

SENATE SUBSTITUTE
FOR
SENATE COMMITTEE SUBSTITUTE
FOR
HOUSE COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 191

AN ACT

To repeal sections 32.105, 99.820, 99.865, 99.1205, 100.286, 100.760, 100.770, 100.850, 105.145, 135.155, 135.352, 135.535, 135.680, 135.766, 135.800, 135.802, 135.805, 147.010, 208.770, 238.207, 238.212, 238.235, 253.545, 253.550, 253.559, 338.337, 447.708, 610.021, 620.014, 620.017, 620.472, 620.1878, and 620.1881, RSMo, and to enact in lieu thereof thirty-eight new sections relating to taxation, with penalty provisions and an emergency clause for a certain section.

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

1 Section A. Sections 32.105, 99.820, 99.865, 99.1205,
2 100.286, 100.760, 100.770, 100.850, 105.145, 135.155, 135.352,
3 135.535, 135.680, 135.766, 135.800, 135.802, 135.805, 147.010,
4 208.770, 238.207, 238.212, 238.235, 253.545, 253.550, 253.559,
5 338.337, 447.708, 610.021, 620.014, 620.017, 620.472, 620.1878,
6 and 620.1881, RSMo, are repealed and thirty-eight new sections
7 enacted in lieu thereof, to be known as sections 26.057, 32.105,
8 99.820, 99.865, 99.1205, 100.286, 100.760, 100.770, 100.850,
9 105.145, 108.1000, 108.1010, 108.1020, 135.155, 135.352, 135.535,
10 135.680, 135.766, 135.800, 135.802, 135.805, 147.010, 208.770,
11 238.207, 238.212, 238.235, 253.545, 253.550, 253.559, 338.337,

1 447.708, 610.021, 620.014, 620.017, 620.472, 620.1878, 620.1881,
2 and 1, to read as follows:

3 26.057. 1. The governor shall submit as part of the state
4 budget the following information for current and proposed
5 contracts for services:

6 (1) A description of the contract and services being
7 purchased;

8 (2) The name of the agency contracting for the services;

9 (3) The name of the contractor and any subcontractors;

10 (4) The contract period;

11 (5) The annual amounts paid to the contractor in the past
12 two fiscal years and the current fiscal year under the contract
13 by funding source;

14 (6) The annual amount proposed to be paid to the contractor
15 under the proposed budget by funding source;

16 (7) The amount projected to be paid to the contractor in
17 the fiscal years beyond the governor's budget by funding source;

18 (8) The total projected cost of the contract for all fiscal
19 years by funding source; and

20 (9) Whether the contract was a sole-source procurement.

21 2. The information in subsection 1 of this section shall be
22 submitted as part of the budget by agency or comparable budget
23 category.

24 3. The total cost of contracting for services shall be
25 submitted as part of the budget for each fund and agency or
26 comparable budget category.

27 4. Information relating to the distribution of funds for
28 state programs and the information in subsection 1 of this

1 section shall be provided to the public, free of charge, on the
2 Missouri accountability portal website administered and updated
3 daily by the office of administration. The site format shall
4 allow for searching and sorting by the categories listed in
5 subdivisions (1) to (9) of subsection 1 of this section and by
6 tax credit category, customer, or legislative district with
7 respect to tax credit issuance.

8 32.105. As used in sections 32.100 to 32.125, the following
9 terms mean:

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

14 (2) "Affordable housing unit", a residential unit generally
15 occupied by persons and families with incomes at or below the
16 levels described in this subdivision and bearing a cost to the
17 occupant no greater than thirty percent of the maximum eligible
18 household income for the affordable housing unit. In the case of
19 owner-occupied units, the cost to the occupant shall be
20 considered the amount of the gross monthly mortgage payment,
21 including casualty insurance, mortgage insurance, and taxes. In
22 the case of rental units, the cost to the occupant shall be
23 considered the amount of the gross rent. The cost to the
24 occupant shall include the cost of any utilities, other than
25 telephone. If any utilities are paid directly by the occupant,
26 the maximum cost that may be paid by the occupant is to be
27 reduced by a utility allowance prescribed by the commission. For
28 rental units, persons or families are eligible occupants of

affordable housing units if the household combined, adjusted gross income as defined by the commission is equal to or less than the following percentages of the median family income for the geographic area in which the residential unit is located, or the median family income for the state of Missouri, whichever is larger; ("geographic area", as used in this subdivision, means the metropolitan area or county designated as an area by the federal Department of Housing and Urban Development under Section 8 of the United States Housing Act of 1937, as amended, for purposes of determining fair market rental rates):

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

For owner-occupied units, persons or families are eligible occupants of affordable housing units if the household combined, adjusted gross income as defined by the commission is equal to or less than the following percentages of the median family income for the geographic area in which the residential unit is located, or the median family income for the state of Missouri, whichever

1 is larger:

<u>Percent of State or</u>	
<u>Geographic Area Family</u>	
<u>Size of Household</u>	<u>Median Income</u>
One Person	70%
Two Persons	80%
Three Persons	90%
Four Persons	100%
Five Persons	108%
Six Persons	116%
Seven Persons	124%
Eight Persons	132%

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

28 (4) "Commission", the Missouri housing development

1 commission;

2 (5) "Community services", any type of counseling and
3 advice, emergency assistance or medical care furnished to
4 individuals or groups in the state of Missouri or transportation
5 services at below-cost rates as provided in sections 208.250 to
6 208.275, RSMo;

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

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

20 (8) "Doing business", among other methods of doing business
21 in the state of Missouri, a partner in a firm or a shareholder in
22 an S corporation shall be deemed to be doing business in the
23 state of Missouri if such firm or S corporation, as the case may
24 be, is doing business in the state of Missouri;

25 (9) "Economic development", the acquisition, renovation,
26 improvement, or the furnishing or equipping of existing buildings
27 and real estate in distressed or blighted areas of the state when
28 such acquisition, renovation, improvement, or the furnishing or

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

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

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

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

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

9 (a) Holding a ruling from the Internal Revenue Service of
10 the United States Department of the Treasury that the
11 organization is exempt from income taxation pursuant to the
12 provisions of the Internal Revenue Code; or

13 (b) Incorporated in the state of Missouri as a
14 not-for-profit corporation pursuant to the provisions of chapter
15 355, RSMo; or

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

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

23 (15) "S corporation", a corporation described in Section
24 1361(a)(1) of the United States Internal Revenue Code and not
25 subject to the taxes imposed by section 143.071, RSMo, by reason
26 of section 143.471, RSMo;

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

1 99.820. 1. A municipality may:

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

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

18 (3) Pursuant to a redevelopment plan, subject to any
19 constitutional limitations, acquire by purchase, donation, lease
20 or, as part of a redevelopment project, eminent domain, own,
21 convey, lease, mortgage, or dispose of land and other property,
22 real or personal, or rights or interests therein, and grant or
23 acquire licenses, easements and options with respect thereto, all
24 in the manner and at such price the municipality or the
25 commission determines is reasonably necessary to achieve the
26 objectives of the redevelopment plan. No conveyance, lease,
27 mortgage, disposition of land or other property, acquired by the
28 municipality, or agreement relating to the development of the

1 property shall be made except upon the adoption of an ordinance
2 by the governing body of the municipality. Each municipality or
3 its commission shall establish written procedures relating to
4 bids and proposals for implementation of the redevelopment
5 projects. Furthermore, no conveyance, lease, mortgage, or other
6 disposition of land or agreement relating to the development of
7 property shall be made without making public disclosure of the
8 terms of the disposition and all bids and proposals made in
9 response to the municipality's request. Such procedures for
10 obtaining such bids and proposals shall provide reasonable
11 opportunity for any person to submit alternative proposals or
12 bids;

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

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

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

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

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

28 (9) Acquire and construct public facilities within a

1 redevelopment area;

2 (10) Incur redevelopment costs and issue obligations;

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

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

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

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

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

23 (13) If any member of the governing body of the
24 municipality, a member of a commission established pursuant to
25 subsection 2 or 3 of this section, or an employee or consultant
26 of the municipality, involved in the planning and preparation of
27 a redevelopment plan, or redevelopment project for a
28 redevelopment area or proposed redevelopment area, owns or

1 controls an interest, direct or indirect, in any property
2 included in any redevelopment area, or proposed redevelopment
3 area, which property is designated to be acquired or improved
4 pursuant to a redevelopment project, he or she shall disclose the
5 same in writing to the clerk of the municipality, and shall also
6 so disclose the dates, terms, and conditions of any disposition
7 of any such interest, which disclosures shall be acknowledged by
8 the governing body of the municipality and entered upon the
9 minutes books of the governing body of the municipality. If an
10 individual holds such an interest, then that individual shall
11 refrain from any further official involvement in regard to such
12 redevelopment plan, redevelopment project or redevelopment area,
13 from voting on any matter pertaining to such redevelopment plan,
14 redevelopment project or redevelopment area, or communicating
15 with other members concerning any matter pertaining to that
16 redevelopment plan, redevelopment project or redevelopment area.
17 Furthermore, no such member or employee shall acquire any
18 interest, direct or indirect, in any property in a redevelopment
19 area or proposed redevelopment area after either (a) such
20 individual obtains knowledge of such plan or project, or (b)
21 first public notice of such plan, project or area pursuant to
22 section 99.830, whichever first occurs;

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

1 2. Prior to adoption of an ordinance approving the
2 designation of a redevelopment area or approving a redevelopment
3 plan or redevelopment project, the municipality shall create a
4 commission of nine persons if the municipality is a county or a
5 city not within a county and not a first class county with a
6 charter form of government with a population in excess of nine
7 hundred thousand, and eleven persons if the municipality is not a
8 county and not in a first class county with a charter form of
9 government having a population of more than nine hundred
10 thousand, and twelve persons if the municipality is located in or
11 is a first class county with a charter form of government having
12 a population of more than nine hundred thousand, to be appointed
13 as follows:

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

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

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

27 (4) In all municipalities which are not counties and not in
28 a first class county with a charter form of government having a

1 population in excess of nine hundred thousand, two members shall
2 be appointed by the county of such municipality in the same
3 manner as members are appointed in subdivision (3) of this
4 subsection;

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

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

15 (7) At the option of the members appointed by the
16 municipality, the members who are appointed by the school boards
17 and other taxing districts may serve on the commission for a term
18 to coincide with the length of time a redevelopment project,
19 redevelopment plan or designation of a redevelopment area is
20 considered for approval by the commission, or for a definite term
21 pursuant to this subdivision. If the members representing school
22 districts and other taxing districts are appointed for a term
23 coinciding with the length of time a redevelopment project, plan
24 or area is approved, such term shall terminate upon final
25 approval of the project, plan or designation of the area by the
26 governing body of the municipality. Thereafter the commission
27 shall consist of the six members appointed by the municipality,
28 except that members representing school boards and other taxing

1 districts shall be appointed as provided in this section prior to
2 any amendments to any redevelopment plans, redevelopment projects
3 or designation of a redevelopment area. If any school district
4 or other taxing jurisdiction fails to appoint members of the
5 commission within thirty days of receipt of written notice of a
6 proposed redevelopment plan, redevelopment project or designation
7 of a redevelopment area, the remaining members may proceed to
8 exercise the power of the commission. Of the members first
9 appointed by the municipality, two shall be designated to serve
10 for terms of two years, two shall be designated to serve for a
11 term of three years and two shall be designated to serve for a
12 term of four years from the date of such initial appointments.
13 Thereafter, the members appointed by the municipality shall serve
14 for a term of four years, except that all vacancies shall be
15 filled for unexpired terms in the same manner as were the
16 original appointments. Members appointed by the county executive
17 or presiding commissioner prior to August 28, 2008, shall
18 continue their service on the commission established in
19 subsection 3 of this section without further appointment unless
20 the county executive or presiding commissioner appoints a new
21 member or members.

22 3. Beginning August 28, [2008] 2009:

23 (1) In lieu of a commission created under subsection 2 of
24 this section, any city, town, or village [in a county with a
25 charter form of government and with more than one million
26 inhabitants, in a county with a charter form of government and
27 with more than two hundred fifty thousand but fewer than three
28 hundred fifty thousand inhabitants, or in a county of the first

1 classification with more than one hundred eighty-five thousand
2 but fewer than two hundred thousand inhabitants] shall, prior to
3 adoption of an ordinance approving the designation of a
4 redevelopment area or approving a redevelopment plan or
5 redevelopment project, create a commission consisting of twelve
6 persons to be appointed as follows:

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

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

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

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

21
22 No city, town, or village [subject to this subsection] shall
23 create or maintain a commission under subsection 2 of this
24 section, except as necessary to complete a public hearing for
25 which notice under section 99.830 has been provided prior to
26 August 28, [2008] 2009, and to vote or make recommendations
27 relating to redevelopment plans, redevelopment projects, or
28 designation of redevelopment areas, or amendments thereto that

1 were the subject of such public hearing;

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

1 appointed members of the commission may exercise the full powers
2 of the commission.

3 4. (1) Any commission created under this section, subject
4 to approval of the governing body of the municipality, may
5 exercise the powers enumerated in sections 99.800 to 99.865,
6 except final approval of plans, projects and designation of
7 redevelopment areas. The commission shall hold public hearings
8 and provide notice pursuant to sections 99.825 and 99.830.

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

21 (3) Any commission created under subsection 3 of this
22 section shall, within fifteen days of the receipt of a
23 redevelopment plan meeting the minimum requirements of section
24 99.810, as determined by counsel to the city, town, or village
25 creating the commission and a request by the applicable city,
26 town, or village for a public hearing, fix a time and place for
27 the public hearing referred to in section 99.825. The public
28 hearing shall be held no later than seventy-five days from the

1 commission's receipt of such redevelopment plan and request for
2 public hearing. The commission shall vote and make
3 recommendations to the governing body of the city, town, or
4 village requesting the public hearing on all proposed
5 redevelopment plans, redevelopment projects, and designations of
6 redevelopment areas, and amendments thereto within thirty days
7 following the completion of the public hearing. If the
8 commission fails to vote within thirty days following the
9 completion of the public hearing referred to in section 99.825
10 concerning the proposed redevelopment plan, redevelopment
11 project, or designation of redevelopment area, or amendments
12 thereto, such plan, project, designation, or amendment thereto
13 shall be deemed rejected by the commission.

14 99.865. 1. Each year the governing body of the
15 municipality, or its designee, shall prepare a report concerning
16 the status of each redevelopment plan and redevelopment project,
17 and shall submit a copy of such report to the director of the
18 department of economic development. The report shall include the
19 following:

20 (1) The amount and source of revenue in the special
21 allocation fund;

22 (2) The amount and purpose of expenditures from the special
23 allocation fund;

24 (3) The amount of any pledge of revenues, including
25 principal and interest on any outstanding bonded indebtedness;

26 (4) The original assessed value of the redevelopment
27 project;

28 (5) The assessed valuation added to the redevelopment

1 project;

2 (6) Payments made in lieu of taxes received and expended;

3 (7) The economic activity taxes generated within the
4 redevelopment area in the calendar year prior to the approval of
5 the redevelopment plan, to include a separate entry for the state
6 sales tax revenue base for the redevelopment area or the state
7 income tax withheld by employers on behalf of existing employees
8 in the redevelopment area prior to the redevelopment plan;

9 (8) The economic activity taxes generated within the
10 redevelopment area after the approval of the redevelopment plan,
11 to include a separate entry for the increase in state sales tax
12 revenues for the redevelopment area or the increase in state
13 income tax withheld by employers on behalf of new employees who
14 fill new jobs created in the redevelopment area;

15 (9) Reports on contracts made incident to the
16 implementation and furtherance of a redevelopment plan or
17 project;

18 (10) A copy of any redevelopment plan, which shall include
19 the required findings and cost-benefit analysis pursuant to
20 subdivisions (1) to (6) of section 99.810;

21 (11) The cost of any property acquired, disposed of,
22 rehabilitated, reconstructed, repaired or remodeled;

23 (12) The number of parcels acquired by or through
24 initiation of eminent domain proceedings; and

25 (13) Any additional information the municipality deems
26 necessary.

27 2. Data contained in the report mandated pursuant to the
28 provisions of subsection 1 of this section and any information

1 regarding amounts disbursed to municipalities pursuant to the
2 provisions of section 99.845 shall be deemed a public record, as
3 defined in section 610.010, RSMo. An annual statement showing
4 the payments made in lieu of taxes received and expended in that
5 year, the status of the redevelopment plan and projects therein,
6 amount of outstanding bonded indebtedness and any additional
7 information the municipality deems necessary shall be published
8 in a newspaper of general circulation in the municipality.

9 3. Five years after the establishment of a redevelopment
10 plan and every five years thereafter the governing body shall
11 hold a public hearing regarding those redevelopment plans and
12 projects created pursuant to sections 99.800 to 99.865. The
13 purpose of the hearing shall be to determine if the redevelopment
14 project is making satisfactory progress under the proposed time
15 schedule contained within the approved plans for completion of
16 such projects. Notice of such public hearing shall be given in a
17 newspaper of general circulation in the area served by the
18 commission once each week for four weeks immediately prior to the
19 hearing.

20 4. The director of the department of economic development
21 shall submit a report to the state auditor, the speaker of the
22 house of representatives, and the president pro tem of the senate
23 no later than February first of each year. The report shall
24 contain a summary of all information received by the director
25 pursuant to this section.

26 5. For the purpose of coordinating all tax increment
27 financing projects using new state revenues, the director of the
28 department of economic development may promulgate rules and

1 regulations to ensure compliance with this section. Such rules
2 and regulations may include methods for enumerating all of the
3 municipalities which have established commissions pursuant to
4 section 99.820. No rule or portion of a rule promulgated under
5 the authority of sections 99.800 to 99.865 shall become effective
6 unless it has been promulgated pursuant to the provisions of
7 chapter 536, RSMo. All rulemaking authority delegated prior to
8 June 27, 1997, is of no force and effect and repealed; however,
9 nothing in this section shall be interpreted to repeal or affect
10 the validity of any rule filed or adopted prior to June 27, 1997,
11 if such rule complied with the provisions of chapter 536, RSMo.
12 The provisions of this section and chapter 536, RSMo, are
13 nonseverable and if any of the powers vested with the general
14 assembly pursuant to chapter 536, RSMo, including the ability to
15 review, to delay the effective date, or to disapprove and annul a
16 rule or portion of a rule, are subsequently held
17 unconstitutional, then the purported grant of rulemaking
18 authority and any rule so proposed and contained in the order of
19 rulemaking shall be invalid and void.

20 6. The department of economic development shall provide
21 information and technical assistance, as requested by any
22 municipality, on the requirements of sections 99.800 to 99.865.
23 Such information and technical assistance shall be provided in
24 the form of a manual, written in an easy-to-follow manner, and
25 through consultations with departmental staff.

26 7. Any municipality which fails to comply with the
27 reporting requirements provided in this section shall be
28 prohibited from implementing any new tax increment finance

1 project for a period of no less than five years from such
2 municipality's failure to comply.

3 8. Based upon the information provided in the reports
4 required under the provisions of this section, the state auditor
5 shall make available for public inspection on the auditor's web
6 site, a searchable electronic database of such municipal tax
7 increment finance reports. All information contained within such
8 database shall be maintained for a period of no less than ten
9 years from initial posting.

10 99.1205. 1. This section shall be known and may be cited
11 as the "Distressed Areas Land Assemblage Tax Credit Act".

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

13 (1) "Acquisition costs", the purchase price for the
14 eligible parcel, costs of environmental assessments, closing
15 costs, real estate brokerage fees, reasonable demolition costs of
16 vacant structures, and reasonable maintenance costs incurred to
17 maintain an acquired eligible parcel for a period of five years
18 after the acquisition of such eligible parcel. Acquisition costs
19 shall not include costs for title insurance and survey,
20 attorney's fees, relocation costs, fines, or bills from a
21 municipality;

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

24 (a) Incurred, within an eligible project area, acquisition
25 costs for the acquisition of land sufficient to satisfy the
26 requirements under subdivision (8) of this subsection; and

27 (b) Been appointed or selected, pursuant to a redevelopment
28 agreement by a municipal authority, as a redeveloper or similar

1 designation, under an economic incentive law, to redevelop an
2 urban renewal area or a redevelopment area that includes all of
3 an eligible project area or whose redevelopment plan or
4 redevelopment area, which encompasses all of an eligible project
5 area, has been approved or adopted under an economic incentive
6 law. In addition to being designated the redeveloper, the
7 applicant shall have been designated to receive economic
8 incentives only after the municipal authority has considered the
9 amount of the tax credits in adopting such economic incentives as
10 provided in subsection 8 of this section. The redevelopment
11 agreement shall provide that:

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

15 b. No more than seventy-five percent of the urban renewal
16 area identified in the urban renewal plan or the redevelopment
17 area identified in the redevelopment plan may be redeveloped by
18 the applicant; and

19 c. The remainder of the urban renewal area or the
20 redevelopment area shall be redeveloped by co-redevelopers or
21 redevelopers to whom the applicant has assigned its redevelopment
22 rights and obligations under the urban renewal plan or the
23 redevelopment plan;

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

26 (4) "Condemnation proceedings", any action taken by, or on
27 behalf of, an applicant to initiate an action in a court of
28 competent jurisdiction to use the power of eminent domain to

1 acquire a parcel within the eligible project area. Condemnation
2 proceedings shall include any and all actions taken after the
3 submission of a notice of intended acquisition to an owner of a
4 parcel within the eligible project area by a municipal authority
5 or any other person or entity under section 523.250, RSMo;

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

8 (6) "Economic incentive laws", any provision of Missouri
9 law pursuant to which economic incentives are provided to
10 redevelopers of a parcel or parcels to redevelop the land, such
11 as tax abatement or payments in lieu of taxes, or redevelopment
12 plans or redevelopment projects approved or adopted which include
13 the use of economic incentives to redevelop the land. Economic
14 incentive laws include, but are not limited to, the land
15 clearance for redevelopment authority law under sections 99.300
16 to 99.660, the real property tax increment allocation
17 redemption act under sections 99.800 to 99.865, the Missouri
18 downtown and rural economic stimulus act under sections 99.915 to
19 99.1060, and the downtown revitalization preservation program
20 under sections 99.1080 to 99.1092;

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

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

23 (b) Which is to be redeveloped;

24 (c) On which the applicant has not commenced construction
25 prior to November 28, 2007;

26 (d) Which has been acquired without the commencement of any
27 condemnation proceedings with respect to such parcel brought by
28 or on behalf of the applicant. Any parcel acquired by the

1 applicant from a municipal authority shall not constitute an
2 eligible parcel; and

3 (e) On which all outstanding taxes, fines, and bills levied
4 by municipal governments that were levied by the municipality
5 during the time period that the applicant held title to the
6 eligible parcel have been paid in full;

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

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

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

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

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

23 (e) Less than five percent of the acreage within the
24 boundaries of the eligible project area shall consist of
25 owner-occupied residences which the applicant has identified for
26 acquisition under the urban renewal plan or the redevelopment
27 plan pursuant to which the applicant was appointed or selected as
28 the redeveloper or by which the person or entity was qualified as

1 an applicant under this section on the date of the approval or
2 adoption of such plan;

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

5 (10) "Maintenance costs", costs of boarding up and securing
6 vacant structures, costs of removing trash, and costs of cutting
7 grass and weeds;

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

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

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

16 (14) "Redeveloped", the process of undertaking and carrying
17 out a redevelopment plan or urban renewal plan pursuant to which
18 the conditions which provided the basis for an eligible project
19 area to be included in a redevelopment plan or urban renewal plan
20 are to be reduced or eliminated by redevelopment or
21 rehabilitation; and

22 (15) "Redevelopment agreement", the redevelopment agreement
23 or similar agreement into which the applicant entered with a
24 municipal authority and which is the agreement for the
25 implementation of the urban renewal plan or redevelopment plan
26 pursuant to which the applicant was appointed or selected as the
27 redeveloper or by which the person or entity was qualified as an
28 applicant under this section; and such appointment or selection

1 shall have been approved by an ordinance of the governing body of
2 the municipality, or municipalities, or in the case of any city
3 not within a county, the board of aldermen, in which the eligible
4 project area is located. The redevelopment agreement shall
5 include a time line for redevelopment of the eligible project
6 area. The redevelopment agreement shall state that the named
7 developer shall be subject to the provisions of chapter 290,
8 RSMo.

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

16 4. If the amount of such tax credit exceeds the total tax
17 liability for the year in which the applicant is entitled to
18 receive a tax credit, the amount that exceeds the state tax
19 liability may be carried forward for credit against the taxes
20 imposed under chapters 143, 147, and 148, RSMo, for the
21 succeeding six years, or until the full credit is used, whichever
22 occurs first. The applicant shall not be entitled to a tax
23 credit for taxes imposed under sections 143.191 to 143.265, RSMo.
24 Applicants entitled to receive such tax credits may transfer,
25 sell, or assign the tax credits. Tax credits granted to a
26 partnership, a limited liability company taxed as a partnership,
27 or multiple owners of property shall be passed through to the
28 partners, members, or owners respectively pro rata or pursuant to

1 an executed agreement among the partners, members, or owners
2 documenting an alternate distribution method.

3 5. A purchaser, transferee, or assignee of the tax credits
4 authorized under this section may use acquired tax credits to
5 offset up to one hundred percent of the tax liabilities otherwise
6 imposed under chapters 143, 147, and 148, RSMo, except for
7 sections 143.191 to 143.265, RSMo. A seller, transferor, or
8 assignor shall perfect such transfer by notifying the department
9 in writing within thirty calendar days following the effective
10 date of the transfer and shall provide any information as may be
11 required by the department to administer and carry out the
12 provisions of this section.

13 6. To claim tax credits authorized under this section, an
14 applicant shall submit to the department an application for a
15 certificate. An applicant shall identify the boundaries of the
16 eligible project area in the application. The department shall
17 verify that the applicant has submitted a valid application in
18 the form and format required by the department. The department
19 shall verify that the municipal authority held the requisite
20 hearings and gave the requisite notices for such hearings in
21 accordance with the applicable economic incentive act, and
22 municipal ordinances. On an annual basis, an applicant may file
23 for the tax credit for the acquisition costs, and for the tax
24 credit for the interest costs, subject to the limitations of this
25 section. If an applicant applying for the tax credit meets the
26 criteria required under this section, the department shall issue
27 a certificate in the appropriate amount. If an applicant
28 receives a tax credit for maintenance costs as a part of the

1 applicant's acquisition costs, the department shall post on its
2 Internet web site the amount and type of maintenance costs and a
3 description of the redevelopment project for which the applicant
4 received a tax credit within thirty days after the department
5 issues the certificate to the applicant.

6 7. The total aggregate amount of tax credits authorized
7 under this section shall not exceed ninety-five million dollars.
8 At no time shall the annual amount of the tax credits issued
9 under this section exceed [ten] twenty million dollars. If the
10 tax credits that are to be issued under this section exceed, in
11 any year, the [ten] twenty million dollar limitation, the
12 department shall either:

13 (1) Issue tax credits to the applicant in the amount of
14 [ten] twenty million dollars, if there is only one applicant
15 entitled to receive tax credits in that year; or

16 (2) Issue the tax credits on a pro rata basis to all
17 applicants entitled to receive tax credits in that year. Any
18 amount of tax credits, which an applicant is, or applicants are,
19 entitled to receive on an annual basis and are not issued due to
20 the [ten] twenty million dollar limitation, shall be carried
21 forward for the benefit of the applicant or applicants to
22 subsequent years. No tax credits provided under this section
23 shall be authorized after August 28, 2013. Any tax credits which
24 have been authorized on or before August 28, 2013, but not
25 issued, may be issued, subject to the limitations provided under
26 this subsection, until all such authorized tax credits have been
27 issued.

28 8. Upon issuance of any tax credits pursuant to this

1 section, the department shall report to the municipal authority
2 the applicant's name and address, the parcel numbers of the
3 eligible parcels for which the tax credits were issued, the
4 itemized acquisition costs and interest costs for which tax
5 credits were issued, and the total value of the tax credits
6 issued. The municipal authority and the state shall not consider
7 the amount of the tax credits as an applicant's cost, but shall
8 include the tax credits in any sources and uses and cost benefit
9 analysis reviewed or created for the purpose of awarding other
10 economic incentives. The amount of the tax credits shall not be
11 considered an applicant's cost in the evaluation of the amount of
12 any award of any other economic incentives, but shall be
13 considered in measuring the reasonableness of the rate of return
14 to the applicant with respect to such award of other economic
15 incentives. The municipal authority shall provide the report to
16 any relevant commission, board, or entity responsible for the
17 evaluation and recommendation or approval of other economic
18 incentives to assist in the redevelopment of the eligible project
19 area. Tax credits authorized under this section shall constitute
20 redevelopment tax credits, as such term is defined under section
21 135.800 RSMo, and shall be subject to all provisions applicable
22 to redevelopment tax credits provided under sections 135.800 to
23 135.830 RSMo.

24 9. The department may promulgate rules to implement the
25 provisions of this section. Any rule or portion of a rule, as
26 that term is defined in section 536.010, RSMo, that is created
27 under the authority delegated in this section shall become
28 effective only if it complies with and is subject to all of the

1 provisions of chapter 536, RSMo, and, if applicable, section
2 536.028, RSMo. This section and chapter 536, RSMo, are
3 nonseverable and if any of the powers vested with the general
4 assembly pursuant to chapter 536, RSMo, to review, to delay the
5 effective date, or to disapprove and annul a rule are
6 subsequently held unconstitutional, then the grant of rulemaking
7 authority and any rule proposed or adopted after August 28, 2007,
8 shall be invalid and void.

9 100.286. 1. Within the discretion of the board, the
10 development and reserve fund, the infrastructure development fund
11 or the export finance fund may be pledged to secure the payment
12 of any bonds or notes issued by the board, or to secure the
13 payment of any loan made by the board or a participating lender
14 which loan:

15 (1) Is requested to finance any project or export trade
16 activity;

17 (2) Is requested by a borrower who is demonstrated to be
18 financially responsible;

19 (3) Can reasonably be expected to provide a benefit to the
20 economy of this state;

21 (4) Is otherwise secured by a mortgage or deed of trust on
22 real or personal property or other security satisfactory to the
23 board; provided that loans to finance export trade activities may
24 be secured by export accounts receivable or inventories of
25 exportable goods satisfactory to the board;

26 (5) Does not exceed five million dollars;

27 (6) Does not have a term longer than five years if such
28 loan is made to finance export trade activities; and

1 (7) Is, when used to finance export trade activities, made
2 to small or medium size businesses or agricultural businesses, as
3 may be defined by the board.

4 2. The board shall prescribe standards for the evaluation
5 of the financial condition, business history, and qualifications
6 of each borrower and the terms and conditions of loans which may
7 be secured, and may require each application to include a
8 financial report and evaluation by an independent certified
9 public accounting firm, in addition to such examination and
10 evaluation as may be conducted by any participating lender.

11 3. Each application for a loan secured by the development
12 and reserve fund, the infrastructure development fund or the
13 export finance fund shall be reviewed in the first instance by
14 any participating lender to whom the application was submitted.
15 If satisfied that the standards prescribed by the board are met
16 and that the loan is otherwise eligible to be secured by the
17 development and reserve fund, the infrastructure development fund
18 or the export finance fund, the participating lender shall
19 certify the same and forward the application for final approval
20 to the board.

21 4. The securing of any loans by the development and reserve
22 fund, the infrastructure development fund or the export finance
23 fund shall be conditioned upon approval of the application by the
24 board, and receipt of an annual reserve participation fee, as
25 prescribed by the board, submitted by or on behalf of the
26 borrower.

27 5. The securing of any loan by the export finance fund for
28 export trade activities shall be conditioned upon the board's

1 compliance with any applicable treaties and international
2 agreements, such as the general agreement on tariffs and trade
3 and the subsidies code, to which the United States is then a
4 party.

5 6. Any taxpayer, including any charitable organization that
6 is exempt from federal income tax and whose Missouri unrelated
7 business taxable income, if any, would be subject to the state
8 income tax imposed under chapter 143, RSMo, [shall be entitled
9 to] may, subject to the limitations provided under subsection 8
10 of this section, receive a tax credit against any tax otherwise
11 due under the provisions of chapter 143, RSMo, excluding
12 withholding tax imposed by sections 143.191 to 143.261, RSMo,
13 chapter 147, RSMo, or chapter 148, RSMo, in the amount of fifty
14 percent of any amount contributed in money or property by the
15 taxpayer to the development and reserve fund, the infrastructure
16 development fund or the export finance fund during the taxpayer's
17 tax year, provided, however, the total tax credits awarded in any
18 calendar year beginning after January 1, 1994, shall not be the
19 greater of ten million dollars or five percent of the average
20 growth in general revenue receipts in the preceding three fiscal
21 years. This limit may be exceeded only upon joint agreement by
22 the commissioner of administration, the director of the
23 department of economic development, and the director of the
24 department of revenue that such action is essential to ensure
25 retention or attraction of investment in Missouri. If the board
26 receives, as a contribution, real property, the contributor at
27 such contributor's own expense shall have two independent
28 appraisals conducted by appraisers certified by the Master

1 Appraisal Institute. Both appraisals shall be submitted to the
2 board, and the tax credit certified by the board to the
3 contributor shall be based upon the value of the lower of the two
4 appraisals. The board shall not certify the tax credit until the
5 property is deeded to the board. Such credit shall not apply to
6 reserve participation fees paid by borrowers under sections
7 100.250 to 100.297. The portion of earned tax credits which
8 exceeds the taxpayer's tax liability may be carried forward for
9 up to five years.

10 7. Notwithstanding any provision of law to the contrary,
11 any taxpayer may sell, assign, exchange, convey or otherwise
12 transfer tax credits allowed in subsection 6 of this section
13 under the terms and conditions prescribed in subdivisions (1) and
14 (2) of this subsection. Such taxpayer, hereinafter the assignor
15 for the purpose of this subsection, may sell, assign, exchange or
16 otherwise transfer earned tax credits:

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

19 (2) In an amount not to exceed one hundred percent of
20 annual earned credits. The taxpayer acquiring earned credits,
21 hereinafter the assignee for the purpose of this subsection, may
22 use the acquired credits to offset up to one hundred percent of
23 the tax liabilities otherwise imposed by chapter 143, RSMo,
24 excluding withholding tax imposed by sections 143.191 to 143.261,
25 RSMo, chapter 147, RSMo, or chapter 148, RSMo. Unused credits in
26 the hands of the assignee may be carried forward for up to five
27 years, provided all such credits shall be claimed within ten
28 years following the tax years in which the contribution was made.

1 The assignor shall enter into a written agreement with the
2 assignee establishing the terms and conditions of the agreement
3 and shall perfect such transfer by notifying the board in writing
4 within thirty calendar days following the effective day of the
5 transfer and shall provide any information as may be required by
6 the board to administer and carry out the provisions of this
7 section. Notwithstanding any other provision of law to the
8 contrary, the amount received by the assignor of such tax credit
9 shall be taxable as income of the assignor, and the excess of the
10 par value of such credit over the amount paid by the assignee for
11 such credit shall be taxable as income of the assignee.

12 8. Provisions of subsections 1 to 7 of this section to the
13 contrary notwithstanding, no more than ten million dollars in tax
14 credits provided under this section, may be authorized or
15 approved annually. The limitation on tax credit authorization
16 and approval provided under this subsection may be exceeded only
17 upon mutual agreement, evidenced by a signed and properly
18 notarized letter, by the commissioner of the office of
19 administration, the director of the department of economic
20 development, and the director of the department of revenue that
21 such action is essential to ensure retention or attraction of
22 investment in Missouri provided, however, that in no case shall
23 more than twenty-five million dollars in tax credits be
24 authorized or approved during such year. Taxpayers shall file,
25 with the board, an application for tax credits authorized under
26 this section on a form provided by the board. The provisions of
27 this subsection shall not be construed to limit or in any way
28 impair the ability of the board to authorize tax credits for

1 issuance for projects authorized or approved, by a vote of the
2 board, on or before the thirtieth day following the effective
3 date of this act, or a taxpayer's ability to redeem such tax
4 credits.

5 100.760. After receipt of an application, the board may,
6 with the approval of the department, enter into an agreement with
7 an eligible industry for a credit pursuant to sections 100.700 to
8 100.850 if the board determines that all of the following
9 conditions exist:

10 (1) The applicant's project will create new jobs that were
11 not jobs previously performed by employees of the applicant in
12 Missouri;

13 (2) The applicant's project is economically sound and will
14 benefit the people of Missouri by increasing opportunities for
15 employment and strengthening the economy of Missouri;

16 (3) Significant local incentives with respect to the
17 project or eligible industry have been committed, which
18 incentives may consist of:

19 (a) Cash or in-kind incentives derived from any nonstate
20 source, including incentives provided by the affected political
21 subdivisions, private industry and/or local chambers of commerce
22 or similar such organizations; and/or

23 (b) Relief from local taxes, in either case as acceptable
24 to the board;

25 (4) Receiving the credit is a major factor in the
26 applicant's decision to go forward with the project and not
27 receiving the credit will result in the applicant not creating
28 new jobs in Missouri; and

1 (5) Awarding the credit will result in an overall positive
2 fiscal impact to the state[;

3 (6) There is at least one other state that the applicant
4 verifies is being considered for the project; and

5 (7) A significant disparity is identified, using best
6 available data in the projected costs for the applicant's project
7 compared to the costs in the competing state, including the
8 impact of the competing state's incentive programs. The
9 competing state's incentive program shall include state, local,
10 private and federal funds].

11 100.770. In determining the credit that should be awarded,
12 the board shall take into consideration the following factors:

13 (1) The economy of the county where the projected
14 investment is to occur;

15 (2) The potential impact on the economy of Missouri;

16 (3) The payroll attributable to the project;

17 (4) The capital investment attributable to the project;

18 (5) The amount the average wage paid by the applicant
19 exceeds the average wage paid within the county in which the
20 project will be located;

21 (6) The costs to Missouri and the affected political
22 subdivisions with respect to the project; and

23 (7) The financial assistance that is otherwise provided by
24 Missouri and the affected political subdivisions[; and

25 (8) The magnitude of the cost differential between Missouri
26 and the competing state].

27 100.850. 1. The approved company shall remit to the board
28 a job development assessment fee, not to exceed five percent of

1 the gross wages of each eligible employee whose job was created
2 as a result of the economic development project, or not to exceed
3 ten percent if the economic development project is located within
4 a distressed community as defined in section 135.530, RSMo, for
5 the purpose of retiring bonds which fund the economic development
6 project.

7 2. Any approved company remitting an assessment as provided
8 in subsection 1 of this section shall make its payroll books and
9 records available to the board at such reasonable times as the
10 board shall request and shall file with the board documentation
11 respecting the assessment as the board may require.

12 3. Any assessment remitted pursuant to subsection 1 of this
13 section shall cease on the date the bonds are retired.

14 4. Any approved company which has paid an assessment for
15 debt reduction shall be allowed a tax credit equal to the amount
16 of the assessment. The tax credit may be claimed against taxes
17 otherwise imposed by chapters 143 and 148, RSMo, except
18 withholding taxes imposed under the provisions of sections
19 143.191 to 143.265, RSMo, which were incurred during the tax
20 period in which the assessment was made.

21 5. In no event shall the aggregate amount of tax credits
22 authorized by subsection 4 of this section exceed [fifteen]
23 twenty-five million dollars annually. Of such amount, nine
24 hundred fifty thousand dollars shall be reserved for an approved
25 project for a world headquarters of a business whose primary
26 function is tax return preparation that is located in any home
27 rule city with more than four hundred thousand inhabitants and
28 located in more than one county, which amount reserved shall end

1 in the year of the final maturity of the certificates issued for
2 such approved project.

3 6. The director of revenue shall issue a refund to the
4 approved company to the extent that the amount of credits allowed
5 in subsection 4 of this section exceeds the amount of the
6 approved company's income tax.

7 105.145. 1. The following definitions shall be applied to
8 the terms used in this section:

9 (1) "Governing body", the board, body, or persons in which
10 the powers of a political subdivision as a body corporate, or
11 otherwise, are vested;

12 (2) "Political subdivision", any agency or unit of this
13 state, except counties and school districts, which now is, or
14 hereafter shall be, authorized to levy taxes or empowered to
15 cause taxes to be levied.

16 2. The governing body of each political subdivision in the
17 state shall cause to be prepared an annual report of the
18 financial transactions of the political subdivision in such
19 summary form as the state auditor shall prescribe by rule, except
20 that the annual report of political subdivisions whose cash
21 receipts for the reporting period are ten thousand dollars or
22 less shall only be required to contain the cash balance at the
23 beginning of the reporting period, a summary of cash receipts, a
24 summary of cash disbursements and the cash balance at the end of
25 the reporting period.

26 3. Within such time following the end of the fiscal year as
27 the state auditor shall prescribe by rule, the governing body of
28 each political subdivision shall cause a copy of the annual

1 financial report to be remitted to the state auditor.

2 4. The state auditor shall immediately on receipt of each
3 financial report acknowledge the receipt of the report.

4 5. In any fiscal year no member of the governing body of
5 any political subdivision of the state shall receive any
6 compensation or payment of expenses after the end of the time
7 within which the financial statement of the political subdivision
8 is required to be filed with the state auditor and until such
9 time as the notice from the state auditor of the filing of the
10 annual financial report for the fiscal year has been received.

11 6. The state auditor shall prepare sample forms for
12 financial reports and shall mail the same to the political
13 subdivisions of the state. Failure of the auditor to supply such
14 forms shall not in any way excuse any person from the performance
15 of any duty imposed by this section.

16 7. All reports or financial statements hereinabove
17 mentioned shall be considered to be public records.

18 8. The provisions of this section apply to the board of
19 directors of every transportation development district organized
20 under sections 238.200 to 238.275, RSMo. Any transportation
21 development district that fails to timely submit a copy of the
22 annual financial statement to the state auditor shall be subject
23 to a fine not to exceed five hundred dollars per day.

24 108.1000. 1. As used in sections 108.1000 to 108.1020, the
25 following terms mean:

26 (1) "Board", the Missouri development finance board;

27 (2) "Build America bonds", any bonds designated build
28 America bonds pursuant to Section 54AA of the Internal Revenue

Code of 1986, as amended;

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

(4) "Eligible issuer", any development agency as defined in section 100.255, RSMo, or any board, commission, or body corporate and politic of the state that is authorized to issue bonds under the constitution and laws of this state;

(5) "Recovery zone bonds", any recovery zone economic development bonds or recovery zone facility bonds that are allocated pursuant to Section 1400U-1 of the Internal Revenue Code of 1986, as amended.

2. The board may, at any time, issue build America bonds and recovery zone bonds for the purpose of paying any part of the cost of financing any qualifying project or projects, or part thereof, and for the purpose of purchasing any debt related to such project. All bonds issued pursuant to this subsection shall be subject to section 100.275. The board shall have all necessary power to carry out the provisions of sections 108.1000 to 108.1020.

3. Any eligible issuer shall have the power to designate bonds as build America bonds and recovery zone bonds subject to the provisions of law governing the issuance of bonds by such issuer. The use of the proceeds of such bonds and the sources of repayment of such bonds shall be subject to all provisions of state and federal law governing such bonds. Prior to issuance of any bonds by a state board or commission, all certifications and assurances, under the provisions of Section 1511 of Part A of the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (2009), shall be made.

1 4. The issuance of build America bonds or recovery zone
2 bonds may be combined with any other economic development program
3 offered by the state.

4 5. The board may buy, sell, and broker federal tax credits
5 issued in connection with build America bonds or recovery zone
6 bonds.

7 108.1010. 1. The department shall allocate recovery zone
8 bonds to counties and large municipalities in accordance with
9 Section 1400U-1 of the Internal Revenue Code of 1986, as amended,
10 and shall provide notice of such allocation to each county and
11 large municipality. A county or large municipality may, at any
12 time, waive any allocation of recovery zone bonds by providing
13 written notice to the department. Each allocation shall be
14 deemed waived by the county or large municipality on the sixtieth
15 day following notice of allocation, except to the extent the
16 county or large municipality provided the department with written
17 notice of intent to issue recovery zone bonds stating the amount
18 and type to be issued. Each county or large municipality shall
19 notify the department in writing of the issuance of recovery zone
20 bonds. Any recovery zone bonds allocated to a county or large
21 municipality which remain unissued as of the first day of July of
22 each year, shall be recaptured by the department for
23 reallocation.

24 2. Any county or large municipality may apply to the
25 department for the allocation of additional recovery zone bonds
26 to the extent such bonds are available due to the waiver of
27 recovery zone bond allocations by other counties or large
28 municipalities or the recapture of recovery zone bonds by the

1 department as provided under subsection 1 of this section. The
2 department may reallocate such recovery zone bonds to any
3 eligible issuer of recovery zone bonds as provided by rule.

4 3. The department shall promulgate rules to implement the
5 provisions of sections 108.1000 to 108.1020. Any rule or portion
6 of a rule, as that term is defined in section 536.010, RSMo, that
7 is created under the authority delegated in this section shall
8 become effective only if it complies with and is subject to all
9 of the provisions of chapter 536, RSMo, and, if applicable,
10 section 536.028, RSMo. This section and chapter 536, RSMo, are
11 nonseverable and if any of the powers vested with the general
12 assembly pursuant to chapter 536, RSMo, to review, to delay the
13 effective date, or to disapprove and annul a rule are
14 subsequently held unconstitutional, then the grant of rulemaking
15 authority and any rule proposed or adopted after August 28, 2009,
16 shall be invalid and void.

17 108.1020. Build America bonds and any recovery zone bonds
18 issued by the state of Missouri or an entity described in
19 subsection 3 of section 108.1000 and the interest thereon shall
20 be exempt from all taxation by the state of Missouri and its
21 political subdivisions.

22 135.155. 1. Notwithstanding any provision of the law to
23 the contrary, no revenue-producing enterprise other than
24 headquarters as defined in subsection 10 of section 135.110 shall
25 receive the incentives set forth in sections 135.100 to 135.150
26 for facilities commencing operations on or after January 1, 2005.
27 No headquarters shall receive the incentives set forth in
28 subsections 9 to 14 of section 135.110 for facilities commencing

1 or expanding operations on or after January 1, 2020.

2 2. Notwithstanding subsection 9 of section 135.110 to the
3 contrary, expansions at headquarters facilities shall each be
4 considered a separate new business facility and each be entitled
5 to the credits as set forth in subsections 9 to 14 of section
6 135.110 if the number of new business facility employees
7 attributed to each such expansion is at least twenty-five and the
8 amount of new business facility investment attributed to each
9 such expansion is at least one million dollars. In any year in
10 which a new business facility is not created, the jobs and
11 investment for that year shall be included in calculating the
12 credits for the most recent new business facility and not an
13 earlier created new business facility.

14 3. Notwithstanding any provision of law to the contrary,
15 for headquarters, buildings on multiple noncontiguous real
16 properties shall be considered one facility if the buildings are
17 located within the same county or within the same municipality.

18 135.352. 1. A taxpayer owning an interest in a qualified
19 Missouri project [shall] may be allowed a state tax credit,
20 whether or not allowed a federal tax credit, to be termed the
21 Missouri low-income housing tax credit, if the commission issues
22 an eligibility statement for that project.

23 2. For qualified Missouri projects placed in service after
24 January 1, 1997, the Missouri low-income housing tax credit
25 available to a project shall be such amount as the commission
26 shall determine is necessary to ensure the feasibility of the
27 project, up to an amount equal to the federal low-income housing
28 tax credit for a qualified Missouri project, for a federal tax

1 period, and such amount shall be subtracted from the amount of
2 state tax otherwise due for the same tax period.

3 3. No more than six million dollars in tax credits shall be
4 authorized each fiscal year for projects financed through tax-
5 exempt bond issuance.

6 4. The Missouri low-income housing tax credit shall be
7 taken against the taxes and in the order specified pursuant to
8 section 32.115, RSMo. The credit authorized by this section
9 shall not be refundable. Any amount of credit that exceeds the
10 tax due for a taxpayer's taxable year may be carried back to any
11 of the taxpayer's three prior taxable years or carried forward to
12 any of the taxpayer's five subsequent taxable years.

13 [4.] 5. All or any portion of Missouri tax credits issued
14 in accordance with the provisions of sections 135.350 to 135.362
15 may be allocated to parties who are eligible pursuant to the
16 provisions of subsection 1 of this section. Beginning January 1,
17 1995, for qualified projects which began on or after January 1,
18 1994, an owner of a qualified Missouri project shall certify to
19 the director the amount of credit allocated to each taxpayer.
20 The owner of the project shall provide to the director
21 appropriate information so that the low-income housing tax credit
22 can be properly allocated.

23 [5.] 6. In the event that recapture of Missouri low-income
24 housing tax credits is required pursuant to subsection 2 of
25 section 135.355, any statement submitted to the director as
26 provided in this section shall include the proportion of the
27 state credit required to be recaptured, the identity of each
28 taxpayer subject to the recapture and the amount of credit

1 previously allocated to such taxpayer.

2 [6.] 7. The director of the department may promulgate rules
3 and regulations necessary to administer the provisions of this
4 section. No rule or portion of a rule promulgated pursuant to
5 the authority of this section shall become effective unless it
6 has been promulgated pursuant to the provisions of section
7 536.024, RSMo.

8 135.535. 1. A corporation, limited liability corporation,
9 partnership or sole proprietorship, which moves its operations
10 from outside Missouri or outside a distressed community into a
11 distressed community, or which commences operations in a
12 distressed community on or after January 1, 1999, and in either
13 case has more than seventy-five percent of its employees at the
14 facility in the distressed community, and which has fewer than
15 one hundred employees for whom payroll taxes are paid, and which
16 is a manufacturing, biomedical, medical devices, scientific
17 research, animal research, computer software design or
18 development, computer programming, including Internet, web
19 hosting, and other information technology, wireless or wired or
20 other telecommunications or a professional firm shall receive a
21 forty percent credit against income taxes owed pursuant to
22 chapter 143, 147 or 148, RSMo, other than taxes withheld pursuant
23 to sections 143.191 to 143.265, RSMo, for each of the three years
24 after such move, if approved by the department of economic
25 development, which shall issue a certificate of eligibility if
26 the department determines that the taxpayer is eligible for such
27 credit. The maximum amount of credits per taxpayer set forth in
28 this subsection shall not exceed one hundred twenty-five thousand

1 dollars for each of the three years for which the credit is
2 claimed. The department of economic development, by means of
3 rule or regulation promulgated pursuant to the provisions of
4 chapter 536, RSMo, shall assign appropriate North American
5 Industry Classification System numbers to the companies which are
6 eligible for the tax credits provided for in this section. Such
7 three-year credits shall be awarded only one time to any company
8 which moves its operations from outside of Missouri or outside of
9 a distressed community into a distressed community or to a
10 company which commences operations within a distressed community.
11 A taxpayer shall file an application for certification of the tax
12 credits for the first year in which credits are claimed and for
13 each of the two succeeding taxable years for which credits are
14 claimed.

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

28 3. A tax credit against income taxes owed pursuant to

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

4. A corporation, partnership or sole partnership, which has no more than one hundred employees for whom payroll taxes are paid, which is already located in a distressed community and which expends funds for such equipment pursuant to subsection 3 of this section in an amount exceeding its average of the prior two years for such equipment, shall be eligible to receive a tax credit against income taxes owed pursuant to chapters 143, 147 and 148, RSMo, in an amount equal to the lesser of seventy-five thousand dollars or twenty-five percent of the funds expended for such additional equipment per such entity. Tax credits allowed pursuant to this subsection or subsection 1 of this section may be carried back to any of the three prior tax years and carried forward to any of the five tax years.

5. An existing corporation, partnership or sole proprietorship that is located within a distressed community and that relocates employees from another facility outside of the

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

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

20 7. The tax credits allowed pursuant to subsections 1, 2, 3,
21 4 and 5 of this section shall be for an amount of no more than
22 ten million dollars for each year beginning in 1999. To the
23 extent there are available tax credits remaining under the ten
24 million dollar cap provided in this section, up to one hundred
25 thousand dollars in the remaining credits shall first be used for
26 tax credits authorized under section 135.562. The total maximum
27 credit for all entities already located in distressed communities
28 and claiming credits pursuant to subsection 4 of this section

1 shall be seven hundred and fifty thousand dollars. The
2 department of economic development in approving taxpayers for the
3 credit as provided for in subsection 6 of this section shall use
4 information provided by the department of revenue regarding taxes
5 paid in the previous year, or projected taxes for those entities
6 newly established in the state, as the method of determining when
7 this maximum will be reached and shall maintain a record of the
8 order of approval. Any tax credit not used in the period for
9 which the credit was approved may be carried over until the full
10 credit has been allowed. No tax credits provided under this
11 section shall be authorized on or after the thirtieth day
12 following the effective date of this act. The provisions of this
13 subsection shall not be construed to limit or in any way impair
14 the department's ability to issue tax credits authorized prior to
15 the thirtieth day following the effective date of this act, or a
16 taxpayer's ability to redeem such tax credits.

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

26 9. Notwithstanding any provision of law to the contrary, no
27 taxpayer shall earn the tax credits allowed in this section and
28 the tax credits otherwise allowed in section 135.110, or the tax

1 credits, exemptions, and refund otherwise allowed in sections
2 135.200, 135.220, 135.225 and 135.245, respectively, for the same
3 business for the same tax period.

4 135.680. 1. As used in this section, the following terms
5 shall mean:

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

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

9 (b) The following fraction:

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

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

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

1 used to make the qualified low-income community investment, and
2 the qualified low-income community investment shall be considered
3 held by the issuer through the seventh anniversary of the
4 qualified equity investment's issuance;

5 (2) "Applicable percentage", zero percent for each of the
6 first two credit allowance dates, seven percent for the third
7 credit allowance date, and eight percent for the next four credit
8 allowance dates;

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

11 (a) The date on which such investment is initially made;
12 and

13 (b) Each of the six anniversary dates of such date
14 thereafter;

15 (4) "Long-term debt security", any debt instrument issued
16 by a qualified community development entity, at par value or a
17 premium, with an original maturity date of at least seven years
18 from the date of its issuance, with no acceleration of repayment,
19 amortization, or prepayment features prior to its original
20 maturity date, and with no distribution, payment, or interest
21 features related to the profitability of the qualified community
22 development entity or the performance of the qualified community
23 development entity's investment portfolio. The foregoing shall
24 in no way limit the holder's ability to accelerate payments on
25 the debt instrument in situations where the issuer has defaulted
26 on covenants designed to ensure compliance with this section or
27 Section 45D of the Internal Revenue Code of 1986, as amended;

28 (5) "Qualified active low-income community business", the

1 meaning given such term in Section 45D of the Internal Revenue
2 Code of 1986, as amended; provided that any business that derives
3 or projects to derive fifteen percent or more of its annual
4 revenue from the rental or sale of real estate shall not be
5 considered to be a qualified active low-income community
6 business;

7 (6) "Qualified community development entity", the meaning
8 given such term in Section 45D of the Internal Revenue Code of
9 1986, as amended; provided that such entity has entered into an
10 allocation agreement with the Community Development Financial
11 Institutions Fund of the U.S. Treasury Department with respect to
12 credits authorized by Section 45D of the Internal Revenue Code of
13 1986, as amended, which includes the state of Missouri within the
14 service area set forth in such allocation agreement;

15 (7) "Qualified equity investment", any equity investment
16 in, or long-term debt security issued by, a qualified community
17 development entity that:

18 (a) Is acquired after September 4, 2007, at its original
19 issuance solely in exchange for cash;

20 (b) Has at least eighty-five percent of its cash purchase
21 price used by the issuer to make qualified low-income community
22 investments; and

23 (c) Is designated by the issuer as a qualified equity
24 investment under this subdivision and is certified by the
25 department of economic development as not exceeding the
26 limitation contained in subsection 2 of this section. This term
27 shall include any qualified equity investment that does not meet
28 the provisions of paragraph (a) of this subdivision if such

1 investment was a qualified equity investment in the hands of a
2 prior holder;

3 (8) "Qualified low-income community investment", any
4 capital or equity investment in, or loan to, any qualified active
5 low-income community business. With respect to any one qualified
6 active low-income community business, the maximum amount of
7 qualified low-income community investments made in such business,
8 on a collective basis with all of its affiliates, that may be
9 used from the calculation of any numerator described in
10 subparagraph a. of paragraph (b) of subdivision (1) of this
11 subsection shall be ten million dollars whether issued to one or
12 several qualified community development entities;

13 (9) "Tax credit", a credit against the tax otherwise due
14 under chapter 143, RSMo, excluding withholding tax imposed in
15 sections 143.191 to 143.265, RSMo, or otherwise due under section
16 375.916, RSMo, or chapter 147, 148, or 153, RSMo;

17 (10) "Taxpayer", any individual or entity subject to the
18 tax imposed in chapter 143, RSMo, excluding withholding tax
19 imposed in sections 143.191 to 143.265, RSMo, or the tax imposed
20 in section 375.916, RSMo, or chapter 147, 148, or 153, RSMo.

21 2. A taxpayer that makes a qualified equity investment
22 earns a vested right to tax credits under this section. On each
23 credit allowance date of such qualified equity investment the
24 taxpayer, or subsequent holder of the qualified equity
25 investment, shall be entitled to a tax credit during the taxable
26 year including such credit allowance date. The tax credit amount
27 shall be equal to the applicable percentage of the adjusted
28 purchase price paid to the issuer of such qualified equity

1 investment. The amount of the tax credit claimed shall not
2 exceed the amount of the taxpayer's state tax liability for the
3 tax year for which the tax credit is claimed. No tax credit
4 claimed under this section shall be refundable or transferable.
5 Tax credits earned by a partnership, limited liability company,
6 S-corporation, or other pass-through entity may be allocated to
7 the partners, members, or shareholders of such entity for their
8 direct use in accordance with the provisions of any agreement
9 among such partners, members, or shareholders. Any amount of tax
10 credit that the taxpayer is prohibited by this section from
11 claiming in a taxable year may be carried forward to any of the
12 taxpayer's five subsequent taxable years. The department of
13 economic development shall limit the monetary amount of qualified
14 equity investments permitted under this section to a level
15 necessary to limit tax credit utilization at no more than
16 ~~[fifteen]~~ twenty-five million dollars of tax credits in any
17 fiscal year. Such limitation on qualified equity investments
18 shall be based on the anticipated utilization of credits without
19 regard to the potential for taxpayers to carry forward tax
20 credits to later tax years.

21 3. The issuer of the qualified equity investment shall
22 certify to the department of economic development the anticipated
23 dollar amount of such investments to be made in this state during
24 the first twelve-month period following the initial credit
25 allowance date. If on the second credit allowance date, the
26 actual dollar amount of such investments is different than the
27 amount estimated, the department of economic development shall
28 adjust the credits arising on the second allowance date to

1 account for such difference.

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

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

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

14 5. The department of economic development shall promulgate
15 rules to implement the provisions of this section, including
16 recapture provisions on a scaled proportional basis, and to
17 administer the allocation of tax credits issued for qualified
18 equity investments, which shall be conducted on a first-come,
19 first-serve basis. Any rule or portion of a rule, as that term
20 is defined in section 536.010, RSMo, that is created under the
21 authority delegated in this section shall become effective only
22 if it complies with and is subject to all of the provisions of
23 chapter 536, RSMo, and, if applicable, section 536.028, RSMo.
24 This section and chapter 536, RSMo, are nonseverable and if any
25 of the powers vested with the general assembly pursuant to
26 chapter 536, RSMo, to review, to delay the effective date, or to
27 disapprove and annul a rule are subsequently held
28 unconstitutional, then the grant of rulemaking authority and any

1 rule proposed or adopted after September 4, 2007, shall be
2 invalid and void.

3 6. For fiscal years following fiscal year 2010, qualified
4 equity investments shall not be made under this section unless
5 reauthorization is made pursuant to this subsection. For all
6 fiscal years following fiscal year 2010, unless the general
7 assembly adopts a concurrent resolution granting authority to the
8 department of economic development to approve qualified equity
9 investments for the Missouri new markets development program and
10 clearly describing the amount of tax credits available for the
11 next fiscal year, or otherwise complies with the provisions of
12 this subsection, no qualified equity investments may be permitted
13 to be made under this section. The amount of available tax
14 credits contained in such a resolution shall not exceed the
15 limitation provided under subsection 2 of this section. In any
16 year in which the provisions of this section shall sunset
17 pursuant to subsection 7 of this section, reauthorization shall
18 be made by general law and not by concurrent resolution. Nothing
19 in this subsection shall preclude a taxpayer who makes a
20 qualified equity investment prior to the expiration of authority
21 to make qualified equity investments from claiming tax credits
22 relating to such qualified equity investment for each applicable
23 credit allowance date.

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

25 (1) The provisions of the new program authorized under this
26 section shall automatically sunset six years after September 4,
27 2007, unless reauthorized by an act of the general assembly; and

28 (2) If such program is reauthorized, the program authorized

1 under this section shall automatically sunset twelve years after
2 the effective date of the reauthorization of this section; and

3 (3) This section shall terminate on September first of the
4 calendar year immediately following the calendar year in which
5 the program authorized under this section is sunset. However,
6 nothing in this subsection shall preclude a taxpayer who makes a
7 qualified equity investment prior to sunset of this section under
8 the provisions of section 23.253, RSMo, from claiming tax credits
9 relating to such qualified equity investment for each credit
10 allowance date.

11 135.766. An eligible small business, as defined in Section
12 44 of the Internal Revenue Code, shall be allowed a credit
13 against the tax otherwise due pursuant to chapter 143, RSMo, not
14 including sections 143.191 to 143.265, RSMo, in an amount equal
15 to any amount paid by the eligible small business to the United
16 States Small Business Administration as a guaranty fee pursuant
17 to obtaining Small Business Administration guaranteed financing
18 and to programs administered by the United States Department of
19 Agriculture for rural development or farm service agencies. No
20 tax credits provided under this section shall be authorized on or
21 after the thirtieth day following the effective date of this act.
22 The provisions of this subsection shall not be construed to limit
23 or in any way impair the department's ability to issue tax
24 credits authorized prior to the thirtieth day following the
25 effective date of this act, or a taxpayer's ability to redeem
26 such tax credits.

27 135.800. 1. The provisions of sections 135.800 to 135.830
28 shall be known and may be cited as the "Tax Credit Accountability

1 Act of 2004".

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

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

8 (2) "Agricultural tax credits", the agricultural product
9 utilization contributor tax credit created pursuant to section
10 348.430, RSMo, the new generation cooperative incentive tax
11 credit created pursuant to section 348.432, RSMo, the family farm
12 breeding livestock loan tax credit created under section 348.505,
13 RSMo, the qualified beef tax credit created under section
14 135.679, and the wine and grape production tax credit created
15 pursuant to section 135.700;

16 (3) "All tax credit programs", or "Any tax credit program",
17 the tax credit programs included in the definitions of
18 agricultural tax credits, business recruitment tax credits,
19 community development tax credits, domestic and social tax
20 credits, entrepreneurial tax credits, environmental tax credits,
21 financial and insurance tax credits, housing tax credits,
22 redevelopment tax credits, and training and educational tax
23 credits;

24 (4) "Business recruitment tax credits", the business
25 facility tax credit created pursuant to sections 135.110 to
26 135.150 and section 135.258, the enterprise zone tax benefits
27 created pursuant to sections 135.200 to 135.270, the business use
28 incentives for large-scale development programs created pursuant

1 to sections 100.700 to 100.850, RSMo, the development tax credits
2 created pursuant to sections 32.100 to 32.125, RSMo, the
3 rebuilding communities tax credit created pursuant to section
4 135.535, [and] the film production tax credit created pursuant to
5 section 135.750, the enhanced enterprise zone created pursuant to
6 sections 135.950 to 135.975, and the Missouri quality jobs
7 program created pursuant to sections 620.1875 to 620.1900, RSMo;

8 (5) "Community development tax credits", the neighborhood
9 assistance tax credit created pursuant to sections 32.100 to
10 32.125, RSMo, the family development account tax credit created
11 pursuant to sections 208.750 to 208.775, RSMo, the dry fire
12 hydrant tax credit created pursuant to section 320.093, RSMo, and
13 the transportation development tax credit created pursuant to
14 section 135.545;

15 (6) "Domestic and social tax credits", the youth
16 opportunities tax credit created pursuant to section 135.460 and
17 sections 620.1100 to 620.1103, RSMo, the shelter for victims of
18 domestic violence created pursuant to section 135.550, the senior
19 citizen or disabled person property tax credit created pursuant
20 to sections 135.010 to 135.035, the special needs adoption tax
21 credit and children in crisis tax credit created pursuant to
22 sections 135.325 to 135.339, the maternity home tax credit
23 created pursuant to section 135.600, the surviving spouse tax
24 credit created pursuant to section 135.090, the residential
25 treatment agency tax credit created pursuant to section 135.1150,
26 the pregnancy resource center tax credit created pursuant to
27 section 135.630, the food pantry tax credit created pursuant to
28 section 135.647, the health care access fund tax credit created

1 pursuant to section 135.575, the residential dwelling access tax
2 credit created pursuant to section 135.562, and the shared care
3 tax credit created pursuant to section 660.055, RSMo;

4 (7) "Entrepreneurial tax credits", the capital tax credit
5 created pursuant to sections 135.400 to 135.429, the certified
6 capital company tax credit created pursuant to sections 135.500
7 to 135.529, the seed capital tax credit created pursuant to
8 sections 348.300 to 348.318, RSMo, the new enterprise creation
9 tax credit created pursuant to sections 620.635 to 620.653, RSMo,
10 the research tax credit created pursuant to section 620.1039,
11 RSMo, the small business incubator tax credit created pursuant to
12 section 620.495, RSMo, the guarantee fee tax credit created
13 pursuant to section 135.766, and the new generation cooperative
14 tax credit created pursuant to sections 32.105 to 32.125, RSMo;

15 (8) "Environmental tax credits", the charcoal producer tax
16 credit created pursuant to section 135.313, the wood energy tax
17 credit created pursuant to sections 135.300 to 135.311, and the
18 alternative fuel stations tax credit created pursuant to section
19 135.710;

20 (9) "Financial and Insurance tax credits", the bank
21 franchise tax credit created pursuant to section 148.030, RSMo,
22 the bank tax credit for S corporations created pursuant to
23 section 143.471, RSMo, the exam fee tax credit created pursuant
24 to section 148.400, RSMo, the health insurance pool tax credit
25 created pursuant to section 376.975, RSMo, the life and health
26 insurance guaranty tax credit created pursuant to section
27 376.745, RSMo, the property and casualty guaranty tax credit
28 created pursuant to section 375.774, RSMo, and the self-employed

1 health insurance tax credit created pursuant to section 143.119,
2 RSMo;

3 (10) "Housing tax credits", the neighborhood preservation
4 tax credit created pursuant to sections 135.475 to 135.487, the
5 low-income housing tax credit created pursuant to sections
6 135.350 to 135.363, and the affordable housing tax credit created
7 pursuant to sections 32.105 to 32.125, RSMo;

8 ~~[(10)]~~ (11) "Recipient", the individual or entity who is
9 the original applicant for and who receives proceeds from a tax
10 credit program directly from the administering agency, the person
11 or entity responsible for the reporting requirements established
12 in section 135.805;

13 ~~[(11)]~~ (12) "Redevelopment tax credits", the historic
14 preservation tax credit created pursuant to sections 253.545 to
15 253.561, RSMo, the brownfield redevelopment program tax credit
16 created pursuant to sections 447.700 to 447.718, RSMo, the
17 community development corporations tax credit created pursuant to
18 sections 135.400 to 135.430, the infrastructure tax credit
19 created pursuant to subsection 6 of section 100.286, RSMo, the
20 bond guarantee tax credit created pursuant to section 100.297,
21 RSMo, ~~[and]~~ the disabled access tax credit created pursuant to
22 section 135.490, the new markets tax credit created pursuant to
23 section 135.680, and the distressed areas land assemblage tax
24 credit created pursuant to section 99.1205, RSMo;

25 ~~[(12)]~~ (13) "Training and educational tax credits", the
26 community college new jobs tax credit created pursuant to
27 sections 178.892 to 178.896, RSMo.

28 135.802. 1. Beginning January 1, 2005, all applications

1 for all tax credit programs shall include, in addition to any
2 requirements provided by the enacting statutes of a particular
3 credit program, the following information to be submitted to the
4 department administering the tax credit:

5 (1) Name, address, and phone number of the applicant or
6 applicants, and the name, address, and phone number of a contact
7 person or agent for the applicant or applicants;

8 (2) Taxpayer type, whether individual, corporation,
9 nonprofit or other, and taxpayer identification number, if
10 applicable;

11 (3) Standard industry code, if applicable; [and]

12 (4) Program name and type of tax credit, including the
13 identity of any other state or federal program being utilized for
14 the same activity or project; and

15 (5) Number of estimated jobs to be created, as a result of
16 the tax credits, if applicable, separated by construction, part-
17 time permanent, and full-time permanent.

18 2. In addition to the information required by subsection 1
19 of this section, an applicant for a community development tax
20 credit shall also provide information detailing the title and
21 location of the corresponding project, the estimated time period
22 for completion of the project, and all geographic areas impacted
23 by the project.

24 3. In addition to the information required by subsection 1
25 of this section, an applicant for a redevelopment tax credit
26 shall also provide information detailing the location and legal
27 description of the property, age of the structure, if applicable,
28 whether the property is residential, commercial, or governmental,

1 and the projected project cost, labor cost, and projected date of
2 completion. Where a redevelopment tax credit applicant is
3 required to submit contemporaneously a federal application for a
4 similar credit on the same underlying project, the submission of
5 a copy of the federal application shall be sufficient to meet the
6 requirements of this subsection.

7 4. In addition to the information required by subsection 1
8 of this section, an applicant for a business recruitment tax
9 credit shall also provide information detailing the category of
10 business by size, the address of the business headquarters and
11 all offices located within this state, the number of employees at
12 the time of the application, the number of employees projected to
13 increase as a result of the completion of the project, and the
14 estimated project cost.

15 5. In addition to the information required by subsection 1
16 of this section, an applicant for a training and educational tax
17 credit shall also provide information detailing the name and
18 address of the educational institution to be used, the average
19 salary of workers to be served, the estimated project cost, and
20 the number of employees and number of students to be served.

21 6. In addition to the information required by subsection 1
22 of this section, an applicant for a housing tax credit also shall
23 provide information detailing the address, legal description, and
24 fair market value of the property, and the projected labor cost
25 and projected completion date of the project. Where a housing
26 tax credit applicant is required to submit contemporaneously a
27 federal application for a similar credit on the same underlying
28 project, the submission of a copy of the federal application

1 shall be sufficient to meet the requirements of this subsection.
2 For the purposes of this subsection, "fair market value" means
3 the value as of the purchase of the property or the most recent
4 assessment, whichever is more recent.

5 7. In addition to the information required by subsection 1
6 of this section, an applicant for an entrepreneurial tax credit
7 shall also provide information detailing the amount of investment
8 and the names of the project, fund, and research project.

9 8. In addition to the information required by subsection 1
10 of this section, an applicant for an agricultural tax credit
11 shall also provide information detailing the type of agricultural
12 commodity, the amount of contribution, the type of equipment
13 purchased, and the name and description of the facility.

14 9. In addition to the information required by subsection 1
15 of this section, an applicant for an environmental tax credit
16 shall also include information detailing the type of equipment,
17 if applicable, purchased and any environmental impact statement,
18 if required by state or federal law.

19 10. An administering agency may, by rule, require
20 additional information to be submitted by an applicant. Any rule
21 or portion of a rule, as that term is defined in section 536.010,
22 RSMo, that is created pursuant to the authority delegated in this
23 section shall become effective only if it complies with and is
24 subject to all of the provisions of chapter 536, RSMo, and if
25 applicable, section 536.028, RSMo. This section and chapter 536,
26 RSMo, are nonseverable and if any of the powers vested with the
27 general assembly pursuant to chapter 536, RSMo, to review, to
28 delay the effective date or to disapprove and annul a rule are

1 subsequently held unconstitutional, then the grant of rulemaking
2 authority and any rule proposed or adopted after August 28, 2004,
3 shall be void.

4 11. Where the sole requirement for receiving a tax credit
5 in the enabling legislation of any tax credit is an obligatory
6 assessment upon a taxpayer or a monetary contribution to a
7 particular group or entity, the application requirements provided
8 in this section shall apply to the recipient of such assessment
9 or contribution and shall not apply to the assessed nor the
10 contributor.

11 12. It shall be the duty of each administering agency to
12 provide information to every applicant, at some time prior to
13 authorization of an applicant's tax credit application, wherein
14 the requirements of this section, the annual reporting
15 requirements of section 135.805, and the penalty provisions of
16 section 135.810 are described in detail.

17 135.805. 1. A recipient of any tax credit program, except
18 domestic and social tax credits, environmental tax credits, or
19 financial and insurance tax credits, shall annually, for a period
20 of three years following the issuance of the tax credits, provide
21 to the administering agency the actual number of jobs created as
22 a result of the tax credits, at the location on the last day of
23 the annual reporting period, separated by part-time permanent and
24 full-time permanent for each month of the preceding twelve month
25 period.

26 2. A recipient of a community development tax credit shall
27 annually, for a period of three years following issuance of tax
28 credits, provide to the administering agency information

1 confirming the title and location of the corresponding project,
2 the estimated or actual time period for completion of the
3 project, and all geographic areas impacted by the project.

4 [2.] 3. A recipient of a redevelopment tax credit shall
5 annually, for a period of three years following issuance of tax
6 credits, provide to the administering agency information
7 confirming whether the property is used for residential,
8 commercial, or governmental purposes, and the projected or actual
9 project cost, labor cost, and date of completion.

10 [3.] 4. A recipient of a business recruitment tax credit
11 shall annually, for a period of three years following issuance of
12 tax credits, provide to the administering agency information
13 confirming the category of business by size, the address of the
14 business headquarters and all offices located within this state,
15 the number of employees at the time of the annual update, an
16 updated estimate of the number of employees projected to increase
17 as a result of the completion of the project, and the estimated
18 or actual project cost.

19 [4.] 5. A recipient of a training and educational tax
20 credit shall annually, for a period of three years following
21 issuance of tax credits, provide to the administering agency
22 information confirming the name and address of the educational
23 institution used, the average salary of workers served as of such
24 annual update, the estimated or actual project cost, and the
25 number of employees and number of students served as of such
26 annual update.

27 [5.] 6. A recipient of a housing tax credit shall annually,
28 for a period of three years following issuance of tax credits,

1 provide to the administering agency information confirming the
2 address of the property, the fair market value of the property,
3 as defined in subsection 6 of section 135.802, and the projected
4 or actual labor cost and completion date of the project.

5 [6.] 7. A recipient of an entrepreneurial tax credit shall
6 annually, for a period of three years following issuance of tax
7 credits, provide to the administering agency information
8 confirming the amount of investment and the names of the project,
9 fund, and research project.

10 [7.] 8. A recipient of an agricultural tax credit shall
11 annually, for a period of three years following issuance of tax
12 credits, provide to the administering agency information
13 confirming the type of agricultural commodity, the amount of
14 contribution, the type of equipment purchased, and the name and
15 description of the facility, except that if the agricultural
16 credit is issued as a result of a producer member investing in a
17 new generation processing entity or new generation cooperative
18 then the new generation processing entity or new generation
19 cooperative, and not the recipient, shall annually, for a period
20 of three years following issuance of tax credits, provide to the
21 administering agency information confirming the type of
22 agricultural commodity, the amount of contribution, the type of
23 equipment purchased, and the name and description of the
24 facility.

25 [8.] 9. A recipient of an environmental tax credit shall
26 annually, for a period of three years following issuance of tax
27 credits, provide to the administering agency information
28 detailing any change to the type of equipment purchased, if

1 applicable, and any change to any environmental impact statement,
2 if such statement is required by state or federal law.

3 [9.] 10. The reporting requirements established in this
4 section shall be due annually on June thirtieth of each year. No
5 person or entity shall be required to make an annual report until
6 at least one year after the credit issuance date.

7 [10.] 11. Where the sole requirement for receiving a tax
8 credit in the enabling legislation of any tax credit is an
9 obligatory assessment upon a taxpayer or a monetary contribution
10 to a particular group or entity, the reporting requirements
11 provided in this section shall apply to the recipient of such
12 assessment or contribution and shall not apply to the assessed
13 nor the contributor.

14 [11.] 12. Where the enacting statutes of a particular tax
15 credit program or the rules of a particular administering agency
16 require reporting of information that includes the information
17 required in sections 135.802 to 135.810, upon reporting of the
18 required information, the applicant shall be deemed to be in
19 compliance with the requirements of sections 135.802 to 135.810.
20 The administering agency shall notify in writing the department
21 of economic development of the administering agency's status as
22 custodian of any particular tax credit program and that all
23 records pertaining to the program are available at the
24 administering agency's office for review by the department of
25 economic development.

26 [12.] 13. The provisions of subsections 1 to 10 of this
27 section shall apply beginning on June 30, 2005.

28 [13.] 14. Notwithstanding provisions of law to the

1 contrary, every agency of this state charged with administering a
2 tax credit program authorized under the laws of this state shall
3 make available for public inspection the name of each tax credit
4 recipient and the amount of tax credits issued to each such
5 recipient.

6 15. The department of economic development shall make all
7 information provided under the provisions of this section
8 available for public inspection on the department's website and
9 the Missouri Accountability Portal.

10 16. The administering agency of any tax credit program for
11 which reporting requirements are required under the provisions of
12 subsection 1 of this section shall publish guidelines and may
13 promulgate rules to implement the provisions of such subsection.
14 Any rule or portion of a rule, as that term is defined in section
15 536.010, RSMo, that is created under the authority delegated in
16 this section shall become effective only if it complies with and
17 is subject to all of the provisions of chapter 536, RSMo, and, if
18 applicable, section 536.028, RSMo. This section and chapter 536,
19 RSMo, are nonseverable and if any of the powers vested with the
20 general assembly pursuant to chapter 536, RSMo, to review, to
21 delay the effective date, or to disapprove and annul a rule are
22 subsequently held unconstitutional, then the grant of rulemaking
23 authority and any rule proposed or adopted after August 28, 2009,
24 shall be invalid and void.

25 147.010. 1. For the transitional year defined in
26 subsection 4 of this section and each taxable year beginning on
27 or after January 1, 1980, but before January 1, 2000, every
28 corporation organized pursuant to or subject to chapter 351,

1 RSMo, or pursuant to any other law of this state shall, in
2 addition to all other fees and taxes now required or paid, pay an
3 annual franchise tax to the state of Missouri equal to
4 one-twentieth of one percent of the par value of its outstanding
5 shares and surplus if its outstanding shares and surplus exceed
6 two hundred thousand dollars, or if the outstanding shares of
7 such corporation or any part thereof consist of shares without
8 par value, then, in that event, for the purpose contained in this
9 section, such shares shall be considered as having a value of
10 five dollars per share unless the actual value of such shares
11 exceeds five dollars per share, in which case the tax shall be
12 levied and collected on the actual value and the surplus if the
13 actual value and the surplus exceed two hundred thousand dollars.
14 If such corporation employs a part of its outstanding shares in
15 business in another state or country, then such corporation shall
16 pay an annual franchise tax equal to one-twentieth of one percent
17 of its outstanding shares and surplus employed in this state if
18 its outstanding shares and surplus employed in this state two
19 hundred thousand dollars, and for the purposes of sections
20 147.010 to 147.120, such corporation shall be deemed to have
21 employed in this state that proportion of its entire outstanding
22 shares and surplus that its property and assets employed in this
23 state bears to all its property and assets wherever located. A
24 foreign corporation engaged in business in this state, whether
25 pursuant to a certificate of authority issued pursuant to chapter
26 351, RSMo, or not, shall be subject to this section. Any
27 corporation whose outstanding shares and surplus as calculated in
28 this subsection does not exceed two hundred thousand dollars

1 shall state that fact on the annual report form prescribed by the
2 secretary of state. For all taxable years beginning on or after
3 January 1, 2000, but ending before December 31, 2009, the annual
4 franchise tax shall be equal to one-thirtieth of one percent of
5 the corporation's outstanding shares and surplus if the
6 outstanding shares and surplus exceed one million dollars. Any
7 corporation whose outstanding shares and surplus do not exceed
8 one million dollars shall state that fact on the annual report
9 form prescribed by the director of revenue. For taxable years
10 beginning on or after January 1, 2010, the annual franchise tax
11 shall be equal to one-thirtieth of one percent of the
12 corporation's outstanding shares and surplus if the outstanding
13 shares and surplus exceed ten million dollars, and any
14 corporation whose outstanding shares and surplus do not exceed
15 ten million dollars shall state that fact on the annual report
16 form prescribed by the director of revenue.

17 2. Sections 147.010 to 147.120 shall not apply to
18 corporations not organized for profit, nor to corporations
19 organized pursuant to the provisions of chapter 349, RSMo, nor to
20 express companies, which now pay an annual tax on their gross
21 receipts in this state, nor to insurance companies, which pay an
22 annual tax on their premium receipts in this state, nor to state,
23 district, county, town and farmers' mutual companies now
24 organized or that may be hereafter organized pursuant to any of
25 the laws of this state, organized for the sole purpose of writing
26 fire, lightning, windstorm, tornado, cyclone, hail and plate
27 glass and mutual automobile insurance and for the purpose of
28 paying any loss incurred by any member by assessment, nor to any

1 mutual insurance corporation not having shares, nor to a company
2 or association organized to transact business of life or accident
3 insurance on the assessment plan for the purpose of mutual
4 protection and benefit to its members and the payment of
5 stipulated sums of moneys to the family, heirs, executors,
6 administrators or assigns of the deceased member, nor to foreign
7 life, fire, accident, surety, liability, steam boiler, tornado,
8 health, or other kind of insurance company of whatever nature
9 coming within the provisions of section 147.050 and doing
10 business in this state, nor to savings and loan associations and
11 domestic and foreign regulated investment companies as defined by
12 Section 170 of the Act of Congress commonly known as the "Revenue
13 Act of 1942", nor to electric and telephone corporations
14 organized pursuant to chapter 351, RSMo, and chapter 392, RSMo,
15 prior to January 1, 1980, which have been declared tax exempt
16 organizations pursuant to Section 501(c) of the Internal Revenue
17 Code of 1986, nor for taxable years beginning after December 31,
18 1986, to banking institutions subject to the annual franchise tax
19 imposed by sections 148.010 to 148.110, RSMo; but bank deposits
20 shall be considered as funds of the individual depositor left for
21 safekeeping and shall not be considered in computing the amount
22 of tax collectible pursuant to the provisions of sections 147.010
23 to 147.120.

24 3. A corporation's "taxable year" for purposes of sections
25 147.010 to 147.120 shall be its taxable year as provided in
26 section 143.271, RSMo.

27 4. A corporation's "transitional year" for the purposes of
28 sections 147.010 to 147.120 shall be its taxable year which

1 includes parts of each of the years 1979 and 1980.

2 5. The franchise tax payable for a corporation's
3 transitional year shall be computed by multiplying the amount
4 otherwise due for that year by a fraction, the numerator of which
5 is the number of months between January 1, 1980, and the end of
6 the taxable year and the denominator of which is twelve. The
7 franchise tax payable, if a corporation's taxable year is changed
8 as provided in section 143.271, RSMo, shall be similarly computed
9 pursuant to regulations prescribed by the director of revenue.

10 6. All franchise reports and franchise taxes shall be
11 returned to the director of revenue. All checks and drafts
12 remitted for payment of franchise taxes shall be made payable to
13 the director of revenue.

14 7. Pursuant to section 32.057, RSMo, the director of
15 revenue shall maintain the confidentiality of all franchise tax
16 reports returned to the director.

17 8. The director of the department of revenue shall honor
18 all existing agreements between taxpayers and the director of the
19 department of revenue.

20 208.770. 1. Moneys deposited in or withdrawn pursuant to
21 subsection 1 of section 208.760 from a family development account
22 by an account holder are exempted from taxation pursuant to
23 chapter 143, RSMo, excluding withholding tax imposed by sections
24 143.191 to 143.265, RSMo, and chapter 147, 148 or 153, RSMo,
25 provided, however, that any money withdrawn for an unapproved use
26 should be subject to tax as required by law.

27 2. Interest earned by a family development account is
28 exempted from taxation pursuant to chapter 143, RSMo.

1 3. Any funds in a family development account, including
2 accrued interest, shall be disregarded when determining
3 eligibility to receive, or the amount of, any public assistance
4 or benefits.

5 4. A program contributor shall be allowed a credit against
6 the tax imposed by chapter 143, RSMo, excluding withholding tax
7 imposed by sections 143.191 to 143.265, RSMo, and chapter 147,
8 148 or 153, RSMo, pursuant to sections 208.750 to 208.775.
9 Contributions up to fifty thousand dollars per program
10 contributor are eligible for the tax credit which shall not
11 exceed fifty percent of the contribution amount.

12 5. The department of economic development shall verify all
13 tax credit claims by contributors. The administrator of the
14 community-based organization, with the cooperation of the
15 participating financial institutions, shall submit the names of
16 contributors and the total amount each contributor contributes to
17 a family development account reserve fund for the calendar year.
18 The director shall determine the date by which such information
19 shall be submitted to the department by the local administrator.
20 The department shall submit verification of qualified tax credits
21 pursuant to sections 208.750 to 208.775 to the department of
22 revenue.

23 6. For all fiscal years ending on or before June 30, 2010,
24 the total tax credits authorized pursuant to sections 208.750 to
25 208.775 shall not exceed four million dollars in any fiscal year.
26 For all fiscal years beginning on or after July 1, 2010, the
27 total tax credits authorized under sections 208.750 to 208.775
28 shall not exceed three hundred thousand dollars in any fiscal

1 year.

2 238.207. 1. Whenever the creation of a district is
3 desired, not less than fifty registered voters from each county
4 partially or totally within the proposed district may file a
5 petition requesting the creation of a district. However, if no
6 persons eligible to be registered voters reside within the
7 district, the owners of record of all of the real property,
8 except public streets, located within the proposed district may
9 file a petition requesting the creation of a district. The
10 petition shall be filed in the circuit court of any county
11 partially or totally within the proposed district.

12 2. Alternatively, the governing body of any local
13 transportation authority within any county in which a proposed
14 project may be located may file a petition in the circuit court
15 of that county, requesting the creation of a district.

16 3. The proposed district area shall be contiguous and may
17 contain all or any portion of one or more municipalities and
18 counties; provided:

19 (1) Property separated only by public streets, easements or
20 rights-of-way shall be considered contiguous;

21 (2) In the case of a district formed pursuant to a petition
22 filed by the owners of record of all of the real property located
23 within the proposed district, the proposed district area need not
24 contain contiguous properties if:

25 (a) The petition provides that the only funding method for
26 project costs will be a sales tax;

27 (b) The court finds that all of the real property located
28 within the proposed district will benefit by the projects to be

undertaken by the district; and

(c) Each parcel within the district is within five miles of every other parcel; and

(3) In the case of a district created pursuant to subsection 5 of this section, property separated only by public streets, easements, or rights-of-way or connected by a single public street, easement, or right-of-way shall be considered contiguous.

4. The petition shall set forth:

(1) The name, voting residence and county of residence of each individual petitioner, or, if no persons eligible to be registered voters reside within the proposed district, the name and address of each owner of record of real property located within the proposed district, or shall recite that the petitioner is the governing body of a local transportation authority acting in its official capacity;

(2) The name and address of each respondent. Respondents must include the commission and each affected local transportation authority within the proposed district, except a petitioning local transportation authority;

(3) A specific description of the proposed district boundaries including a map illustrating such boundaries;

(4) A general description of each project proposed to be undertaken by that district, including a description of the approximate location of each project;

(5) The estimated project costs and the anticipated revenues to be collected from the project;

(6) The name of the proposed district;

1 (7) The number of members of the board of directors of the
2 proposed district, which shall be not less than five or more than
3 fifteen;

4 (8) A statement that the terms of office of initial board
5 members shall be staggered in approximately equal numbers to
6 expire in one, two or three years;

7 (9) If the petition was filed by registered voters or by a
8 governing body, a request that the question be submitted to the
9 qualified voters within the limits of the proposed district
10 whether they will establish a transportation development district
11 to develop a specified project or projects;

12 (10) A proposal for funding the district initially,
13 pursuant to the authority granted in sections 238.200 to 238.275,
14 together with a request that the funding proposal be submitted to
15 the qualified voters within the limits of the proposed district;
16 provided, however, the funding method of special assessments may
17 also be approved as provided in subsection 1 of section 238.230;
18 [and]

19 (11) A statement that the proposed district shall not be an
20 undue burden on any owner of property within the district and is
21 not unjust or unreasonable; and

22 (12) Details of the budgeted expenditures, including
23 estimated expenditures for real physical improvements, estimated
24 land acquisition expenses, estimated expenses for professional
25 services and estimated interest charges.

26 5. (1) As an alternative to the methods described in
27 subsections 1 and 2 of this section, if two or more local
28 transportation authorities have adopted resolutions calling for

1 the joint establishment of a district, the governing body of any
2 one such local transportation authority may file a petition in
3 the circuit court of any county in which the proposed project is
4 located requesting the creation of a district; or, if not less
5 than fifty registered voters from each of two or more counties
6 sign a petition calling for the joint establishment of a district
7 for the purpose of developing a project that lies in whole or in
8 part within those same counties, the petition may be filed in the
9 circuit court of any of those counties in which not less than
10 fifty registered voters have signed the petition.

11 (2) The proposed district area shall be contiguous and may
12 contain all or any portion of one or more municipalities and
13 counties. Property separated only by public streets, easements,
14 or rights-of-way or connected by a single public street,
15 easement, or right-of-way shall be considered contiguous.

16 (3) The petition shall set forth:

17 (a) That the petitioner is the governing body of a local
18 transportation authority acting in its official capacity; or, if
19 the petition was filed by obtaining the signatures of not less
20 than fifty registered voters in each of two or more counties, it
21 shall set forth the name, voting residence, and county of
22 residence of each individual petitioner;

23 (b) The name of each local transportation authority within
24 the proposed district. The resolution of the governing body of
25 each local transportation authority calling for the joint
26 establishment of the district shall be attached to the petition;

27 (c) The name and address of each respondent. Respondents
28 must include the commission and each affected local

1 transportation authority within the proposed district, except a
2 petitioning local transportation authority;

3 (d) A specific description of the proposed district
4 boundaries including a map illustrating such boundaries;

5 (e) A general description of each project proposed to be
6 undertaken by the district, including a description of the
7 approximate location of each project;

8 (f) The name of the proposed district;

9 (g) The number of members of the board of directors of the
10 proposed district;

11 (h) A request that the question be submitted to the
12 qualified voters within the limits of the proposed district
13 whether they will establish a transportation development district
14 to develop the projects described in the petition;

15 (i) A proposal for funding the district initially, pursuant
16 to the authority granted in sections 238.200 to 238.275, together
17 with a request that the imposition of the funding proposal be
18 submitted to the qualified voters residing within the limits of
19 the proposed district; provided, however, the funding method of
20 special assessments may also be approved as provided in
21 subsection 1 of section 238.230; and

22 (j) A statement that the proposed district shall not be an
23 undue burden on any owner of property within the district and is
24 not unjust or unreasonable.

25 238.212. 1. If the petition was filed by registered voters
26 or by a governing body, the circuit clerk in whose office the
27 petition was filed shall give notice to the public by causing one
28 or more newspapers of general circulation serving the counties or

1 portions thereof contained in the proposed district to publish
2 once a week for four consecutive weeks a notice substantially in
3 the following form:

4 NOTICE OF PETITION TO SUBMIT TO A
5 POPULAR VOTE THE CREATION AND
6 FUNDING OF A TRANSPORTATION
7 DEVELOPMENT DISTRICT

8 Notice is hereby given to all persons residing or owning
9 property in (here specifically describe the proposed district
10 boundaries), within the state of Missouri, that a petition has
11 been filed asking that upon voter approval, a transportation
12 development district by the name of ".....
13 Transportation Development District" be formed for the purpose of
14 developing the following transportation project: (here summarize
15 the proposed transportation project or projects). The petition
16 also requests voter approval of the following method(s) of
17 funding the district, which (may) (shall not) increase the total
18 taxes imposed within the proposed district: (describe the
19 proposed funding methods). A copy of this petition is on file
20 and available at the office of the clerk of the circuit court of
21 County, located at, Missouri.
22 You are notified to join in or file your own petition supporting
23 or answer opposing the creation of the transportation development
24 district and requesting a declaratory judgment, as required by
25 law, no later than the day of, 20... .
26 You may show cause, if any there be, why such petition is
27 defective or proposed transportation development district or its
28 funding method, as set forth in the petition, is illegal or

1 unconstitutional and should not be submitted for voter approval
2 at a general, primary or special election as directed by this
3 court.

4
5 Clerk of the
6 Circuit Court of County

7 2. The circuit court may also order a public hearing on the
8 question of the creation and funding of the proposed district, if
9 it deems such appropriate, under such terms and conditions as it
10 deems appropriate. The circuit court shall order at least one
11 public hearing on the creation and funding of the proposed
12 district, if the petition for creating such district was filed by
13 the owners of record of all real property within the proposed
14 district. If a public hearing is ordered, notice of the time,
15 date and place of the hearing shall also be given in the notice
16 specified in subsection 1 of this section.

17 238.235. 1. (1) Any transportation development district
18 may by resolution impose a transportation development district
19 sales tax on all retail sales made in such transportation
20 development district which are subject to taxation pursuant to
21 the provisions of sections 144.010 to 144.525, RSMo, except such
22 transportation development district sales tax shall not apply to
23 the sale or use of motor vehicles, trailers, boats or outboard
24 motors nor to all sales of electricity or electrical current,
25 water and gas, natural or artificial, nor to sales of service to
26 telephone subscribers, either local or long distance. Such
27 transportation development district sales tax may be imposed for
28 any transportation development purpose designated by the

1 transportation development district in its ballot of submission
2 to its qualified voters, except that no resolution enacted
3 pursuant to the authority granted by this section shall be
4 effective unless:

5 (a) The board of directors of the transportation
6 development district submits to the qualified voters of the
7 transportation development district a proposal to authorize the
8 board of directors of the transportation development district to
9 impose or increase the levy of an existing tax pursuant to the
10 provisions of this section; or

11 (b) The voters approved the question certified by the
12 petition filed pursuant to subsection 5 of section 238.207.

13 (2) If the transportation district submits to the qualified
14 voters of the transportation development district a proposal to
15 authorize the board of directors of the transportation
16 development district to impose or increase the levy of an
17 existing tax pursuant to the provisions of paragraph (a) of
18 subdivision (1) of this subsection, the ballot of submission
19 shall contain, but need not be limited to, the following
20 language:

21 Shall the transportation development district of
22 (transportation development district's name) impose
23 a transportation development district-wide sales tax at the rate
24 of (insert amount) for a period of (insert
25 number) years from the date on which such tax is first imposed
26 for the purpose of (insert transportation development
27 purpose)?

28 ☐ YES

☐ NO

1 If you are in favor of the question, place an "X" in the box
2 opposite "YES". If you are opposed to the question, place an "X"
3 in the box opposite "NO".
4

5 If a majority of the votes cast on the proposal by the qualified
6 voters voting thereon are in favor of the proposal, then the
7 resolution and any amendments thereto shall be in effect. If a
8 majority of the votes cast by the qualified voters voting are
9 opposed to the proposal, then the board of directors of the
10 transportation development district shall have no power to impose
11 the sales tax authorized by this section unless and until the
12 board of directors of the transportation development district
13 shall again have submitted another proposal to authorize it to
14 impose the sales tax pursuant to the provisions of this section
15 and such proposal is approved by a majority of the qualified
16 voters voting thereon.

17 (3) The sales tax authorized by this section shall become
18 effective on the first day of the month following adoption of the
19 tax by the qualified voters.

20 (4) In each transportation development district in which a
21 sales tax has been imposed in the manner provided by this
22 section, every retailer shall add the tax imposed by the
23 transportation development district pursuant to this section to
24 the retailer's sale price, and when so added such tax shall
25 constitute a part of the price, shall be a debt of the purchaser
26 to the retailer until paid, and shall be recoverable at law in
27 the same manner as the purchase price.

28 (5) In order to permit sellers required to collect and

1 report the sales tax authorized by this section to collect the
2 amount required to be reported and remitted, but not to change
3 the requirements of reporting or remitting tax or to serve as a
4 levy of the tax, and in order to avoid fractions of pennies, the
5 transportation development district may establish appropriate
6 brackets which shall be used in the district imposing a tax
7 pursuant to this section in lieu of those brackets provided in
8 section 144.285, RSMo.

9 (6) All revenue received by a transportation development
10 district from the tax authorized by this section which has been
11 designated for a certain transportation development purpose shall
12 be deposited in a special trust fund and shall be used solely for
13 such designated purpose. Upon the expiration of the period of
14 years approved by the qualified voters pursuant to subdivision
15 (2) of this subsection or if the tax authorized by this section
16 is repealed pursuant to subsection 6 of this section, all funds
17 remaining in the special trust fund shall continue to be used
18 solely for such designated transportation development purpose.
19 Any funds in such special trust fund which are not needed for
20 current expenditures may be invested by the board of directors in
21 accordance with applicable laws relating to the investment of
22 other transportation development district funds.

23 (7) The sales tax may be imposed in increments of
24 one-eighth of one percent, up to a maximum of one percent on the
25 receipts from the sale at retail of all tangible personal
26 property or taxable services at retail within the transportation
27 development district adopting such tax, if such property and
28 services are subject to taxation by the state of Missouri

1 pursuant to the provisions of sections 144.010 to 144.525, RSMo,
2 except such transportation development district sales tax shall
3 not apply to the sale or use of motor vehicles, trailers, boats
4 or outboard motors nor to public utilities. Any transportation
5 development district sales tax imposed pursuant to this section
6 shall be imposed at a rate that shall be uniform throughout the
7 district.

8 2. The resolution imposing the sales tax pursuant to this
9 section shall impose upon all sellers a tax for the privilege of
10 engaging in the business of selling tangible personal property or
11 rendering taxable services at retail to the extent and in the
12 manner provided in sections 144.010 to 144.525, RSMo, and the
13 rules and regulations of the director of revenue issued pursuant
14 thereto; except that the rate of the tax shall be the rate
15 imposed by the resolution as the sales tax and the tax shall be
16 reported and returned to and collected by the transportation
17 development district.

18 3. On and after the effective date of any tax imposed
19 pursuant to this section, the [transportation development
20 district] director of revenue shall perform all functions
21 incident to the administration, collection, enforcement, and
22 operation of the tax, and the director of revenue shall collect,
23 in addition to all other sales taxes imposed by law, the
24 additional tax authorized pursuant to this section. The tax
25 imposed pursuant to this section and the taxes imposed pursuant
26 to all other laws of the state of Missouri shall be collected
27 together and reported upon such forms and [under] pursuant to
28 such administrative rules and regulations as may be prescribed by

1 the [transportation development district] director of revenue.

2 4. (1) All applicable provisions contained in sections
3 144.010 to 144.525, RSMo, governing the state sales tax, sections
4 32.085 and 32.087, RSMo, and section 32.057, RSMo, the uniform
5 confidentiality provision, shall apply to the collection of the
6 tax imposed by this section, except as modified in this section.

7 (2) All exemptions granted to agencies of government,
8 organizations, persons and to the sale of certain articles and
9 items of tangible personal property and taxable services pursuant
10 to the provisions of sections 144.010 to 144.525, RSMo, are
11 hereby made applicable to the imposition and collection of the
12 tax imposed by this section.

13 (3) The same sales tax permit, exemption certificate and
14 retail certificate required by sections 144.010 to 144.525, RSMo,
15 for the administration and collection of the state sales tax
16 shall satisfy the requirements of this section, and no additional
17 permit or exemption certificate or retail certificate shall be
18 required; except that the transportation development district may
19 prescribe a form of exemption certificate for an exemption from
20 the tax imposed by this section.

21 (4) All discounts allowed the retailer pursuant to the
22 provisions of the state sales tax laws for the collection of and
23 for payment of taxes pursuant to such laws are hereby allowed and
24 made applicable to any taxes collected pursuant to the provisions
25 of this section.

26 (5) The penalties provided in section 32.057, RSMo, and
27 sections 144.010 to 144.525, RSMo, for violation of those
28 sections are hereby made applicable to violations of this

1 section.

2 (6) For the purpose of a sales tax imposed by a resolution
3 pursuant to this section, all retail sales except retail sales of
4 motor vehicles shall be deemed to be consummated at the place of
5 business of the retailer unless the tangible personal property
6 sold is delivered by the retailer or the retailer's agent to an
7 out-of-state destination or to a common carrier for delivery to
8 an out-of-state destination. In the event a retailer has more
9 than one place of business in this state which participates in
10 the sale, the sale shall be deemed to be consummated at the place
11 of business of the retailer where the initial order for the
12 tangible personal property is taken, even though the order must
13 be forwarded elsewhere for acceptance, approval of credit,
14 shipment or billing. A sale by a retailer's employee shall be
15 deemed to be consummated at the place of business from which the
16 employee works.

17 5. All sales taxes ~~collected~~ received by the
18 transportation development district shall be deposited by the
19 ~~transportation development district~~ director of revenue in a
20 special fund to be expended for the purposes authorized in this
21 section. The ~~transportation development district~~ director of
22 revenue shall keep accurate records of the amount of money which
23 was collected pursuant to this section, and the records shall be
24 open to the inspection of officers of each transportation
25 development district and the general public.

26 6. (1) No transportation development district imposing a
27 sales tax pursuant to this section may repeal or amend such sales
28 tax unless such repeal or amendment will not impair the

1 district's ability to repay any liabilities which it has
2 incurred, money which it has borrowed or revenue bonds, notes or
3 other obligations which it has issued or which have been issued
4 by the commission or any local transportation authority to
5 finance any project or projects.

6 (2) Whenever the board of directors of any transportation
7 development district in which a transportation development sales
8 tax has been imposed in the manner provided by this section
9 receives a petition, signed by ten percent of the qualified
10 voters calling for an election to repeal such transportation
11 development sales tax, the board of directors shall, if such
12 repeal will not impair the district's ability to repay any
13 liabilities which it has incurred, money which it has borrowed or
14 revenue bonds, notes or other obligations which it has issued or
15 which have been issued by the commission or any local
16 transportation authority to finance any project or projects,
17 submit to the qualified voters of such transportation development
18 district a proposal to repeal the transportation development
19 sales tax imposed pursuant to the provisions of this section. If
20 a majority of the votes cast on the proposal by the qualified
21 voters voting thereon are in favor of the proposal to repeal the
22 transportation development sales tax, then the resolution
23 imposing the transportation development sales tax, along with any
24 amendments thereto, is repealed. If a majority of the votes cast
25 by the qualified voters voting thereon are opposed to the
26 proposal to repeal the transportation development sales tax, then
27 the ordinance or resolution imposing the transportation
28 development sales tax, along with any amendments thereto, shall

1 remain in effect.

2 253.545. As used in sections 253.545 to 253.559, the
3 following terms mean, unless the context requires otherwise:

4 (1) "Certified historic structure", a property located in
5 Missouri and listed individually on the National Register of
6 Historic Places;

7 (2) "Deed in lieu of foreclosure or voluntary conveyance",
8 a transfer of title from a borrower to the lender to satisfy the
9 mortgage debt and avoid foreclosure;

10 (3) "Eligible property", property located in Missouri and
11 offered or used for residential or business purposes;

12 (4) "Principal", a managing partner, general partner, or
13 president of a taxpayer;

14 _____ [(3)] (5) "Structure in a certified historic district", a
15 structure located in Missouri which is certified by the
16 department of natural resources as contributing to the historic
17 significance of a certified historic district listed on the
18 National Register of Historic Places, or a local district that
19 has been certified by the United States Department of the
20 Interior;

21 (6) "Taxpayer", any person, firm, partnership, trust,
22 estate, or corporation.

23 253.550. 1. Any [person, firm, partnership, trust, estate,
24 or corporation] taxpayer incurring costs and expenses for the
25 rehabilitation of eligible property, which is a certified
26 historic structure or structure in a certified historic district,
27 [shall be entitled to] may, subject to the limitations provided
28 in subsections 2 and 3 of this section, receive a credit against

1 the taxes imposed pursuant to chapters 143 and 148, RSMo, except
2 for sections 143.191 to 143.265, RSMo, on [that person or entity]
3 such taxpayer in an amount equal to twenty-five percent of the
4 total costs and expenses of rehabilitation incurred after January
5 1, 1998, which shall include, but not be limited to, qualified
6 rehabilitation expenditures as defined under section 47(c)(2)(A)
7 of the Internal Revenue Code of 1986, as amended, and the related
8 regulations thereunder, provided the rehabilitation costs
9 associated with rehabilitation and the expenses exceed fifty
10 percent of the total basis in the property and the rehabilitation
11 meets standards consistent with the standards of the Secretary of
12 the United States Department of the Interior for rehabilitation
13 as determined by the state historic preservation officer of the
14 Missouri department of natural resources.

15 2. Beginning with all preliminary applications submitted in
16 fiscal year 2010, the total amount of tax credits for which the
17 department of economic development shall grant preliminary
18 approval in any fiscal year shall not exceed one hundred fifty
19 million dollars plus any amount of tax credits for which
20 preliminary approval shall be rescinded under the provisions of
21 section 253.559.

22 3. For all tax credits authorized on or after the thirtieth
23 day following the effective date of this act, no more than
24 twenty-five thousand dollars in tax credits may be issued for
25 eligible costs and expenses incurred in the rehabilitation of an
26 eligible property which is offered or used for residential
27 purposes, is a certified historic structure or a structure in a
28 certified historic district, and is not an income producing

1 property.

2 4. The limitations on tax credit authorization provided
3 under the provisions of subsections 2 and 3 of this section shall
4 not apply to any taxpayer applying for tax credits, provided
5 under this section, which, on or before the thirtieth day
6 following the effective date of this act:

7 (1) Has incurred rehabilitation costs and expenses for an
8 eligible property which exceed the lesser of five percent of the
9 total project costs or one million dollars; or

10 (2) Has received certification, by the state historic
11 preservation officer, that the rehabilitation plan meets the
12 standards consistent with the standards of the Secretary of the
13 United States Department of the Interior, and the rehabilitation
14 costs and expenses associated with such rehabilitation shall
15 exceed fifty percent of the total basis in the property.

16 253.559. 1. [To claim the credit authorized pursuant to
17 sections 253.550 to 253.561 of senate bill no. 1 of the second
18 extraordinary session of the eighty-ninth general assembly and
19 section 253.557 of this act, the] To obtain preliminary approval
20 for tax credits allowed under sections 253.545 to 253.559, a
21 taxpayer shall [apply] submit a preliminary application for tax
22 credits to the department of economic development [which, in
23 consultation with the department of natural resources, shall].
24 Each preliminary application for approval shall be prioritized
25 for review and approval in the order of the date on which the
26 preliminary application was postmarked, with the oldest
27 postmarked date receiving priority. Preliminary applications
28 postmarked on the same day shall go through a lottery process to

determine the order in which such applications shall be reviewed for preliminary approval.

2. Each preliminary application shall be reviewed by the department of economic development for approval. In order to receive approval, an application shall include:

(1) Proof of ownership or site control. Proof of ownership shall include evidence that the taxpayer is the fee simple owner of the property, such as a warranty deed or a closing statement. If the taxpayer is in the process of acquiring fee simple ownership, proof of site control shall include an executed sales contract or an executed option to purchase the property. If an application is submitted by someone other than the current or pending fee simple owners, the application shall be accompanied by a written statement from the fee simple owner indicating that they are aware of the application and have no objection to the request for certification;

(2) Floor plans of the existing structure, certified architectural plans, and, where applicable, plans of the proposed alterations to the structure, as well as proposed additions;

(3) The estimated cost of rehabilitation, the anticipated total costs of the project, the actual basis of the property, as shown by proof of actual acquisition costs, the anticipated total labor costs, the estimated project start date, and the estimated project completion date;

(4) Proof that the property qualifies as an eligible property and shall qualify as a certified historic structure or as a structure in a certified historic district; and

(5) Any other information which the department of economic

1 development may reasonably require to review the project for
2 approval.

3
4 Only the property for which a property address is provided in the
5 application shall be reviewed for approval. Once selected for
6 review, a taxpayer shall not be permitted to request the review
7 of another property for approval in the place of the property
8 contained in such application. Any disapproved application shall
9 be removed from the review process. If an application is removed
10 from the review process, the department of economic development
11 shall notify the taxpayer in writing of the decision to remove
12 such application. Disapproved applications shall lose priority
13 in the review process. A disapproved application, which is
14 removed from the review process, may be resubmitted, but shall be
15 deemed to be a new submission for purposes of the priority
16 procedures described in this section.

17 3. If the department of economic development deems the
18 preliminary application sufficient, the taxpayer shall be
19 notified in writing of the preliminary approval for an amount of
20 tax credits equal to the amount provided under section 253.550.
21 Such preliminary approvals shall be granted to applications in
22 the order of priority established under this section and shall
23 require full compliance thereafter with all other requirements of
24 law as a condition to any claim for such credits.

25 4. Following preliminary approval of an application, the
26 identity of the taxpayer contained in such application shall not
27 be modified except:

28 (1) The taxpayer may add partners, members, or shareholders

1 as part of the ownership structure, so long as the principal
2 remains the same, provided however, that subsequent to the
3 commencement of renovation and the expenditure of at least ten
4 percent of the proposed rehabilitation budget, removal of the
5 principal for failure to perform duties and the appointment of a
6 new principal thereafter shall not constitute a change of the
7 principal; or

8 (2) Where the ownership of the project is changed due to a
9 foreclosure, deed in lieu of a foreclosure or voluntary
10 conveyance, or a transfer in bankruptcy.

11 5. In the event that the department of economic development
12 grants preliminary approval for tax credits equal to the total
13 amount available under subsection 2 of section 253.550, or
14 sufficient that when totaled with all other preliminary
15 approvals, the amount available under subsection 2 of section
16 253.550 is exhausted, all taxpayers with applications then
17 awaiting preliminary approval or thereafter submitted for
18 preliminary approval shall be notified by the department of
19 economic development that no additional preliminary approvals
20 shall be granted during the fiscal year. Such applications shall
21 be kept on file by the department of economic development and
22 shall be considered for preliminary approval for tax credits in
23 the order established in this section in the event that
24 additional credits become available due to the rescission of
25 preliminary approvals or when a new fiscal year's allocation of
26 credits becomes available for preliminary approval.

27 6. All projects receiving preliminary approval, under the
28 provisions of this section, or exempt from the limitations

1 provided under subsections 2 and 3 of section 253.550 pursuant to
2 the provisions of subdivision (2) of subsection 4 of section
3 253.550, shall commence rehabilitation within two years of the
4 date of issuance of the letter from the department of economic
5 development granting the preliminary approval for tax credits.
6 Commencement of rehabilitation shall mean that as of the date in
7 which actual physical work, contemplated by the certified
8 architectural plans submitted with the preliminary application,
9 has begun, the taxpayer has incurred no less than ten percent of
10 the estimated costs of rehabilitation provided in the preliminary
11 application. Taxpayers with preliminary approval of a project
12 shall submit evidence of compliance with the provisions of this
13 subsection. If the department of economic development determines
14 that a taxpayer has failed to comply with the requirements
15 provided under this section, the preliminary approval for the
16 amount of tax credits for such taxpayer shall be rescinded and
17 such amount of tax credits shall then be included in the total
18 amount of tax credits, provided under subsection 2 of section
19 253.550, from which preliminary approvals may be granted. Any
20 taxpayer whose preliminary approval shall be subject to
21 rescission shall be notified of such from the department of
22 economic development and, upon receipt of such notice, may submit
23 a new preliminary application for the project.

24 7. To claim the credit authorized under sections 253.550 to
25 253.559, a taxpayer with preliminary approval shall apply for
26 final approval and issuance of tax credits from the department of
27 economic development which, in consultation with the department
28 of natural resources, shall determine the final amount of

1 eligible rehabilitation costs and expenses and whether the
2 completed rehabilitation meets the standards of the Secretary of
3 the United States Department of the Interior for rehabilitation
4 as determined by the state historic preservation officer of the
5 Missouri department of natural resources. For financial
6 institutions credits authorized pursuant to sections 253.550 to
7 253.561 shall be deemed to be "economic development credits" for
8 purposes of section 148.064, RSMo. The approval of all
9 applications and the issuing of certificates of eligible credits
10 to taxpayers shall be performed by the department of economic
11 development. The department of economic development shall inform
12 a taxpayer of final approval by letter and shall issue, to the
13 taxpayer, tax credit certificates. In no event shall the amount
14 of the tax credit certificates exceed the amount of tax credits
15 provided in the preliminary approval. The tax credit
16 certificates may be issued in the final year that costs and
17 expenses of rehabilitation of the project are incurred, or within
18 the twelve month period immediately following the conclusion of
19 such rehabilitation. The taxpayer shall attach the certificate
20 to all Missouri income tax returns on which the credit is
21 claimed.

22 [2.] 8. The department of economic development shall
23 determine, on an annual basis, the overall economic impact to the
24 state from the rehabilitation of eligible property.

25 338.337. It shall be unlawful for any out-of-state
26 wholesale drug distributor or out-of-state pharmacy acting as a
27 distributor to do business in this state without first obtaining
28 a license to do so from the board of pharmacy and paying the

1 required fee. Application for an out-of-state wholesale drug
2 distributor's license under this section shall be made on a form
3 furnished by the board. The issuance of a license under sections
4 338.330 to 338.370 shall not change or affect tax liability
5 imposed by the Missouri department of revenue on any out-of-state
6 wholesale drug distributor or out-of-state pharmacy. Any
7 out-of-state wholesale drug distributor that is a drug
8 manufacturer and which produces and distributes from a facility
9 which has been inspected and approved by the Food and Drug
10 Administration [within the last two years], maintains current
11 approval by the federal Food and Drug Administration, and has
12 provided a copy of the most recent Food and Drug Administration
13 Establishment Inspection Report to the board and which is
14 licensed by the state in which the distribution facility is
15 located, or, if located within a foreign jurisdiction, is
16 authorized and in good standing to operate as a drug manufacturer
17 within such jurisdiction, need not be licensed as provided in
18 this section but such out-of-state distributor shall register its
19 business name and address with the board of pharmacy and pay a
20 filing fee of ten dollars.

21 447.708. 1. For eligible projects, the director of the
22 department of economic development, with notice to the directors
23 of the departments of natural resources and revenue, and subject
24 to the other provisions of sections 447.700 to 447.718, may not
25 create a new enterprise zone but may decide that a prospective
26 operator of a facility being remedied and renovated pursuant to
27 sections 447.700 to 447.718 may receive the tax credits and
28 exemptions pursuant to sections 135.100 to 135.150, RSMo, and

1 sections 135.200 to 135.257, RSMo. The tax credits allowed
2 pursuant to this subsection shall be used to offset the tax
3 imposed by chapter 143, RSMo, excluding withholding tax imposed
4 by sections 143.191 to 143.265, RSMo, or the tax otherwise
5 imposed by chapter 147, RSMo, or the tax otherwise imposed by
6 chapter 148, RSMo. For purposes of this subsection:

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

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

1 (4) of subsection 1 of section 135.225, RSMo;

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

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

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

16 (6) The taxpayer may claim the state tax credits authorized
17 by this subsection and the state income exemption for a period
18 not in excess of ten consecutive tax years. For the purpose of
19 this section, "taxpayer" means an individual proprietorship,
20 partnership or corporation described in section 143.441 or
21 143.471, RSMo, who operates an eligible project. The director
22 shall determine the number of years the taxpayer may claim the
23 state tax credits and the state income exemption based on the
24 projected net state economic benefits attributed to the eligible
25 project;

26 (7) For the purpose of meeting the new job requirement
27 prescribed in subdivisions (1), (2) and (3) of this subsection,
28 it shall be required that at least ten new jobs be created and

1 maintained during the taxpayer's tax period for which the credits
2 are earned, in the case of an eligible project that does not
3 replace a similar facility in Missouri. "New job" means a person
4 who was not previously employed by the taxpayer or related
5 taxpayer within the twelve-month period immediately preceding the
6 time the person was employed by that taxpayer to work at, or in
7 connection with, the eligible project on a full-time basis.
8 "Full-time basis" means the employee works an average of at least
9 thirty-five hours per week during the taxpayer's tax period for
10 which the tax credits are earned. For the purposes of this
11 section, "related taxpayer" has the same meaning as defined in
12 subdivision (9) of section 135.100, RSMo;

13 (8) For the purpose of meeting the existing job retention
14 requirement, if the eligible project replaces a similar facility
15 that closed elsewhere in Missouri prior to the end of the
16 taxpayer's tax period in which the tax credits are earned, it
17 shall be required that at least twenty-five existing jobs be
18 retained at, and in connection with the eligible project, on a
19 full-time basis during the taxpayer's tax period for which the
20 credits are earned. "Retained job" means a person who was
21 previously employed by the taxpayer or related taxpayer, at a
22 facility similar to the eligible project that closed elsewhere in
23 Missouri prior to the end of the taxpayer's tax period in which
24 the tax credits are earned, within the tax period immediately
25 preceding the time the person was employed by the taxpayer to
26 work at, or in connection with, the eligible project on a
27 full-time basis. "Full-time basis" means the employee works an
28 average of at least thirty-five hours per week during the

1 taxpayer's tax period for which the tax credits are earned;

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

18 (10) Notwithstanding any provision of law to the contrary,
19 for the purpose of this section, the number of new jobs created
20 and maintained, the number of existing jobs retained, and the
21 value of new qualified investment used at the eligible project
22 during any tax year shall be determined by dividing by twelve, in
23 the case of jobs, the sum of the number of individuals employed
24 at the eligible project, or in the case of new qualified
25 investment, the value of new qualified investment used at the
26 eligible project, on the last business day of each full calendar
27 month of the tax year. If the eligible project is in operation
28 for less than the entire tax year, the number of new jobs created

1 and maintained, the number of existing jobs retained, and the
2 value of new qualified investment created at the eligible project
3 during any tax year shall be determined by dividing the sum of
4 the number of individuals employed at the eligible project, or in
5 the case of new qualified investment, the value of new qualified
6 investment used at the eligible project, on the last business day
7 of each full calendar month during the portion of the tax year
8 during which the eligible project was in operation, by the number
9 of full calendar months during such period;

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

17 2. The determination of the director of economic
18 development pursuant to subsection 1 of this section shall not
19 affect requirements for the prospective purchaser to obtain the
20 approval of the granting of real property tax abatement by the
21 municipal or county government where the eligible project is
22 located.

23 3. (1) The director of the department of economic
24 development, with the approval of the director of the department
25 of natural resources, may, in addition to the tax credits allowed
26 in subsection 1 of this section, grant a remediation tax credit
27 to the applicant for up to one hundred percent of the costs of
28 materials, supplies, equipment, labor, professional engineering,

1 consulting and architectural fees, permitting fees and expenses,
2 demolition, asbestos abatement, and direct utility charges for
3 performing the voluntary remediation activities for the
4 preexisting hazardous substance contamination and releases,
5 including, but not limited to, the costs of performing operation
6 and maintenance of the remediation equipment at the property
7 beyond the year in which the systems and equipment are built and
8 installed at the eligible project and the costs of performing the
9 voluntary remediation activities over a period not in excess of
10 four tax years following the taxpayer's tax year in which the
11 system and equipment were first put into use at the eligible
12 project, provided the remediation activities are the subject of a
13 plan submitted to, and approved by, the director of natural
14 resources pursuant to sections 260.565 to 260.575, RSMo. The tax
15 credit may also include up to one hundred percent of the costs of
16 demolition that are not directly part of the remediation
17 activities, provided that the demolition is on the property where
18 the voluntary remediation activities are occurring, the
19 demolition is necessary to accomplish the planned use of the
20 facility where the remediation activities are occurring, and the
21 demolition is part of a redevelopment plan approved by the
22 municipal or county government and the department of economic
23 development. The demolition may occur on an adjacent property if
24 the project is located in a municipality which has a population
25 less than twenty thousand and the above conditions are otherwise
26 met. The adjacent property shall independently qualify as
27 abandoned or underutilized. The amount of the credit available
28 for demolition not associated with remediation cannot exceed the

1 total amount of credits approved for remediation including
2 demolition required for remediation.

3 (2) The amount of remediation tax credits issued shall be
4 limited to the least amount necessary to cause the project to
5 occur, as determined by the director of the department of
6 economic development.

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

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

24 (5) No more than seventy-five percent of earned remediation
25 tax credits may be issued when the remediation costs were paid,
26 and the remaining percentage may be issued when the department of
27 natural resources issues a "Letter of Completion" letter or
28 covenant not to sue following completion of the voluntary

1 remediation activities. It shall not include any costs
2 associated with ongoing operational environmental compliance of
3 the facility or remediation costs arising out of spills, leaks,
4 or other releases arising out of the ongoing business operations
5 of the facility. In the event the department of natural
6 resources issues a letter of completion for a portion of a
7 property, an impacted media such as soil or groundwater, or for a
8 site or a portion of a site improvement, a prorated amount of the
9 remaining percentage may be released based on the percentage of
10 the total site receiving a letter of completion.

11 4. In the exercise of the sound discretion of the director
12 of the department of economic development or the director's
13 designee, the tax credits and exemptions described in this
14 section may be terminated, suspended or revoked, if the eligible
15 project fails to continue to meet the conditions set forth in
16 this section. In making such a determination, the director shall
17 consider the severity of the condition violation, actions taken
18 to correct the violation, the frequency of any condition
19 violations and whether the actions exhibit a pattern of conduct
20 by the eligible facility owner and operator. The director shall
21 also consider changes in general economic conditions and the
22 recommendation of the director of the department of natural
23 resources, or his or her designee, concerning the severity,
24 scope, nature, frequency and extent of any violations of the
25 environmental compliance conditions. The taxpayer or person
26 claiming the tax credits or exemptions may appeal the decision
27 regarding termination, suspension or revocation of any tax credit
28 or exemption in accordance with the procedures outlined in

1 subsections 4 to 6 of section 135.250, RSMo. The director of the
2 department of economic development shall notify the directors of
3 the departments of natural resources and revenue of the
4 termination, suspension or revocation of any tax credits as
5 determined in this section or pursuant to the provisions of
6 section 447.716.

7 5. Notwithstanding any provision of law to the contrary, no
8 taxpayer shall earn the tax credits, exemptions or refund
9 otherwise allowed in subdivisions (2), (3) and (4) of subsection
10 1 of this section and the tax credits otherwise allowed in
11 section 135.110, RSMo, or the tax credits, exemptions and refund
12 otherwise allowed in sections 135.215, 135.220, 135.225 and
13 135.245, RSMo, respectively, for the same facility for the same
14 tax period.

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

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

19 (2) One hundred percent of the total business' income tax
20 if the eligible facility does not replace a similar facility that
21 closed elsewhere in Missouri prior to the end of the taxpayer's
22 tax period in which the tax credits are earned, and further
23 provided the taxpayer does not operate any other facilities
24 besides the eligible project in Missouri; fifty percent of the
25 total business' income tax if the eligible facility replaces a
26 similar facility that closed elsewhere in Missouri prior to the
27 end of the taxpayer's tax period in which the credits are earned,
28 and further provided the taxpayer does not operate any other

1 facilities besides the eligible project in Missouri; or
2 twenty-five percent of the total business income if the taxpayer
3 operates, in addition to the eligible facility, any other
4 facilities in Missouri. In no case shall a taxpayer operating
5 more than one eligible project in Missouri be allowed to offset
6 more than twenty-five percent of the taxpayer's business income
7 in any tax period. That portion of the taxpayer's income
8 attributed to the eligible project as referenced in subdivision
9 (1) of this subsection, for which the credits allowed in sections
10 135.110 and 135.225, RSMo, and subsection 3 of this section, may
11 apply, shall be determined in the same manner as prescribed in
12 subdivision (6) of section 135.100, RSMo. That portion of the
13 taxpayer's franchise tax attributed to the eligible project for
14 which the remediation tax credit may offset, shall be determined
15 in the same manner as prescribed in paragraph (a) of subdivision
16 (6) of section 135.100, RSMo.

17 7. Taxpayers claiming the state tax benefits allowed in
18 subdivisions (2) and (3) of subsection 1 of this section shall be
19 required to file all applicable tax credit applications, forms
20 and schedules prescribed by the director during the taxpayer's
21 tax period immediately after the tax period in which the eligible
22 project was first put into use. Otherwise, the taxpayer's right
23 to claim such state tax benefits shall be forfeited. Unused
24 business facility and enterprise zone tax credits shall not be
25 carried forward but shall be initially claimed for the tax period
26 during which the eligible project was first capable of being
27 used, and during any applicable subsequent tax periods.

28 8. Taxpayers claiming the remediation tax credit allowed in

1 subsection 3 of this section shall be required to file all
2 applicable tax credit applications, forms and schedules
3 prescribed by the director during the taxpayer's tax period
4 immediately after the tax period in which the eligible project
5 was first put into use, or during the taxpayer's tax period
6 immediately after the tax period in which the voluntary
7 remediation activities were performed.

8 9. The recipient of remediation tax credits, for the
9 purpose of this subsection referred to as assignor, may assign,
10 sell or transfer, in whole or in part, the remediation tax credit
11 allowed in subsection 3 of this section to any other person, for
12 the purpose of this subsection referred to as assignee. To
13 perfect the transfer, the assignor shall provide written notice
14 to the director of the assignor's intent to transfer the tax
15 credits to the assignee, the date the transfer is effective, the
16 assignee's name, address and the assignee's tax period and the
17 amount of tax credits to be transferred. The number of tax
18 periods during which the assignee may subsequently claim the tax
19 credits shall not exceed twenty tax periods, less the number of
20 tax periods the assignor previously claimed the credits before
21 the transfer occurred.

22 10. In the case where an operator and assignor of an
23 eligible project has been certified to claim state tax benefits
24 allowed in subdivisions (2) and (3) of subsection 1 of this
25 section, and sells or otherwise transfers title of the eligible
26 project to another taxpayer or assignee who continues the same or
27 substantially similar operations at the eligible project, the
28 director shall allow the assignee to claim the credits for a

1 period of time to be determined by the director; except that, the
2 total number of tax periods the tax credits may be earned by the
3 assignor and the assignee shall not exceed ten. To perfect the
4 transfer, the assignor shall provide written notice to the
5 director of the assignor's intent to transfer the tax credits to
6 the assignee, the date the transfer is effective, the assignee's
7 name, address, and the assignee's tax period, and the amount of
8 tax credits to be transferred.

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

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

15 (2) The partners of the partnership.
16

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

21 610.021. Except to the extent disclosure is otherwise
22 required by law, a public governmental body is authorized to
23 close meetings, records and votes, to the extent they relate to
24 the following:

25 (1) Legal actions, causes of action or litigation involving
26 a public governmental body and any confidential or privileged
27 communications between a public governmental body or its
28 representatives and its attorneys. However, any minutes, vote or

1 settlement agreement relating to legal actions, causes of action
2 or litigation involving a public governmental body or any agent
3 or entity representing its interests or acting on its behalf or
4 with its authority, including any insurance company acting on
5 behalf of a public government body as its insured, shall be made
6 public upon final disposition of the matter voted upon or upon
7 the signing by the parties of the settlement agreement, unless,
8 prior to final disposition, the settlement agreement is ordered
9 closed by a court after a written finding that the adverse impact
10 to a plaintiff or plaintiffs to the action clearly outweighs the
11 public policy considerations of section 610.011, however, the
12 amount of any moneys paid by, or on behalf of, the public
13 governmental body shall be disclosed; provided, however, in
14 matters involving the exercise of the power of eminent domain,
15 the vote shall be announced or become public immediately
16 following the action on the motion to authorize institution of
17 such a legal action. Legal work product shall be considered a
18 closed record;

19 (2) Leasing, purchase or sale of real estate by a public
20 governmental body where public knowledge of the transaction might
21 adversely affect the legal consideration therefor. However, any
22 minutes, vote or public record approving a contract relating to
23 the leasing, purchase or sale of real estate by a public
24 governmental body shall be made public upon execution of the
25 lease, purchase or sale of the real estate;

26 (3) Hiring, firing, disciplining or promoting of particular
27 employees by a public governmental body when personal information
28 about the employee is discussed or recorded. However, any vote

1 on a final decision, when taken by a public governmental body, to
2 hire, fire, promote or discipline an employee of a public
3 governmental body shall be made available with a record of how
4 each member voted to the public within seventy-two hours of the
5 close of the meeting where such action occurs; provided, however,
6 that any employee so affected shall be entitled to prompt notice
7 of such decision during the seventy-two-hour period before such
8 decision is made available to the public. As used in this
9 subdivision, the term "personal information" means information
10 relating to the performance or merit of individual employees;

11 (4) The state militia or national guard or any part
12 thereof;

13 (5) Nonjudicial mental or physical health proceedings
14 involving identifiable persons, including medical, psychiatric,
15 psychological, or alcoholism or drug dependency diagnosis or
16 treatment;

17 (6) Scholastic probation, expulsion, or graduation of
18 identifiable individuals, including records of individual test or
19 examination scores; however, personally identifiable student
20 records maintained by public educational institutions shall be
21 open for inspection by the parents, guardian or other custodian
22 of students under the age of eighteen years and by the parents,
23 guardian or other custodian and the student if the student is
24 over the age of eighteen years;

25 (7) Testing and examination materials, before the test or
26 examination is given or, if it is to be given again, before so
27 given again;

28 (8) Welfare cases of identifiable individuals;

1 (9) Preparation, including any discussions or work product,
2 on behalf of a public governmental body or its representatives
3 for negotiations with employee groups;

4 (10) Software codes for electronic data processing and
5 documentation thereof;

6 (11) Specifications for competitive bidding, until either
7 the specifications are officially approved by the public
8 governmental body or the specifications are published for bid;

9 (12) Sealed bids and related documents, until the bids are
10 opened; and sealed proposals and related documents or any
11 documents related to a negotiated contract until a contract is
12 executed, or all proposals are rejected;

13 (13) Individually identifiable personnel records,
14 performance ratings or records pertaining to employees or
15 applicants for employment, except that this exemption shall not
16 apply to the names, positions, salaries and lengths of service of
17 officers and employees of public agencies once they are employed
18 as such, and the names of private sources donating or
19 contributing money to the salary of a chancellor or president at
20 all public colleges and universities in the state of Missouri and
21 the amount of money contributed by the source;

22 (14) Records which are protected from disclosure by law;

23 (15) Meetings and public records relating to scientific and
24 technological innovations in which the owner has a proprietary
25 interest;

26 (16) Records relating to municipal hotlines established for
27 the reporting of abuse and wrongdoing;

28 (17) Confidential or privileged communications between a

1 public governmental body and its auditor, including all auditor
2 work product; however, all final audit reports issued by the
3 auditor are to be considered open records pursuant to this
4 chapter;

5 (18) Operational guidelines and policies developed,
6 adopted, or maintained by any public agency responsible for law
7 enforcement, public safety, first response, or public health for
8 use in responding to or preventing any critical incident which is
9 or appears to be terrorist in nature and which has the potential
10 to endanger individual or public safety or health. Nothing in
11 this exception shall be deemed to close information regarding
12 expenditures, purchases, or contracts made by an agency in
13 implementing these guidelines or policies. When seeking to close
14 information pursuant to this exception, the agency shall
15 affirmatively state in writing that disclosure would impair its
16 ability to protect the safety or health of persons, and shall in
17 the same writing state that the public interest in nondisclosure
18 outweighs the public interest in disclosure of the records. This
19 exception shall sunset on December 31, 2012;

20 (19) Existing or proposed security systems and structural
21 plans of real property owned or leased by a public governmental
22 body, and information that is voluntarily submitted by a
23 nonpublic entity owning or operating an infrastructure to any
24 public governmental body for use by that body to devise plans for
25 protection of that infrastructure, the public disclosure of which
26 would threaten public safety:

27 (a) Records related to the procurement of or expenditures
28 relating to security systems purchased with public funds shall be

1 open;

2 (b) When seeking to close information pursuant to this
3 exception, the public governmental body shall affirmatively state
4 in writing that disclosure would impair the public governmental
5 body's ability to protect the security or safety of persons or
6 real property, and shall in the same writing state that the
7 public interest in nondisclosure outweighs the public interest in
8 disclosure of the records;

9 (c) Records that are voluntarily submitted by a nonpublic
10 entity shall be reviewed by the receiving agency within ninety
11 days of submission to determine if retention of the document is
12 necessary in furtherance of a state security interest. If
13 retention is not necessary, the documents shall be returned to
14 the nonpublic governmental body or destroyed;

15 (d) This exception shall sunset on December 31, 2012;

16 (20) Records that identify the configuration of components
17 or the operation of a computer, computer system, computer
18 network, or telecommunications network, and would allow
19 unauthorized access to or unlawful disruption of a computer,
20 computer system, computer network, or telecommunications network
21 of a public governmental body. This exception shall not be used
22 to limit or deny access to otherwise public records in a file,
23 document, data file or database containing public records.
24 Records related to the procurement of or expenditures relating to
25 such computer, computer system, computer network, or
26 telecommunications network, including the amount of moneys paid
27 by, or on behalf of, a public governmental body for such
28 computer, computer system, computer network, or

1 telecommunications network shall be open; [and]

2 (21) Credit card numbers, personal identification numbers,
3 digital certificates, physical and virtual keys, access codes or
4 authorization codes that are used to protect the security of
5 electronic transactions between a public governmental body and a
6 person or entity doing business with a public governmental body.
7 Nothing in this section shall be deemed to close the record of a
8 person or entity using a credit card held in the name of a public
9 governmental body or any record of a transaction made by a person
10 using a credit card or other method of payment for which
11 reimbursement is made by a public governmental body; and

12 (22) Records submitted by an individual, corporation, or
13 other business entity to a public institution of higher education
14 in connection with a proposal to license intellectual property or
15 perform sponsored research and which contains sales projections
16 or other business plan information the disclosure of which may
17 endanger the competitiveness of a business.

18 620.014. Records and documents submitted to the department
19 of economic development, to the Missouri economic development,
20 export and infrastructure board, or to a regional planning
21 commission formed pursuant to chapter 251, RSMo, relating to
22 financial investments in a business, or sales projections or
23 other business plan information which may endanger the
24 competitiveness of a business, or records pertaining to a
25 business prospect with which the department, board, or commission
26 is currently negotiating, may be deemed a "closed record" as such
27 term is defined in section 610.010, RSMo.

28 620.017. 1. The department of economic development shall

1 require that any contract or agreement with any party which
2 provides grants, loans, tax credits, other financial assistance
3 or services, to which a monetary value can be assigned, to such
4 party through a program administered by the department of
5 economic development shall:

6 (1) Specify that such party shall use the proceeds of any
7 such grant, loan, other financial assistance or the benefits of
8 any services solely as required by that program through which the
9 loan, grant, financial assistance or service is provided;

10 (2) Describe the economic incentive, including the amount
11 and type of economic incentive;

12 (3) State why the economic incentive is needed;

13 (4) State the public purpose or purposes for the economic
14 incentive;

15 (5) State the goals for the economic incentive and the time
16 periods by which these goals will be met;

17 (6) Describe the financial obligation of the party if the
18 requirements of the contract or agreement are not met;

19 (7) State the name and address of the parent corporation of
20 the recipient, if any; [and]

21 (8) State all other financial assistance known by the
22 department that was received by the recipient for the same
23 project; and

24 (9) Require a summary of jobs created to be reported
25 annually as required under the provisions of subsection 1 of
26 section 135.805, RSMo.

27 2. In addition, such a contract or agreement shall require
28 that any recipient which uses the proceeds or services for any

1 other purpose or fails to comply with any requirement established
2 by the program through which the loan, grant, tax credit,
3 financial assistance or service is provided shall return any
4 remaining proceeds to the department and shall also require that
5 any proceeds expended or the value of any incentives or services
6 to which a monetary value can be assigned received by the party
7 shall be repaid to the department as required by the contract.

8 3. The contracts or agreements required by this section
9 shall be governed by and enforceable through the applicable
10 provisions of contract law.

11 4. The department of economic development shall prepare an
12 annual report regarding all economic incentives administered in
13 the previous calendar year and submit such report to the
14 governor, the president pro tem of the senate, and the speaker of
15 the house of representatives by July first of each year. The
16 annual report shall be made available to the public and shall
17 include, but not be limited to, the following elements:

18 (1) The total amount of economic incentives awarded by
19 industry;

20 (2) The distribution of economic incentives by type and
21 public purpose;

22 (3) The distribution of economic incentives by the size of
23 all business recipients; [and]

24 (4) A reporting of any legal action taken by the department
25 or the state with any parties which have failed to comply with a
26 contract or agreement pursuant to this section;

27 (5) A summary of jobs created as reported annually under
28 the provisions of subsection 1 of section 135.805, RSMo; and

1 (6) The annual report required under the provisions of this
2 subsection shall be made available to the public on the Missouri
3 Accountability Portal.

4 620.472. 1. The department shall establish a new or
5 expanding industry training program, the purpose of which is to
6 provide assistance for new or expanding industries for the
7 training, retraining or upgrading of the skills of potential
8 employees. Training may include preemployment training, and
9 services may include analysis of the specified training needs for
10 such company, development of training plans, and provision of
11 training through qualified training staff. Such program may fund
12 in-plant training analysis, curriculum development, assessment
13 and preselection tools, publicity for the program, instructional
14 services, rental of instructional facilities with necessary
15 utilities, access to equipment and supplies, other necessary
16 services, overall program direction, and an adequate staff to
17 carry out an effective training program. In addition, the
18 program may fund a coordinated transportation program for
19 trainings if the training can be more effectively provided
20 outside the community where the jobs are to be located. In-plant
21 training analysis shall include fees for professionals and
22 necessary travel and expenses. Such program may also provide
23 assistance in the locating of skilled employees and in the
24 locating of additional sources of job training funds. Such
25 program shall be operated with appropriations made by the general
26 assembly from the fund.

27 2. Assistance under the new or expanding industry training
28 program may be available only for industries [whose] who certify

1 to the department that their investments relate directly to a
2 projected increase in employment which will result in the need
3 for training of newly hired employees or the retraining or
4 upgrading of the skills of existing employees for new jobs
5 created by the new or expanding industry's investment. Any
6 assistance provided that does not result in an increase in
7 employment within one year from the date the department provides
8 such assistance shall be subject to the clawback provisions of
9 section 620.017.

10 3. The department shall issue rules and regulations
11 governing the awarding of funds administered through the new or
12 expanding industry training program. When promulgating these
13 rules and regulations, the department shall consider such factors
14 as the potential number of new permanent jobs to be created, the
15 amount of private sector investment in new facilities and
16 equipment, the significance of state funding to the industry's
17 decision to locate or expand in Missouri, the economic need of
18 the affected community, and the importance of the industry to the
19 economic development of Missouri.

20 620.1878. For the purposes of sections 620.1875 to
21 620.1890, the following terms shall mean:

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

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

27 (3) "Commencement of operations", the starting date for the
28 qualified company's first new employee, which must be no later

1 than twelve months from the date of the approval;

2 (4) "County average wage", the average wages in each county
3 as determined by the department for the most recently completed
4 full calendar year. However, if the computed county average wage
5 is above the statewide average wage, the statewide average wage
6 shall be deemed the county average wage for such county for the
7 purpose of determining eligibility. The department shall publish
8 the county average wage for each county at least annually.

9 Notwithstanding the provisions of this subdivision to the
10 contrary, for any qualified company that in conjunction with
11 their project is relocating employees from a Missouri county with
12 a higher county average wage, the company shall obtain the
13 endorsement of the governing body of the community from which
14 jobs are being relocated or the county average wage for their
15 project shall be the county average wage for the county from
16 which the employees are being relocated;

17 (5) "Department", the Missouri department of economic
18 development;

19 (6) "Director", the director of the department of economic
20 development;

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

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

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

1 more new jobs;

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

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

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

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

24 (14) "New job", the number of full-time employees located
25 at the project facility that exceeds the project facility base
26 employment less any decrease in the number of full-time employees
27 at related facilities below the related facility base employment.
28 No job that was created prior to the date of the notice of intent

1 shall be deemed a new job. An employee that spends less than
2 fifty percent of the employee's work time at the facility is
3 still considered to be located at a facility if the employee
4 receives his or her directions and control from that facility, is
5 on the facility's payroll, one hundred percent of the employee's
6 income from such employment is Missouri income, and the employee
7 is paid at or above the state average wage;

8 (15) "New payroll", the amount of taxable wages of
9 full-time employees, excluding owners, located at the project
10 facility that exceeds the project facility base payroll. If
11 full-time employment at related facilities is below the related
12 facility base employment, any decrease in payroll for full-time
13 employees at the related facilities below that related facility
14 base payroll shall also be subtracted to determine new payroll;

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

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

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

23 (19) "Project facility", the building used by a qualified
24 company at which the new jobs and new investment will be located.
25 A project facility may include separate buildings that are
26 located within [one mile] fifteen miles of each other or within
27 the same county such that their purpose and operations are
28 interrelated;

1 (20) "Project facility base employment", the greater of the
2 number of full-time employees located at the project facility on
3 the date of the notice of intent or for the twelve-month period
4 prior to the date of the notice of intent, the average number of
5 full-time employees located at the project facility. In the
6 event the project facility has not been in operation for a full
7 twelve-month period, the average number of full-time employees
8 for the number of months the project facility has been in
9 operation prior to the date of the notice of intent;

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

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

22 (23) "Qualified company", a firm, partnership, joint
23 venture, association, private or public corporation whether
24 organized for profit or not, or headquarters of such entity
25 registered to do business in Missouri that is the owner or
26 operator of a project facility, offers health insurance to all
27 full-time employees of all facilities located in this state, and
28 pays at least fifty percent of such insurance premiums. For the

purposes of sections 620.1875 to 620.1890, the term "qualified company" shall not include:

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

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

- (f) Any company that has filed for or has publicly announced its intention to file for bankruptcy protection.

However, a company that has filed for or has publicly announced its intention to file for bankruptcy between January 1, 2009, and December 31, 2009, may be a qualified company provided that such company:

- a. Certifies to the department that it plans to reorganize and not to liquidate; and

- b. After its bankruptcy petition has been filed, it produces proof, in a form and at times satisfactory to the department, that it is not delinquent in filing any tax returns or making any payment due to the state of Missouri, including but not limited to all tax payments due after the filing of the bankruptcy petition and under the terms of the plan of reorganization.

Any taxpayer who is awarded benefits under this subsection and who files for bankruptcy under Chapter 7 of the United States

Bankruptcy Code, Title 11 U.S.C., shall immediately notify the department and shall forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any withholding taxes already retained;

(g) Educational services (NAICS sector 61);

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

(i) Public administration (NAICS sector 92);

(j) Ethanol distillation or production; or

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

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

(a) Open-looped biomass;

(b) Close-looped biomass;

(c) Solar;

(d) Wind;

(e) Geothermal; and

(f) Hydropower;

(25) "Related company" means:

(a) A corporation, partnership, trust, or association

1 controlled by the qualified company;

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

4 (c) Corporations, partnerships, trusts or associations
5 controlled by an individual, corporation, partnership, trust or
6 association in control of the qualified company. As used in this
7 subdivision, "control of a corporation" shall mean ownership,
8 directly or indirectly, of stock possessing at least fifty
9 percent of the total combined voting power of all classes of
10 stock entitled to vote, "control of a partnership or association"
11 shall mean ownership of at least fifty percent of the capital or
12 profits interest in such partnership or association, "control of
13 a trust" shall mean ownership, directly or indirectly, of at
14 least fifty percent of the beneficial interest in the principal
15 or income of such trust, and ownership shall be determined as
16 provided in Section 318 of the Internal Revenue Code of 1986, as
17 amended;

18 (26) "Related facility", a facility operated by the
19 qualified company or a related company located in this state that
20 is directly related to the operations of the project facility;

21 (27) "Related facility base employment", the greater of the
22 number of full-time employees located at all related facilities
23 on the date of the notice of intent or for the twelve-month
24 period prior to the date of the notice of intent, the average
25 number of full-time employees located at all related facilities
26 of the qualified company or a related company located in this
27 state;

28 (28) "Related facility base payroll", the total amount of

1 taxable wages paid by the qualified company to full-time
2 employees of the qualified company located at a related facility
3 in the twelve months prior to the filing of the notice of intent,
4 not including the payroll of the owners of the qualified company
5 unless the qualified company is participating in an employee
6 stock ownership plan. For purposes of calculating the benefits
7 under this program, the amount of related facility base payroll
8 shall increase each year based on an appropriate measure, as
9 determined by the department;

10 (29) "Rural area", a county in Missouri with a population
11 less than seventy-five thousand or that does not contain an
12 individual city with a population greater than fifty thousand
13 according to the most recent federal decennial census;

14 (30) "Small and expanding business project", a qualified
15 company that within two years of the date of the approval creates
16 a minimum of twenty new jobs if the project facility is located
17 in a rural area or a minimum of forty new jobs if the project
18 facility is not located in a rural area and creates fewer than
19 one hundred new jobs regardless of the location of the project
20 facility;

21 (31) "Tax credits", tax credits issued by the department to
22 offset the state income taxes imposed by chapters 143 and 148,
23 RSMo, or which may be sold or refunded as provided for in this
24 program;

25 (32) "Technology business project", a qualified company
26 that within two years of the date of the approval creates a
27 minimum of ten new jobs involved in the operations of a company:

28 (a) Which is a technology company, as determined by a

1 regulation promulgated by the department under the provisions of
2 section 620.1884 or classified by NAICS codes;

3 (b) Which owns or leases a facility which produces
4 electricity derived from qualified renewable energy sources, or
5 produces fuel for the generation of electricity from qualified
6 renewable energy sources, but does not include any company that
7 has received the alcohol mixture credit, alcohol credit, or small
8 ethanol producer credit pursuant to 26 U.S.C. Section 40 of the
9 tax code in the previous tax year; [or]

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

13 (d) Which is a clinical molecular diagnostic laboratory
14 focused on detecting and monitoring infections in
15 immunocompromised patient populations;

16 (33) "Withholding tax", the state tax imposed by sections
17 143.191 to 143.265, RSMo. For purposes of this program, the
18 withholding tax shall be computed using a schedule as determined
19 by the department based on average wages.

20 620.1881. 1. The department of economic development shall
21 respond within thirty days to a company who provides a notice of
22 intent with either an approval or a rejection of the notice of
23 intent. The department shall give preference to qualified
24 companies and projects targeted at an area of the state which has
25 recently been classified as a disaster area by the federal
26 government. Failure to respond on behalf of the department of
27 economic development shall result in the notice of intent being
28 deemed an approval for the purposes of this section. A qualified

1 company who is provided an approval for a project shall be
2 allowed a benefit as provided in this program in the amount and
3 duration provided in this section. A qualified company may
4 receive additional periods for subsequent new jobs at the same
5 facility after the full initial period if the minimum thresholds
6 are met as set forth in sections 620.1875 to 620.1890. There is
7 no limit on the number of periods a qualified company may
8 participate in the program, as long as the minimum thresholds are
9 achieved and the qualified company provides the department with
10 the required reporting and is in proper compliance for this
11 program or other state programs. A qualified company may elect
12 to file a notice of intent to start a new project period
13 concurrent with an existing project period if the minimum
14 thresholds are achieved and the qualified company provides the
15 department with the required reporting and is in proper
16 compliance for this program and other state programs; however,
17 the qualified company may not receive any further benefit under
18 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
20 intent may not be included as new jobs for the purpose of benefit
21 calculation in relation to the new approval. When a qualified
22 company has filed and received approval of a notice of intent and
23 subsequently files another notice of intent, the department shall
24 apply the definition of project facility under subdivision (19)
25 of section 620.1878 to the new notice of intent as well as all
26 previously approved notices of intent and shall determine the
27 application of the definitions of new job, new payroll, project
28 facility base employment, and project facility base payroll

1 accordingly.

2 2. Notwithstanding any provision of law to the contrary,
3 any qualified company that is awarded benefits under this program
4 may not simultaneously receive tax credits or exemptions under
5 sections 135.100 to 135.150, sections 135.200 to 135.286, section
6 135.535, or sections 135.900 to 135.906, RSMo, at the same
7 project facility. The benefits available to the company under
8 any other state programs for which the company is eligible and
9 which utilize withholding tax from the new jobs of the company
10 must first be credited to the other state program before the
11 withholding retention level applicable under the Missouri quality
12 jobs act will begin to accrue. These other state programs
13 include, but are not limited to, the new jobs training program
14 under sections 178.892 to 178.896, RSMo, the job retention
15 program under sections 178.760 to 178.764, RSMo, the real
16 property tax increment allocation redevelopment act, sections
17 99.800 to 99.865, RSMo, or the Missouri downtown and rural
18 economic stimulus act under sections 99.915 to 99.980, RSMo. If
19 any qualified company also participates in the new jobs training
20 program in sections 178.892 to 178.896, RSMo, the company shall
21 retain no withholding tax, but the department shall issue a
22 refundable tax credit for the full amount of benefit allowed
23 under this subdivision. The calendar year annual maximum amount
24 of tax credits which may be issued to a qualifying company that
25 also participates in the new job training program shall be
26 increased by an amount equivalent to the withholding tax retained
27 by that company under the new jobs training program. However, if
28 the combined benefits of the quality jobs program and the new

1 jobs training program exceed the projected state benefit of the
2 project, as determined by the department of economic development
3 through a cost-benefit analysis, the increase in the maximum tax
4 credits shall be limited to the amount that would not cause the
5 combined benefits to exceed the projected state benefit. Any
6 taxpayer who is awarded benefits under this program who knowingly
7 hires individuals who are not allowed to work legally in the
8 United States shall immediately forfeit such benefits and shall
9 repay the state an amount equal to any state tax credits already
10 redeemed and any withholding taxes already retained.

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

13 (1) Small and expanding business projects: in exchange for
14 the consideration provided by the new tax revenues and other
15 economic stimuli that will be generated by the new jobs created
16 by the program, a qualified company may retain an amount equal to
17 the withholding tax as calculated under subdivision (33) of
18 section 620.1878 from the new jobs that would otherwise be
19 withheld and remitted by the qualified company under the
20 provisions of sections 143.191 to 143.265, RSMo, for a period of
21 three years from the date the required number of new jobs were
22 created if the average wage of the new payroll equals or exceeds
23 the county average wage or for a period of five years from the
24 date the required number of new jobs were created if the average
25 wage of the new payroll equals or exceeds one hundred twenty
26 percent of the county average wage;

27 (2) Technology business projects: in exchange for the
28 consideration provided by the new tax revenues and other economic

1 stimuli that will be generated by the new jobs created by the
2 program, a qualified company may retain an amount equal to a
3 maximum of five percent of new payroll for a period of five years
4 from the date the required number of jobs were created from the
5 withholding tax of the new jobs that would otherwise be withheld
6 and remitted by the qualified company under the provisions of
7 sections 143.191 to 143.265, RSMo, if the average wage of the new
8 payroll equals or exceeds the county average wage. An additional
9 one-half percent of new payroll may be added to the five percent
10 maximum if the average wage of the new payroll in any year
11 exceeds one hundred twenty percent of the county average wage in
12 the county in which the project facility is located, plus an
13 additional one-half percent of new payroll may be added if the
14 average wage of the new payroll in any year exceeds one hundred
15 forty percent of the average wage in the county in which the
16 project facility is located. The department shall issue a
17 refundable tax credit for any difference between the amount of
18 benefit allowed under this subdivision and the amount of
19 withholding tax retained by the company, in the event the
20 withholding tax is not sufficient to provide the entire amount of
21 benefit due to the qualified company under this subdivision[.
22 The calendar year annual maximum amount of tax credits that may
23 be issued to any qualified company for a project or combination
24 of projects is five hundred thousand dollars];

25 (3) High impact projects: in exchange for the
26 consideration provided by the new tax revenues and other economic
27 stimuli that will be generated by the new jobs created by the
28 program, a qualified company may retain an amount from the

1 withholding tax of the new jobs that would otherwise be withheld
2 and remitted by the qualified company under the provisions of
3 sections 143.191 to 143.265, RSMo, equal to three percent of new
4 payroll for a period of five years from the date the required
5 number of jobs were created if the average wage of the new
6 payroll equals or exceeds the county average wage of the county
7 in which the project facility is located. For high-impact
8 projects in a facility located within two adjacent counties, the
9 new payroll shall equal or exceed the higher county average wage
10 of the adjacent counties. The percentage of payroll allowed
11 under this subdivision shall be three and one-half percent of new
12 payroll if the average wage of the new payroll in any year
13 exceeds one hundred twenty percent of the county average wage in
14 the county in which the project facility is located. The
15 percentage of payroll allowed under this subdivision shall be
16 four percent of new payroll if the average wage of the new
17 payroll in any year exceeds one hundred forty percent of the
18 county average wage in the county in which the project facility
19 is located. An additional one percent of new payroll may be
20 added to these percentages if local incentives equal between ten
21 percent and twenty-four percent of the new direct local revenue;
22 an additional two percent of new payroll is added to these
23 percentages if the local incentives equal between twenty-five
24 percent and forty-nine percent of the new direct local revenue;
25 or an additional three percent of payroll is added to these
26 percentages if the local incentives equal fifty percent or more
27 of the new direct local revenue. The department shall issue a
28 refundable tax credit for any difference between the amount of

1 benefit allowed under this subdivision and the amount of
2 withholding tax retained by the company, in the event the
3 withholding tax is not sufficient to provide the entire amount of
4 benefit due to the qualified company under this subdivision[.

5 The calendar year annual maximum amount of tax credits that may
6 be issued to any qualified company for a project or combination
7 of projects is seven hundred fifty thousand dollars. The
8 calendar year annual maximum amount of tax credit that may be
9 issued to any qualified company for a project or combination of
10 projects may be increased up to one million dollars if the number
11 of new jobs will exceed five hundred and if such action is
12 proposed by the department and approved by the quality jobs
13 advisory task force established in section 620.1887; provided,
14 however, until such time as the initial at-large members of the
15 quality jobs advisory task force are appointed, this
16 determination shall be made by the director of the department of
17 economic development. In considering such a request, the task
18 force shall rely on economic modeling and other information
19 supplied by the department when requesting the increased limit on
20 behalf of the project];

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

25 (a) For each of the twenty-four months preceding the year
26 in which application for the program is made the qualified
27 company must have maintained at least one thousand full-time
28 employees at the employer's site in the state at which the jobs

1 are based, and the average wage of such employees must meet or
2 exceed the county average wage;

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

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

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

22 (e) The local taxing entities shall provide local
23 incentives of at least fifty percent of the new direct local
24 revenues created by the project over a ten-year period. The
25 quality jobs advisory task force may recommend to the department
26 of economic development that appropriate penalties be applied to
27 the company for violating the agreement. The amount of the job
28 retention credit granted may be equal to up to fifty percent of

1 the amount of withholding tax generated by the full-time jobs at
2 the project facility for a period of five years. The calendar
3 year annual maximum amount of tax credit that may be issued to
4 any qualified company for a job retention project or combination
5 of job retention projects shall be seven hundred fifty thousand
6 dollars per year, but the maximum amount may be increased up to
7 one million dollars if such action is proposed by the department
8 and approved by the quality jobs advisory task force established
9 in section 620.1887; provided, however, until such time as the
10 initial at-large members of the quality jobs advisory task force
11 are appointed, this determination shall be made by the director
12 of the department of economic development. In considering such a
13 request, the task force shall rely on economic modeling and other
14 information supplied by the department when requesting the
15 increased limit on behalf of the job retention project. In no
16 event shall the total amount of all tax credits issued for the
17 entire job retention program under this subdivision exceed three
18 million dollars annually. Notwithstanding the above, no tax
19 credits shall be issued for job retention projects approved by
20 the department after August 30, 2013;

21 (5) Small business job retention and flood survivor relief:
22 a qualified company may receive a tax credit under sections
23 620.1875 to 620.1890 for the retention of jobs and flood survivor
24 relief in this state for each job retained over a three-year
25 period, provided that:

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

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

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

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

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

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

15 (g) For each year it receives tax credits under sections
16 620.1875 to 620.1890, the qualified company and related companies
17 retained, at the company's facilities in this state, at least the
18 level of full-time, year-round employees that existed in the
19 taxable year immediately preceding the year in which application
20 for the program is made; and

21 (h) In the years it receives tax credits under sections
22 620.1875 to 620.1890, the company cumulatively invests at least
23 two million dollars in capital improvements in facilities and
24 equipment located at such facilities that are not located within
25 a five hundred year flood plain as designated by the Federal
26 Emergency Management Agency, and amended from time to time. The
27 amount of the small business job retention and flood survivor
28 relief credit granted may be equal to up to one hundred percent

1 of the amount of withholding tax generated by the full-time jobs
2 at the project facility for a period of three years. The
3 calendar year annual maximum amount of tax credit that may be
4 issued to any qualified company for a small business job
5 retention and survivor relief project shall be two hundred fifty
6 thousand dollars per year, but the maximum amount may be
7 increased up to five hundred thousand dollars if such action is
8 proposed by the department and approved by the quality jobs
9 advisory task force established in section 620.1887. In
10 considering such a request, the task force shall rely on economic
11 modeling and other information supplied by the department when
12 requesting an increase in the limit on behalf of the small
13 business job retention and flood survivor relief project. In no
14 event shall the total amount of all tax credits issued for the
15 entire small business job retention and flood survivor relief
16 program under this subdivision exceed five hundred thousand
17 dollars annually. Notwithstanding the provisions of this
18 subdivision to the contrary, no tax credits shall be issued for
19 small business job retention and flood survivor relief projects
20 approved by the department after August 30, 2010.

21 4. The qualified company shall provide an annual report of
22 the number of jobs and such other information as may be required
23 by the department to document the basis for the benefits of this
24 program. The department may withhold the approval of any
25 benefits until it is satisfied that proper documentation has been
26 provided, and shall reduce the benefits to reflect any reduction
27 in full-time employees or new payroll. Upon approval by the
28 department, the qualified company may begin the retention of the

1 withholding taxes when it reaches the minimum number of new jobs
2 and the average wage exceeds the county average wage. Tax
3 credits, if any, may be issued upon satisfaction by the
4 department that the qualified company has exceeded the county
5 average wage and the minimum number of new jobs. In such annual
6 report, if the average wage is below the county average wage, the
7 qualified company has not maintained the employee insurance as
8 required, or if the number of new jobs is below the minimum, the
9 qualified company shall not receive tax credits or retain the
10 withholding tax for the balance of the benefit period. In the
11 case of a qualified company that initially filed a notice of
12 intent and received an approval from the department for high
13 impact benefits and the minimum number of new jobs in an annual
14 report is below the minimum for high impact projects, the company
15 shall not receive tax credits for the balance of the benefit
16 period but may continue to retain the withholding taxes if it
17 otherwise meets the requirements of a small and expanding
18 business under this program.

19 5. The maximum calendar year annual tax credits issued for
20 the entire program shall not exceed ~~[sixty]~~ eighty million
21 dollars. Notwithstanding any provision of law to the contrary,
22 the maximum annual tax credits authorized under section 135.535,
23 RSMo, are hereby reduced from ten million dollars to eight
24 million dollars, with the balance of two million dollars
25 transferred to this program. There shall be no limit on the
26 amount of withholding taxes that may be retained by approved
27 companies under this program.

28 6. The department shall allocate the annual tax credits

1 based on the date of the approval, reserving such tax credits
2 based on the department's best estimate of new jobs and new
3 payroll of the project, and the other factors in the
4 determination of benefits of this program. However, the annual
5 issuance of tax credits is subject to the annual verification of
6 the actual new payroll. The allocation of tax credits for the
7 period assigned to a project shall expire if, within two years
8 from the date of commencement of operations, or approval if
9 applicable, the minimum thresholds have not been achieved. The
10 qualified company may retain authorized amounts from the
11 withholding tax under this section once the minimum new jobs
12 thresholds are met for the duration of the project period. No
13 benefits shall be provided under this program until the qualified
14 company meets the minimum new jobs thresholds. In the event the
15 qualified company does not meet the minimum new job threshold,
16 the qualified company may submit a new notice of intent or the
17 department may provide a new approval for a new project of the
18 qualified company at the project facility or other facilities.

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

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

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

7 10. Prior to the issuance of tax credits, the department
8 shall verify through the department of revenue, or any other
9 state department, that the tax credit applicant does not owe any
10 delinquent income, sales, or use tax or interest or penalties on
11 such taxes, or any delinquent fees or assessments levied by any
12 state department and through the department of insurance,
13 financial institutions and professional registration that the
14 applicant does not owe any delinquent insurance taxes. Such
15 delinquency shall not affect the authorization of the application
16 for such tax credits, except that at issuance credits shall be
17 first applied to the delinquency and any amount issued shall be
18 reduced by the applicant's tax delinquency. If the department of
19 revenue or the department of insurance, financial institutions
20 and professional registration, or any other state department,
21 concludes that a taxpayer is delinquent after June fifteenth but
22 before July first of any year and the application of tax credits
23 to such delinquency causes a tax deficiency on behalf of the
24 taxpayer to arise, then the taxpayer shall be granted thirty days
25 to satisfy the deficiency in which interest, penalties, and
26 additions to tax shall be tolled. After applying all available
27 credits toward a tax delinquency, the administering agency shall
28 notify the appropriate department and that department shall

1 update the amount of outstanding delinquent tax owed by the
2 applicant. If any credits remain after satisfying all insurance,
3 income, sales, and use tax delinquencies, the remaining credits
4 shall be issued to the applicant, subject to the restrictions of
5 other provisions of law.

6 11. Except as provided under subdivision (4) of subsection
7 3 of this section, the director of revenue shall issue a refund
8 to the qualified company to the extent that the amount of credits
9 allowed in this section exceeds the amount of the qualified
10 company's income tax.

11 12. An employee of a qualified company will receive full
12 credit for the amount of tax withheld as provided in section
13 143.211, RSMo.

14 13. If any provision of sections 620.1875 to 620.1890 or
15 application thereof to any person or circumstance is held
16 invalid, the invalidity shall not affect other provisions or
17 application of these sections which can be given effect without
18 the invalid provisions or application, and to this end, the
19 provisions of sections 620.1875 to 620.1890 are hereby declared
20 severable.

21 Section 1. 1. This section shall be known and may be cited
22 as the "Big Government Get Off My Back Act".

23 2. No user fees imposed by the state of Missouri shall
24 increase for the four-year period beginning on the effective date
25 of this section, unless such fee increase is to implement a
26 federal program administered by the state or is a result of an
27 act of the general assembly. For purposes of this section, "user
28 fee" does not include, employer taxes or contributions,

1 assessments to offset the cost of examining insurance or
2 financial institutions, any health-related taxes approved by
3 Center for Medicare and Medicaid Services, or any professional or
4 occupational licensing fees set by a board of members of that
5 profession or occupation and required by statute to be set at a
6 level not to exceed the cost of administration.

7 3. For the four-year period beginning on the effective date
8 of this section, any state agency proposing a rule as that term
9 is defined in subdivision (6) of section 536.010, RSMo, other
10 than any rule promulgated as a result of a federal mandate, or to
11 implement a federal program administered by the state or an act
12 of the general assembly, shall either:

13 (1) Certify that the rule does not have an adverse impact
14 on small businesses consisting of fewer than twenty-five full or
15 part-time employees; or

16 (2) Certify that the rule is necessary to protect the life,
17 health or safety of the public; or

18 (3) Exempt any small business consisting of fewer than
19 twenty-five full or part-time employees from coverage.

20 4. The provisions of this section shall not be construed to
21 prevent or otherwise restrict an agency from promulgating
22 emergency rules pursuant to section 536.025, RSMo, or from
23 rescinding any existing rule pursuant to section 536.021, RSMo.

24 Section B. Because of the need to spark economic growth to
25 end the state's recession, the repeal and reenactment of section
26 135.680 of this act is deemed necessary for the immediate
27 preservation of the public health, welfare, peace and safety, and
28 is hereby declared to be an emergency act within the meaning of

1 the constitution, and the repeal and reenactment of section
2 135.680 of this act shall be in full force and effect upon its
3 passage and approval.

4