulgate rules and regulations necessary to  
31 administer the provisions of this section. No rule or portion of a rule promulgated pursuant to  
32 the authority of this section shall become effective unless it has been promulgated pursuant to  
33 the provisions of section 536.024, RSMo.

135.484. 1. Beginning January 1, 2000, tax credits shall be allowed pursuant to section  
2 135.481 in an amount not to exceed sixteen million dollars per year. Of this total amount of tax  
3 credits in any given year, eight million dollars shall be set aside for projects in areas described  
4 in subdivision (6) of section 135.478 and eight million dollars for projects in areas described in  
5 subdivision (10) of section 135.478. The maximum tax credit for a project consisting of  
6 multiple-unit qualifying residences in a distressed community shall not exceed three million  
7 dollars.

8 2. **For all tax years ending on or before December 31, 2008,** any amount of credit  
9 which exceeds the tax liability of a taxpayer for the tax year in which the credit is first claimed  
10 may be carried back to any of the taxpayer's three prior tax years and carried forward to any of  
11 the taxpayer's five subsequent tax years. **For all tax years beginning on or after January 1,**  
12 **2009, any amount of credit that exceeds the tax due for a taxpayer's taxable year may be**  
13 **carried forward to any of the taxpayer's five subsequent taxable years.** A certificate of tax  
14 credit issued to a taxpayer by the department may be assigned, transferred, sold or otherwise  
15 conveyed. Whenever a certificate of tax credit is assigned, transferred, sold or otherwise

16 conveyed, a notarized endorsement shall be filed with the department specifying the name and  
17 address of the new owner of the tax credit and the value of the credit.

18 3. The tax credits allowed pursuant to sections 135.475 to 135.487 may not be claimed  
19 in addition to any other state tax credits, with the exception of the historic structures  
20 rehabilitation tax credit authorized pursuant to sections 253.545 to 253.559, RSMo, which  
21 insofar as sections 135.475 to 135.487 are concerned may be claimed only in conjunction with  
22 the tax credit allowed pursuant to subsection 4 of section 135.481. In order for a taxpayer  
23 eligible for the historic structures rehabilitation tax credit to claim the tax credit allowed pursuant  
24 to subsection 4 of section 135.481, the taxpayer must comply with the requirements of sections  
25 253.545 to 253.559, RSMo, and in such cases, the amount of the tax credit pursuant to  
26 subsection 4 of section 135.481 shall be limited to the lesser of twenty percent of the taxpayer's  
27 eligible costs or forty thousand dollars.

135.535. 1. A corporation, limited liability corporation, partnership or sole  
2 proprietorship, which moves its operations from outside Missouri or outside a distressed  
3 community into a distressed community, or which commences operations in a distressed  
4 community on or after January 1, 1999, and in either case has more than seventy-five percent of  
5 its employees at the facility in the distressed community, and which has fewer than one hundred  
6 employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical  
7 devices, scientific research, animal research, computer software design or development,  
8 computer programming, including Internet, web hosting, and other information technology,  
9 wireless or wired or other telecommunications or a professional firm shall receive a forty percent  
10 credit against income taxes owed pursuant to chapter 143, 147 or 148, RSMo, other than taxes  
11 withheld pursuant to sections 143.191 to 143.265, RSMo, for each of the three years after such  
12 move, if approved by the department of economic development, which shall issue a certificate  
13 of eligibility if the department determines that the taxpayer is eligible for such credit. The  
14 maximum amount of credits per taxpayer set forth in this subsection shall not exceed one  
15 hundred twenty-five thousand dollars for each of the three years for which the credit is claimed.  
16 The department of economic development, by means of rule or regulation promulgated pursuant  
17 to the provisions of chapter 536, RSMo, shall assign appropriate North American Industry  
18 Classification System numbers to the companies which are eligible for the tax credits provided  
19 for in this section. Such three-year credits shall be awarded only one time to any company which  
20 moves its operations from outside of Missouri or outside of a distressed community into a  
21 distressed community or to a company which commences operations within a distressed  
22 community. A taxpayer shall file an application for certification of the tax credits for the first  
23 year in which credits are claimed and for each of the two succeeding taxable years for which  
24 credits are claimed.

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

34           3. A tax credit against income taxes owed pursuant to chapter 143, 147 or 148, RSMo,  
35 other than the taxes withheld pursuant to sections 143.191 to 143.265, RSMo, in lieu of the  
36 credit against income taxes as provided in subsection 1 of this section, may be taken by such an  
37 entity in a distressed community in an amount of forty percent of the amount of funds expended  
38 for computer equipment and its maintenance, medical laboratories and equipment, research  
39 laboratory equipment, manufacturing equipment, fiber optic equipment, high speed  
40 telecommunications, wiring or software development expense up to a maximum of seventy-five  
41 thousand dollars in tax credits for such equipment or expense per year per entity and for each of  
42 three years after commencement in or moving operations into a distressed community.

43           4. A corporation, partnership or sole partnership, which has no more than one hundred  
44 employees for whom payroll taxes are paid, which is already located in a distressed community  
45 and which expends funds for such equipment pursuant to subsection 3 of this section in an  
46 amount exceeding its average of the prior two years for such equipment, shall be eligible to  
47 receive a tax credit against income taxes owed pursuant to chapters 143, 147 and 148, RSMo,  
48 in an amount equal to the lesser of seventy-five thousand dollars or twenty-five percent of the  
49 funds expended for such additional equipment per such entity. **For all tax years ending on or**  
50 **before December 31, 2008,** tax credits allowed pursuant to this subsection or subsection 1 of  
51 this section may be carried back to any of the three prior tax years and carried forward to any of  
52 the five **subsequent** tax years. **For all tax years beginning on or after January 1, 2009, any**  
53 **amount of credit allowed under this subsection or subsection 1 of this section that exceeds**  
54 **the tax due for a taxpayer's taxable year may be carried forward to any of the taxpayer's**  
55 **five subsequent taxable years.**

56           5. An existing corporation, partnership or sole proprietorship that is located within a  
57 distressed community and that relocates employees from another facility outside of the distressed  
58 community to its facility within the distressed community, and an existing business located  
59 within a distressed community that hires new employees for that facility may both be eligible for  
60 the tax credits allowed by subsections 1 and 3 of this section. To be eligible for such tax credits,

61 such a business, during one of its tax years, shall employ within a distressed community at least  
62 twice as many employees as were employed at the beginning of that tax year. A business hiring  
63 employees shall have no more than one hundred employees before the addition of the new  
64 employees. This subsection shall only apply to a business which is a manufacturing, biomedical,  
65 medical devices, scientific research, animal research, computer software design or development,  
66 computer programming or telecommunications business, or a professional firm.

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

71 7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section shall  
72 be for an amount of no more than ten million dollars for each year beginning in 1999. To the  
73 extent there are available tax credits remaining under the ten million dollar cap provided in this  
74 section, up to one hundred thousand dollars in the remaining credits shall first be used for tax  
75 credits authorized under section 135.562. The total maximum credit for all entities already  
76 located in distressed communities and claiming credits pursuant to subsection 4 of this section  
77 shall be seven hundred and fifty thousand dollars. The department of economic development in  
78 approving taxpayers for the credit as provided for in subsection 6 of this section shall use  
79 information provided by the department of revenue regarding taxes paid in the previous year, or  
80 projected taxes for those entities newly established in the state, as the method of determining  
81 when this maximum will be reached and shall maintain a record of the order of approval. Any  
82 tax credit not used in the period for which the credit was approved may be carried over until the  
83 full credit has been allowed.

84 8. A Missouri employer relocating into a distressed community and having employees  
85 covered by a collective bargaining agreement at the facility from which it is relocating shall not  
86 be eligible for the credits in subsection 1, 3, 4 or 5 of this section, and its employees shall not be  
87 eligible for the credit in subsection 2 of this section if the relocation violates or terminates a  
88 collective bargaining agreement covering employees at the facility, unless the affected collective  
89 bargaining unit concurs with the move.

90 9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax  
91 credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the  
92 tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and  
93 135.245, respectively, for the same business for the same tax period.

135.545. A taxpayer shall be allowed a credit for taxes paid pursuant to chapter 143, 147  
2 or 148, RSMo, in an amount equal to fifty percent of a qualified investment in transportation  
3 development for aviation, mass transportation, including parking facilities for users of mass

4 transportation, railroads, ports, including parking facilities and limited access roads within ports,  
5 waterborne transportation, bicycle and pedestrian paths, or rolling stock located in a distressed  
6 community as defined in section 135.530, and which are part of a development plan approved  
7 by the appropriate local agency. If the department of economic development determines the  
8 investment has been so approved, the department shall grant the tax credit in order of date  
9 received. **For all tax years ending on or before December 31, 2008,** a taxpayer may carry  
10 forward any unused tax credit for up to ten years and may carry it back for the previous three  
11 years until such credit has been fully claimed. **For all tax years beginning on or after January**  
12 **1, 2009, a taxpayer may carry forward any unused tax credit for up to ten subsequent**  
13 **taxable years.** Certificates of tax credit issued in accordance with this section may be  
14 transferred, sold or assigned by notarized endorsement which names the transferee. The tax  
15 credits allowed pursuant to this section shall be for an amount of no more than ten million dollars  
16 for each year. This credit shall apply to returns filed for all taxable years beginning on or after  
17 January 1, 1999. Any unused portion of the tax credit authorized pursuant to this section shall  
18 be available for use in the future by those entities until fully claimed. For purposes of this  
19 section, a "taxpayer" shall include any charitable organization that is exempt from federal income  
20 tax and whose Missouri unrelated business taxable income, if any, would be subject to the state  
21 income tax imposed under chapter 143, RSMo.

253.557. 1. If the amount of such credit exceeds the total tax liability for the year in  
2 which the rehabilitated property is placed in service, **for all tax years ending on or before**  
3 **December 31, 2008,** the amount that exceeds the state tax liability may be carried back to any  
4 of the three preceding years and carried forward for credit against the taxes imposed pursuant to  
5 chapter 143, RSMo, and chapter 148, RSMo, except for sections 143.191 to 143.265, RSMo, for  
6 the succeeding ten years, or until the full credit is used, whichever occurs first, **and for all tax**  
7 **years beginning on or after January 1, 2009, such amount may be carried forward for the**  
8 **succeeding ten years or until the full credit is used, whichever occurs first.** Not-for-profit  
9 entities, including but not limited to corporations organized as not-for-profit corporations  
10 pursuant to chapter 355, RSMo, shall be ineligible for the tax credits authorized under sections  
11 253.545 through 253.561. Taxpayers eligible for such tax credits may transfer, sell or assign the  
12 credits. Credits granted to a partnership, a limited liability company taxed as a partnership or  
13 multiple owners of property shall be passed through to the partners, members or owners  
14 respectively pro rata or pursuant to an executed agreement among the partners, members or  
15 owners documenting an alternate distribution method.

16 2. The assignee of the tax credits, hereinafter the assignee for purposes of this  
17 subsection, may use acquired credits to offset up to one hundred percent of the tax liabilities  
18 otherwise imposed pursuant to chapter 143, RSMo, and chapter 148, RSMo, except for sections

19 143.191 to 143.265, RSMo. The assignor shall perfect such transfer by notifying the department  
20 of economic development in writing within thirty calendar days following the effective date of  
21 the transfer and shall provide any information as may be required by the department of economic  
22 development to administer and carry out the provisions of this section.

348.430. 1. The tax credit created in this section shall be known as the "Agricultural  
2 Product Utilization Contributor Tax Credit".

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

4 (1) "Authority", the agriculture and small business development authority as provided  
5 in this chapter;

6 (2) "Contributor", an individual, partnership, corporation, trust, limited liability  
7 company, entity or person that contributes cash funds to the authority;

8 (3) "Development facility", a facility producing either a good derived from an  
9 agricultural commodity or using a process to produce a good derived from an agricultural  
10 product;

11 (4) "Eligible new generation cooperative", a nonprofit cooperative association formed  
12 pursuant to chapter 274, RSMo, or incorporated pursuant to chapter 357, RSMo, for the purpose  
13 of operating a development facility or a renewable fuel production facility;

14 (5) "Eligible new generation processing entity", a partnership, corporation, cooperative,  
15 or limited liability company organized or incorporated pursuant to the laws of this state  
16 consisting of not less than twelve members, approved by the authority, for the purpose of owning  
17 or operating within this state a development facility or a renewable fuel production facility in  
18 which producer members:

19 (a) Hold a majority of the governance or voting rights of the entity and any governing  
20 committee;

21 (b) Control the hiring and firing of management; and

22 (c) Deliver agricultural commodities or products to the entity for processing, unless  
23 processing is required by multiple entities;

24 (6) "Renewable fuel production facility", a facility producing an energy source which is  
25 derived from a renewable, domestically grown, organic compound capable of powering  
26 machinery, including an engine or power plant, and any by-product derived from such energy  
27 source.

28 3. For all tax years beginning on or after January 1, 1999, a contributor who contributes  
29 funds to the authority may receive a credit against the tax or estimated quarterly tax otherwise  
30 due pursuant to chapter 143, RSMo, other than taxes withheld pursuant to sections 143.191 to  
31 143.265, RSMo, chapter 148, RSMo, chapter 147, RSMo, in an amount of up to one hundred  
32 percent of such contribution. Tax credits claimed in a taxable year may be done so on a quarterly

33 basis and applied to the estimated quarterly tax pursuant to this subsection. If a quarterly tax  
34 credit claim or series of claims contributes to causing an overpayment of taxes for a taxable year,  
35 such overpayment shall not be refunded but shall be applied to the next taxable year. The  
36 awarding of such credit shall be at the approval of the authority, based on the least amount of  
37 credits necessary to provide incentive for the contributions. A contributor that receives tax  
38 credits for a contribution to the authority shall receive no other consideration or compensation  
39 for such contribution, other than a federal tax deduction, if applicable, and goodwill.

40         4. A contributor shall submit to the authority an application for the tax credit authorized  
41 by this section on a form provided by the authority. If the contributor meets all criteria  
42 prescribed by this section and the authority, the authority shall issue a tax credit certificate in the  
43 appropriate amount. Tax credits issued pursuant to this section may be claimed in the taxable  
44 year in which the contributor contributes funds to the authority. For all fiscal years beginning  
45 on or after July 1, 2004, **but ending on or before June 30, 2009**, tax credits allowed pursuant  
46 to this section may be carried back to any of the contributor's three prior tax years and may be  
47 carried forward to any of the contributor's five subsequent taxable years, **and for all fiscal years**  
48 **beginning on or after July 1, 2010, the tax credits may be carried forward to any of the**  
49 **contributor's five subsequent taxable years.** Tax credits issued pursuant to this section may  
50 be assigned, transferred or sold and the new owner of the tax credit shall have the same rights  
51 in the credit as the contributor. Whenever a certificate of tax credit is assigned, transferred, sold  
52 or otherwise conveyed, a notarized endorsement shall be filed with the authority specifying the  
53 name and address of the new owner of the tax credit or the value of the credit.

54         5. The funds derived from contributions in this section shall be used for financial  
55 assistance or technical assistance for the purposes provided in section 348.407 to rural  
56 agricultural business concepts as approved by the authority. The authority may provide or  
57 facilitate loans, equity investments, or guaranteed loans for rural agricultural business concepts,  
58 but limited to two million dollars per project or the net state economic impact, whichever is less.  
59 Loans, equity investments or guaranteed loans may only be provided to feasible projects, and for  
60 an amount that is the least amount necessary to cause the project to occur, as determined by the  
61 authority. The authority may structure the loans, equity investments or guaranteed loans in a way  
62 that facilitates the project, but also provides for a compensatory return on investment or loan  
63 payment to the authority, based on the risk of the project.

64         6. In any given year, at least ten percent of the funds granted to rural agricultural business  
65 concepts shall be awarded to grant requests of twenty-five thousand dollars or less. No single  
66 rural agricultural business concept shall receive more than two hundred thousand dollars in grant  
67 awards from the authority. Agricultural businesses owned by minority members or women shall  
68 be given consideration in the allocation of funds.



348.432. 1. The tax credit created in this section shall be known as the "New Generation  
2 Cooperative Incentive Tax Credit".

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

4 (1) "Authority", the agriculture and small business development authority as provided  
5 in this chapter;

6 (2) "Development facility", a facility producing either a good derived from an  
7 agricultural commodity or using a process to produce a good derived from an agricultural  
8 product;

9 (3) "Eligible new generation cooperative", a nonprofit cooperative association formed  
10 pursuant to chapter 274, RSMo, or incorporated pursuant to chapter 357, RSMo, for the purpose  
11 of operating a development facility or a renewable fuel production facility and approved by the  
12 authority;

13 (4) "Eligible new generation processing entity", a partnership, corporation, cooperative,  
14 or limited liability company organized or incorporated pursuant to the laws of this state  
15 consisting of not less than twelve members, approved by the authority, for the purpose of owning  
16 or operating within this state a development facility or a renewable fuel production facility in  
17 which producer members:

18 (a) Hold a majority of the governance or voting rights of the entity and any governing  
19 committee;

20 (b) Control the hiring and firing of management; and

21 (c) Deliver agricultural commodities or products to the entity for processing, unless  
22 processing is required by multiple entities;

23 (5) "Employee-qualified capital project", an eligible new generation cooperative with  
24 capital costs greater than fifteen million dollars which will employ at least sixty employees;

25 (6) "Large capital project", an eligible new generation cooperative with capital costs  
26 greater than one million dollars;

27 (7) "Producer member", a person, partnership, corporation, trust or limited liability  
28 company whose main purpose is agricultural production that invests cash funds to an eligible  
29 new generation cooperative or eligible new generation processing entity;

30 (8) "Renewable fuel production facility", a facility producing an energy source which is  
31 derived from a renewable, domestically grown, organic compound capable of powering  
32 machinery, including an engine or power plant, and any by-product derived from such energy  
33 source;

34 (9) "Small capital project", an eligible new generation cooperative with capital costs of  
35 no more than one million dollars.

36           3. Beginning tax year 1999, and ending December 31, 2002, any producer member who  
37 invests cash funds in an eligible new generation cooperative or eligible new generation  
38 processing entity may receive a credit against the tax or estimated quarterly tax otherwise due  
39 pursuant to chapter 143, RSMo, other than taxes withheld pursuant to sections 143.191 to  
40 143.265, RSMo, [or] chapter [148] **147**, RSMo, **or** chapter [147] **148**, RSMo, in an amount equal  
41 to the lesser of fifty percent of such producer member's investment or fifteen thousand dollars.

42           4. For all tax years beginning on or after January 1, 2003, any producer member who  
43 invests cash funds in an eligible new generation cooperative or eligible new generation  
44 processing entity may receive a credit against the tax or estimated quarterly tax otherwise due  
45 pursuant to chapter 143, RSMo, other than taxes withheld pursuant to sections 143.191 to  
46 143.265, RSMo, chapter 147, RSMo, or chapter 148, RSMo, in an amount equal to the lesser of  
47 fifty percent of such producer member's investment or fifteen thousand dollars. Tax credits  
48 claimed in a taxable year may be done so on a quarterly basis and applied to the estimated  
49 quarterly tax pursuant to subsection 3 of this section. If a quarterly tax credit claim or series of  
50 claims contributes to causing an overpayment of taxes for a taxable year, such overpayment shall  
51 not be refunded but shall be applied to the next taxable year.

52           5. A producer member shall submit to the authority an application for the tax credit  
53 authorized by this section on a form provided by the authority. If the producer member meets  
54 all criteria prescribed by this section and is approved by the authority, the authority shall issue  
55 a tax credit certificate in the appropriate amount. **For all taxable years ending on or before**  
56 **December 31, 2008**, tax credits issued pursuant to this section may be carried back to any of the  
57 producer member's three prior taxable years and carried forward to any of the producer member's  
58 five subsequent taxable years regardless of the type of tax liability to which such credits are  
59 applied as authorized pursuant to subsection 3 of this section, **and for all taxable years**  
60 **beginning on or after January 1, 2009, may be carried forward to any of the producer**  
61 **member's five subsequent taxable years regardless of the type of tax liability to which such**  
62 **credits are applied as authorized under subsection 3 of this section.** Tax credits issued  
63 pursuant to this section may be assigned, transferred, sold or otherwise conveyed and the new  
64 owner of the tax credit shall have the same rights in the credit as the producer member.  
65 Whenever a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a  
66 notarized endorsement shall be filed with the authority specifying the name and address of the  
67 new owner of the tax credit or the value of the credit.

68           6. Ten percent of the tax credits authorized pursuant to this section initially shall be  
69 offered in any fiscal year to small capital projects. If any portion of the ten percent of tax credits  
70 offered to small capital costs projects is unused in any calendar year, then the unused portion of  
71 tax credits may be offered to employee-qualified capital projects and large capital projects. If

72 the authority receives more applications for tax credits for small capital projects than tax credits  
73 are authorized therefor, then the authority, by rule, shall determine the method of distribution of  
74 tax credits authorized for small capital projects.

75         7. Ninety percent of the tax credits authorized pursuant to this section initially shall be  
76 offered in any fiscal year to employee-qualified capital projects and large capital projects. If any  
77 portion of the ninety percent of tax credits offered to employee-qualified capital projects and  
78 large capital costs projects is unused in any fiscal year, then the unused portion of tax credits may  
79 be offered to small capital projects. The maximum tax credit allowed per employee-qualified  
80 capital project is three million dollars and the maximum tax credit allowed per large capital  
81 project is one million five hundred thousand dollars. If the authority approves the maximum tax  
82 credit allowed for any employee-qualified capital project or any large capital project, then the  
83 authority, by rule, shall determine the method of distribution of such maximum tax credit. In  
84 addition, if the authority receives more tax credit applications for employee-qualified capital  
85 projects and large capital projects than the amount of tax credits authorized therefor, then the  
86 authority, by rule, shall determine the method of distribution of tax credits authorized for  
87 employee-qualified capital projects and large capital projects.

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