

HB 2574 -- Tax Credits for Energy Producers

Sponsor: Scharnhorst

This bill changes the laws regarding tax credits for energy producers. In its main provisions, the bill:

- (1) Authorizes a tax credit to a Missouri wood energy producer for using Missouri forest product residue to produce electricity. The tax credit will be equal to \$5 per ton of processed material and may be claimed for up to five years;
- (2) Increases the total amount of tax credits available for qualified investments in Missouri small businesses from \$13 million to \$30 million and requires at least \$20 million of the amount authorized and certified by the Department of Economic Development to be for Missouri small businesses involved in the manufacture of alternative power generation equipment;
- (3) Revises the definition of "wood energy producing facility" to include facilities that use Missouri forest industry residue to generate alternative power without the use of coal;
- (4) Revises the definition of "Missouri forestry industry residue" to include any residue that results from timber removal for development purposes and wood residue from milling plants; and
- (5) Allows hogged and chipped wood to qualify as processed wood energy resources for the purposes of the wood energy producers tax credit. Currently, these products do not qualify.