

FIRST REGULAR SESSION  
[TRULY AGREED TO AND FINALLY PASSED]  
SENATE SUBSTITUTE NO. 2 FOR  
SENATE COMMITTEE SUBSTITUTE FOR  
HOUSE COMMITTEE SUBSTITUTE FOR

# HOUSE BILL NO. 191

## 95TH GENERAL ASSEMBLY

0837S.11T

2009

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### AN ACT

To repeal sections 32.105, 99.865, 99.1205, 100.286, 100.760, 100.770, 100.850, 105.145, 135.155, 135.352, 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-six new sections relating to taxation, with penalty provisions and an emergency clause for certain sections.

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

Section A. Sections 32.105, 99.865, 99.1205, 100.286, 100.760, 100.770, 100.850, 105.145, 135.155, 135.352, 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253.545, 253.550, 253.559, 338.337, 447.708, 610.021, 620.014, 620.017, 620.472, 620.1878, and 620.1881, RSMo, are repealed and thirty-six new sections enacted in lieu thereof, to be known as sections 32.105, 37.850, 99.865, 99.1205, 100.286, 100.760, 100.770, 100.850, 105.145, 108.1000, 108.1010, 108.1020, 135.155, 135.352, 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, 620.1881, and 1, to read as follows:

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

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

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

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

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

**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 is larger:**

Size of Household	Percent of State or Geographic Area Family Median Income
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42	<b>One Person</b>	<b>70%</b>
43	<b>Two Persons</b>	<b>80%</b>
44	<b>Three Persons</b>	<b>90%</b>
45	<b>Four Persons</b>	<b>100%</b>
46	<b>Five Persons</b>	<b>108%</b>
47	<b>Six Persons</b>	<b>116%</b>
48	<b>Seven Persons</b>	<b>124%</b>
49	<b>Eight Persons</b>	<b>132%</b>

50 (3) "Business firm", person, firm, a partner in a firm, corporation or a shareholder in an  
51 S corporation doing business in the state of Missouri and subject to the state income tax imposed  
52 by the provisions of chapter 143, RSMo, including any charitable organization that is exempt  
53 from federal income tax and whose Missouri unrelated business taxable income, if any, would  
54 be subject to the state income tax imposed under such chapter, or a corporation subject to the  
55 annual corporation franchise tax imposed by the provisions of chapter 147, RSMo, or an  
56 insurance company paying an annual tax on its gross premium receipts in this state, or other  
57 financial institution paying taxes to the state of Missouri or any political subdivision of this state  
58 pursuant to the provisions of chapter 148, RSMo, or an express company which pays an annual  
59 tax on its gross receipts in this state;

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

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

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

66 (7) "Defense industry contractor", a person, corporation or other entity which will be or  
67 has been negatively impacted as a result of its status as a prime contractor of the Department of  
68 Defense or as a second or third tier contractor. A "second tier contractor" means a person,  
69 corporation or other entity which contracts to perform manufacturing, maintenance or repair  
70 services for a prime contractor of the Department of Defense, and a "third tier contractor" means  
71 a person, corporation or other entity which contracts with a person, corporation or other entity  
72 which contracts with a prime contractor of the Department of Defense;

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

77 (9) "Economic development", the acquisition, renovation, improvement, or the  
78 furnishing or equipping of existing buildings and real estate in distressed or blighted areas of the

79 state when such acquisition, renovation, improvement, or the furnishing or equipping of the  
80 business development projects will result in the creation or retention of jobs within the state[;  
81 or, until June 30, 1996, a defense conversion pilot project located in a standard metropolitan  
82 statistical area which contains a city with a population of at least three hundred fifty thousand  
83 inhabitants, which will assist Missouri-based defense industry contractors in their conversion  
84 from predominately defense-related contracting to nondefense-oriented manufacturing]. Only  
85 neighborhood organizations, as defined in subdivision (13) of this section, may apply to conduct  
86 economic development projects. Prior to the approval of an economic development project, the  
87 neighborhood organization shall enter into a contractual agreement with the department of  
88 economic development. Credits approved for economic development projects may not exceed  
89 six million dollars from within any one fiscal year's allocation. Neighborhood assistance  
90 program tax credits for economic development projects and affordable housing assistance as  
91 defined in section 32.111 may be transferred, sold or assigned by a notarized endorsement  
92 thereof naming the transferee;

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

97 (11) "Homeless assistance pilot project", the program established pursuant to section  
98 32.117;

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

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

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

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

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

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

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

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

**37.850. 1. The commissioner of administration shall maintain the Missouri  
2 accountability portal established in executive order 07-24 as a free, Internet-based tool  
3 allowing citizens to demand fiscal discipline and responsibility.**

**4 2. The Missouri accountability portal shall consist of an easy-to-search database  
5 of financial transactions related to the purchase of goods and services and the distribution  
6 of funds for state programs.**

**7 3. The Missouri accountability portal shall be updated each state business day and  
8 maintained as the primary source of information about the activity of Missouri's  
9 government.**

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

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

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

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

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

10 (5) The assessed valuation added to the redevelopment project;

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

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

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

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

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

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

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

28 (13) Any additional information the municipality deems necessary.

29 2. Data contained in the report mandated pursuant to the provisions of subsection 1 of  
30 this section and any information regarding amounts disbursed to municipalities pursuant to the  
31 provisions of section 99.845 shall be deemed a public record, as defined in section 610.010,  
32 RSMo. An annual statement showing the payments made in lieu of taxes received and expended  
33 in that year, the status of the redevelopment plan and projects therein, amount of outstanding  
34 bonded indebtedness and any additional information the municipality deems necessary shall be  
35 published in a newspaper of general circulation in the municipality.

36 3. Five years after the establishment of a redevelopment plan and every five years  
37 thereafter the governing body shall hold a public hearing regarding those redevelopment plans  
38 and projects created pursuant to sections 99.800 to 99.865. The purpose of the hearing shall be  
39 to determine if the redevelopment project is making satisfactory progress under the proposed  
40 time schedule contained within the approved plans for completion of such projects. Notice of  
41 such public hearing shall be given in a newspaper of general circulation in the area served by the  
42 commission once each week for four weeks immediately prior to the hearing.

43 4. The director of the department of economic development shall submit a report to the  
44 **state auditor, the** speaker of the house of representatives, and the president pro tem of the senate  
45 no later than February first of each year. The report shall contain a summary of all information  
46 received by the director pursuant to this section.

47 5. For the purpose of coordinating all tax increment financing projects using new state  
48 revenues, the director of the department of economic development may promulgate rules and  
49 regulations to ensure compliance with this section. Such rules and regulations may include  
50 methods for enumerating all of the municipalities which have established commissions pursuant  
51 to section 99.820. No rule or portion of a rule promulgated under the authority of sections  
52 99.800 to 99.865 shall become effective unless it has been promulgated pursuant to the  
53 provisions of chapter 536, RSMo. All rulemaking authority delegated prior to June 27, 1997,  
54 is of no force and effect and repealed; however, nothing in this section shall be interpreted to  
55 repeal or affect the validity of any rule filed or adopted prior to June 27, 1997, if such rule  
56 complied with the provisions of chapter 536, RSMo. The provisions of this section and chapter  
57 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant  
58 to chapter 536, RSMo, including the ability to review, to delay the effective date, or to  
59 disapprove and annul a rule or portion of a rule, are subsequently held unconstitutional, then the

60 purported grant of rulemaking authority and any rule so proposed and contained in the order of  
61 rulemaking shall be invalid and void.

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

66 **7. Any municipality which fails to comply with the reporting requirements**  
67 **provided in this section shall be prohibited from implementing any new tax increment**  
68 **finance project for a period of no less than five years from such municipality's failure to**  
69 **comply.**

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

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

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

4 (1) "Acquisition costs", the purchase price for the eligible parcel, costs of environmental  
5 assessments, closing costs, real estate brokerage fees, reasonable demolition costs of vacant  
6 structures, and reasonable maintenance costs incurred to maintain an acquired eligible parcel for  
7 a period of five years after the acquisition of such eligible parcel. Acquisition costs shall not  
8 include costs for title insurance and survey, attorney's fees, relocation costs, fines, or bills from  
9 a municipality;

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

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

14 (b) Been appointed or selected, pursuant to a redevelopment agreement by a municipal  
15 authority, as a redeveloper or similar designation, under an economic incentive law, to redevelop  
16 an urban renewal area or a redevelopment area that includes all of an eligible project area or  
17 whose redevelopment plan or redevelopment area, which encompasses all of an eligible project  
18 area, has been approved or adopted under an economic incentive law. In addition to being  
19 designated the redeveloper, the applicant shall have been designated to receive economic  
20 incentives only after the municipal authority has considered the amount of the tax credits in  
21 adopting such economic incentives as provided in subsection 8 of this section. The  
22 redevelopment agreement shall provide that:

- 23           a. The funds generated through the use or sale of the tax credits issued under this section  
24 shall be used to redevelop the eligible project area;
- 25           b. No more than seventy-five percent of the urban renewal area identified in the urban  
26 renewal plan or the redevelopment area identified in the redevelopment plan may be redeveloped  
27 by the applicant; and
- 28           c. The remainder of the urban renewal area or the redevelopment area shall be  
29 redeveloped by co-redevelopers or redevelopers to whom the applicant has assigned its  
30 redevelopment rights and obligations under the urban renewal plan or the redevelopment plan;
- 31           (3) "Certificate", a tax credit certificate issued under this section;
- 32           (4) "Condemnation proceedings", any action taken by, or on behalf of, an applicant to  
33 initiate an action in a court of competent jurisdiction to use the power of eminent domain to  
34 acquire a parcel within the eligible project area. Condemnation proceedings shall include any  
35 and all actions taken after the submission of a notice of intended acquisition to an owner of a  
36 parcel within the eligible project area by a municipal authority or any other person or entity under  
37 section 523.250, RSMo;
- 38           (5) "Department", the Missouri department of economic development;
- 39           (6) "Economic incentive laws", any provision of Missouri law pursuant to which  
40 economic incentives are provided to redevelopers of a parcel or parcels to redevelop the land,  
41 such as tax abatement or payments in lieu of taxes, or redevelopment plans or redevelopment  
42 projects approved or adopted which include the use of economic incentives to redevelop the land.  
43 Economic incentive laws include, but are not limited to, the land clearance for redevelopment  
44 authority law under sections 99.300 to 99.660, the real property tax increment allocation  
45 redevelopment act under sections 99.800 to 99.865, the Missouri downtown and rural economic  
46 stimulus act under sections 99.915 to 99.1060, and the downtown revitalization preservation  
47 program under sections 99.1080 to 99.1092;
- 48           (7) "Eligible parcel", a parcel:
- 49           (a) Which is located within an eligible project area;
- 50           (b) Which is to be redeveloped;
- 51           (c) On which the applicant has not commenced construction prior to November 28,  
52 2007;
- 53           (d) Which has been acquired without the commencement of any condemnation  
54 proceedings with respect to such parcel brought by or on behalf of the applicant. Any parcel  
55 acquired by the applicant from a municipal authority shall not constitute an eligible parcel; and
- 56           (e) On which all outstanding taxes, fines, and bills levied by municipal governments that  
57 were levied by the municipality during the time period that the applicant held title to the eligible  
58 parcel have been paid in full;
- 59           (8) "Eligible project area", an area which shall have satisfied the following requirements:



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

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

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

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

70 (e) Less than five percent of the acreage within the boundaries of the eligible project area  
71 shall consist of owner-occupied residences which the applicant has identified for acquisition  
72 under the urban renewal plan or the redevelopment plan pursuant to which the applicant was  
73 appointed or selected as the redeveloper or by which the person or entity was qualified as an  
74 applicant under this section on the date of the approval or adoption of such plan;

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

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

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

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

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

85 (14) "Redeveloped", the process of undertaking and carrying out a redevelopment plan  
86 or urban renewal plan pursuant to which the conditions which provided the basis for an eligible  
87 project area to be included in a redevelopment plan or urban renewal plan are to be reduced or  
88 eliminated by redevelopment or rehabilitation; and

89 (15) "Redevelopment agreement", the redevelopment agreement or similar agreement  
90 into which the applicant entered with a municipal authority and which is the agreement for the  
91 implementation of the urban renewal plan or redevelopment plan pursuant to which the applicant  
92 was appointed or selected as the redeveloper or by which the person or entity was qualified as  
93 an applicant under this section; and such appointment or selection shall have been approved by  
94 an ordinance of the governing body of the municipality, or municipalities, or in the case of any  
95 city not within a county, the board of aldermen, in which the eligible project area is located. The  
96 redevelopment agreement shall include a time line for redevelopment of the eligible project area.

97 The redevelopment agreement shall state that the named developer shall be subject to the  
98 provisions of chapter 290, RSMo.

99 3. Any applicant shall be entitled to a tax credit against the taxes imposed under chapters  
100 143, 147, and 148, RSMo, except for sections 143.191 to 143.265, RSMo, in an amount equal  
101 to fifty percent of the acquisition costs, and one hundred percent of the interest costs incurred for  
102 a period of five years after the acquisition of an eligible parcel. No tax credits shall be issued  
103 under this section until after January 1, 2008.

104 4. If the amount of such tax credit exceeds the total tax liability for the year in which the  
105 applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be  
106 carried forward for credit against the taxes imposed under chapters 143, 147, and 148, RSMo,  
107 for the succeeding six years, or until the full credit is used, whichever occurs first. The applicant  
108 shall not be entitled to a tax credit for taxes imposed under sections 143.191 to 143.265, RSMo.  
109 Applicants entitled to receive such tax credits may transfer, sell, or assign the tax credits. Tax  
110 credits granted to a partnership, a limited liability company taxed as a partnership, or multiple  
111 owners of property shall be passed through to the partners, members, or owners respectively pro  
112 rata or pursuant to an executed agreement among the partners, members, or owners documenting  
113 an alternate distribution method.

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

121 6. To claim tax credits authorized under this section, an applicant shall submit to the  
122 department an application for a certificate. An applicant shall identify the boundaries of the  
123 eligible project area in the application. The department shall verify that the applicant has  
124 submitted a valid application in the form and format required by the department. The department  
125 shall verify that the municipal authority held the requisite hearings and gave the requisite notices  
126 for such hearings in accordance with the applicable economic incentive act, and municipal  
127 ordinances. On an annual basis, an applicant may file for the tax credit for the acquisition costs,  
128 and for the tax credit for the interest costs, subject to the limitations of this section. If an  
129 applicant applying for the tax credit meets the criteria required under this section, the department  
130 shall issue a certificate in the appropriate amount. If an applicant receives a tax credit for  
131 maintenance costs as a part of the applicant's acquisition costs, the department shall post on its  
132 Internet web site the amount and type of maintenance costs and a description of the

133 redevelopment project for which the applicant received a tax credit within thirty days after the  
134 department issues the certificate to the applicant.

135         7. The total aggregate amount of tax credits authorized under this section shall not  
136 exceed ninety-five million dollars. At no time shall the annual amount of the tax credits issued  
137 under this section exceed [ten] **twenty** million dollars. If the tax credits that are to be issued  
138 under this section exceed, in any year, the [ten] **twenty** million dollar limitation, the department  
139 shall either:

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

142         (2) Issue the tax credits on a pro rata basis to all applicants entitled to receive tax credits  
143 in that year. Any amount of tax credits, which an applicant is, or applicants are, entitled to  
144 receive on an annual basis and are not issued due to the [ten] **twenty** million dollar limitation,  
145 shall be carried forward for the benefit of the applicant or applicants to subsequent years. No tax  
146 credits provided under this section shall be authorized after August 28, 2013. Any tax credits  
147 which have been authorized on or before August 28, 2013, but not issued, may be issued, subject  
148 to the limitations provided under this subsection, until all such authorized tax credits have been  
149 issued.

150         8. Upon issuance of any tax credits pursuant to this section, the department shall report  
151 to the municipal authority the applicant's name and address, the parcel numbers of the eligible  
152 parcels for which the tax credits were issued, the itemized acquisition costs and interest costs for  
153 which tax credits were issued, and the total value of the tax credits issued. The municipal  
154 authority and the state shall not consider the amount of the tax credits as an applicant's cost, but  
155 shall include the tax credits in any sources and uses and cost benefit analysis reviewed or created  
156 for the purpose of awarding other economic incentives. The amount of the tax credits shall not  
157 be considered an applicant's cost in the evaluation of the amount of any award of any other  
158 economic incentives, but shall be considered in measuring the reasonableness of the rate of  
159 return to the applicant with respect to such award of other economic incentives. The municipal  
160 authority shall provide the report to any relevant commission, board, or entity responsible for the  
161 evaluation and recommendation or approval of other economic incentives to assist in the  
162 redevelopment of the eligible project area. Tax credits authorized under this section shall  
163 constitute redevelopment tax credits, as such term is defined under section 135.800 RSMo, and  
164 shall be subject to all provisions applicable to redevelopment tax credits provided under sections  
165 135.800 to 135.830 RSMo.

166         9. The department may promulgate rules to implement the provisions of this section.  
167 Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created  
168 under the authority delegated in this section shall become effective only if it complies with and  
169 is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028,

170 RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested  
171 with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date,  
172 or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
173 rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid  
174 and void.

100.286. 1. Within the discretion of the board, the development and reserve fund, the  
2 infrastructure development fund or the export finance fund may be pledged to secure the payment  
3 of any bonds or notes issued by the board, or to secure the payment of any loan made by the  
4 board or a participating lender which loan:

- 5 (1) Is requested to finance any project or export trade activity;
- 6 (2) Is requested by a borrower who is demonstrated to be financially responsible;
- 7 (3) Can reasonably be expected to provide a benefit to the economy of this state;
- 8 (4) Is otherwise secured by a mortgage or deed of trust on real or personal property or  
9 other security satisfactory to the board; provided that loans to finance export trade activities may  
10 be secured by export accounts receivable or inventories of exportable goods satisfactory to the  
11 board;
- 12 (5) Does not exceed five million dollars;
- 13 (6) Does not have a term longer than five years if such loan is made to finance export  
14 trade activities; and
- 15 (7) Is, when used to finance export trade activities, made to small or medium size  
16 businesses or agricultural businesses, as may be defined by the board.

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

22 3. Each application for a loan secured by the development and reserve fund, the  
23 infrastructure development fund or the export finance fund shall be reviewed in the first instance  
24 by any participating lender to whom the application was submitted. If satisfied that the standards  
25 prescribed by the board are met and that the loan is otherwise eligible to be secured by the  
26 development and reserve fund, the infrastructure development fund or the export finance fund,  
27 the participating lender shall certify the same and forward the application for final approval to  
28 the board.

29 4. The securing of any loans by the development and reserve fund, the infrastructure  
30 development fund or the export finance fund shall be conditioned upon approval of the  
31 application by the board, and receipt of an annual reserve participation fee, as prescribed by the  
32 board, submitted by or on behalf of the borrower.

33           5. The securing of any loan by the export finance fund for export trade activities shall  
34 be conditioned upon the board's compliance with any applicable treaties and international  
35 agreements, such as the general agreement on tariffs and trade and the subsidies code, to which  
36 the United States is then a party.

37           6. Any taxpayer, including any charitable organization that is exempt from federal  
38 income tax and whose Missouri unrelated business taxable income, if any, would be subject to  
39 the state income tax imposed under chapter 143, RSMo, [shall be entitled to] **may, subject to**  
40 **the limitations provided under subsection 8 of this section, receive** a tax credit against any  
41 tax otherwise due under the provisions of chapter 143, RSMo, excluding withholding tax  
42 imposed by sections 143.191 to 143.261, RSMo, chapter 147, RSMo, or chapter 148, RSMo, in  
43 the amount of fifty percent of any amount contributed in money or property by the taxpayer to  
44 the development and reserve fund, the infrastructure development fund or the export finance  
45 fund during the taxpayer's tax year, provided, however, the total tax credits awarded in any  
46 calendar year beginning after January 1, 1994, shall not be the greater of ten million dollars or  
47 five percent of the average growth in general revenue receipts in the preceding three fiscal years.  
48 This limit may be exceeded only upon joint agreement by the commissioner of administration,  
49 the director of the department of economic development, and the director of the department of  
50 revenue that such action is essential to ensure retention or attraction of investment in Missouri.  
51 If the board receives, as a contribution, real property, the contributor at such contributor's own  
52 expense shall have two independent appraisals conducted by appraisers certified by the Master  
53 Appraisal Institute. Both appraisals shall be submitted to the board, and the tax credit certified  
54 by the board to the contributor shall be based upon the value of the lower of the two appraisals.  
55 The board shall not certify the tax credit until the property is deeded to the board. Such credit  
56 shall not apply to reserve participation fees paid by borrowers under sections 100.250 to 100.297.  
57 The portion of earned tax credits which exceeds the taxpayer's tax liability may be carried  
58 forward for up to five years.

59           7. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,  
60 exchange, convey or otherwise transfer tax credits allowed in subsection 6 of this section under  
61 the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer,  
62 hereinafter the assignor for the purpose of this subsection, may sell, assign, exchange or  
63 otherwise transfer earned tax credits:

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

65           (2) In an amount not to exceed one hundred percent of annual earned credits. The  
66 taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection, may  
67 use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise  
68 imposed by chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to  
69 143.261, RSMo, chapter 147, RSMo, or chapter 148, RSMo. Unused credits in the hands of the

70 assignee may be carried forward for up to five years, provided all such credits shall be claimed  
71 within ten years following the tax years in which the contribution was made. The assignor shall  
72 enter into a written agreement with the assignee establishing the terms and conditions of the  
73 agreement and shall perfect such transfer by notifying the board in writing within thirty calendar  
74 days following the effective day of the transfer and shall provide any information as may be  
75 required by the board to administer and carry out the provisions of this section. Notwithstanding  
76 any other provision of law to the contrary, the amount received by the assignor of such tax credit  
77 shall be taxable as income of the assignor, and the excess of the par value of such credit over the  
78 amount paid by the assignee for such credit shall be taxable as income of the assignee.

79 **8. Provisions of subsections 1 to 7 of this section to the contrary notwithstanding,**  
80 **no more than ten million dollars in tax credits provided under this section, may be**  
81 **authorized or approved annually. The limitation on tax credit authorization and approval**  
82 **provided under this subsection may be exceeded only upon mutual agreement, evidenced**  
83 **by a signed and properly notarized letter, by the commissioner of the office of**  
84 **administration, the director of the department of economic development, and the director**  
85 **of the department of revenue that such action is essential to ensure retention or attraction**  
86 **of investment in Missouri provided, however, that in no case shall more than twenty-five**  
87 **million dollars in tax credits be authorized or approved during such year. Taxpayers shall**  
88 **file, with the board, an application for tax credits authorized under this section on a form**  
89 **provided by the board. The provisions of this subsection shall not be construed to limit or**  
90 **in any way impair the ability of the board to authorize tax credits for issuance for projects**  
91 **authorized or approved, by a vote of the board, on or before the thirtieth day following the**  
92 **effective date of this act, or a taxpayer's ability to redeem such tax credits.**

100.760. After receipt of an application, the board may, with the approval of the  
2 department, enter into an agreement with an eligible industry for a credit pursuant to sections  
3 100.700 to 100.850 if the board determines that all of the following conditions exist:

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

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

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

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

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

14 (4) Receiving the credit is a major factor in the applicant's decision to go forward with  
15 the project and not receiving the credit will result in the applicant not creating new jobs in  
16 Missouri; **and**

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

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

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

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

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

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

5 (3) The payroll attributable to the project;

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

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

9 (6) The costs to Missouri and the affected political subdivisions with respect to the  
10 project; **and**

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

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

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

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

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

12 4. Any approved company which has paid an assessment for debt reduction shall be  
13 allowed a tax credit equal to the amount of the assessment. The tax credit may be claimed  
14 against taxes otherwise imposed by chapters 143 and 148, RSMo, except withholding taxes

15 imposed under the provisions of sections 143.191 to 143.265, RSMo, which were incurred  
16 during the tax period in which the assessment was made.

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

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

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

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

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

7         2. The governing body of each political subdivision in the state shall cause to be  
8 prepared an annual report of the financial transactions of the political subdivision in such  
9 summary form as the state auditor shall prescribe by rule, except that the annual report of  
10 political subdivisions whose cash receipts for the reporting period are ten thousand dollars or less  
11 shall only be required to contain the cash balance at the beginning of the reporting period, a  
12 summary of cash receipts, a summary of cash disbursements and the cash balance at the end of  
13 the reporting period.

14         3. Within such time following the end of the fiscal year as the state auditor shall  
15 prescribe by rule, the governing body of each political subdivision shall cause a copy of the  
16 annual financial report to be remitted to the state auditor.

17         4. The state auditor shall immediately on receipt of each financial report acknowledge  
18 the receipt of the report.

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



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

27           7. All reports or financial statements hereinabove mentioned shall be considered to be  
28 public records.

29           **8. The provisions of this section apply to the board of directors of every**  
30 **transportation development district organized under sections 238.200 to 238.275, RSMo.**  
31 **Any transportation development district that fails to timely submit a copy of the annual**  
32 **financial statement to the state auditor shall be subject to a fine not to exceed five hundred**  
33 **dollars per day.**

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

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

3           (2) "Build America bonds", any bonds designated build America bonds pursuant  
4 to Section 54AA of the Internal Revenue Code of 1986, as amended;

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

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

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

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

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

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

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

**108.1010. 1. The department shall allocate recovery zone bonds to counties and**  
2 **large municipalities in accordance with Section 1400U-1 of the Internal Revenue Code of**  
3 **1986, as amended, and shall provide notice of such allocation to each county and large**  
4 **municipality. A county or large municipality may, at any time, waive any allocation of**  
5 **recovery zone bonds by providing written notice to the department. Each allocation shall**  
6 **be deemed waived by the county or large municipality on the sixtieth day following notice**  
7 **of allocation, except to the extent the county or large municipality provided the department**  
8 **with written notice of intent to issue recovery zone bonds stating the amount and type to**  
9 **be issued. Each county or large municipality shall notify the department in writing of the**  
10 **issuance of recovery zone bonds. Any recovery zone bonds allocated to a county or large**  
11 **municipality which remain unissued as of the first day of July of each year, shall be**  
12 **recaptured by the department for reallocation.**

13           **2. Any county or large municipality may apply to the department for the allocation**  
14 **of additional recovery zone bonds to the extent such bonds are available due to the waiver**  
15 **of recovery zone bond allocations by other counties or large municipalities or the recapture**  
16 **of recovery zone bonds by the department as provided under subsection 1 of this section.**  
17 **The department may reallocate such recovery zone bonds to any eligible issuer of recovery**  
18 **zone bonds as provided by rule.**

19           **3. The department shall promulgate rules to implement the provisions of sections**  
20 **108.1000 to 108.1020. Any rule or portion of a rule, as that term is defined in section**  
21 **536.010, RSMo, that is created under the authority delegated in this section shall become**  
22 **effective only if it complies with and is subject to all of the provisions of chapter 536,**  
23 **RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are**  
24 **nonseverable and if any of the powers vested with the general assembly pursuant to**  
25 **chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule**  
26 **are subsequently held unconstitutional, then the grant of rulemaking authority and any**  
27 **rule proposed or adopted after August 28, 2009, shall be invalid and void.**

**108.1020. Build America bonds and any recovery zone bonds issued by the state of**  
2 **Missouri or an entity described in subsection 4 of section 108.1000 and the interest thereon**  
3 **shall be exempt from all taxation by the state of Missouri and its political subdivisions.**

**135.155. 1. Notwithstanding any provision of the law to the contrary, no**  
2 **revenue-producing enterprise other than headquarters as defined in subsection 10 of section**  
3 **135.110 shall receive the incentives set forth in sections 135.100 to 135.150 for facilities**  
4 **commencing operations on or after January 1, 2005. No headquarters shall receive the**

5 **incentives set forth in subsections 9 to 14 of section 135.110 for facilities commencing or**  
6 **expanding operations on or after January 1, 2020.**

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

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

135.352. 1. A taxpayer owning an interest in a qualified Missouri project shall, **subject**  
2 **to the limitations provided under the provisions of subsection 3 of this section,** be allowed  
3 a state tax credit, whether or not allowed a federal tax credit, to be termed the Missouri  
4 low-income housing tax credit, if the commission issues an eligibility statement for that project.

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

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

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

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

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

30       [6.] 7. The director of the department may promulgate rules and regulations necessary  
31 to administer the provisions of this section. No rule or portion of a rule promulgated pursuant  
32 to the authority of this section shall become effective unless it has been promulgated pursuant  
33 to the provisions of section 536.024, RSMo.

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

- 2       (1) "Adjusted purchase price", the product of:
  - 3       (a) The amount paid to the issuer of a qualified equity investment for such qualified  
4 equity investment; and
  - 5       (b) The following fraction:
    - 6       a. The numerator shall be the dollar amount of qualified low-income community  
7 investments held by the issuer in this state as of the credit allowance date during the applicable  
8 tax year; and
    - 9       b. The denominator shall be the total dollar amount of qualified low-income community  
10 investments held by the issuer in all states as of the credit allowance date during the applicable  
11 tax year;
  - 12       c. For purposes of calculating the amount of qualified low-income community  
13 investments held by an issuer, an investment shall be considered held by an issuer even if the  
14 investment has been sold or repaid; provided that the issuer reinvests an amount equal to the  
15 capital returned to or recovered by the issuer from the original investment, exclusive of any  
16 profits realized, in another qualified low-income community investment within twelve months  
17 of the receipt of such capital. An issuer shall not be required to reinvest capital returned from  
18 qualified low-income community investments after the sixth anniversary of the issuance of the  
19 qualified equity investment, the proceeds of which were used to make the qualified low-income  
20 community investment, and the qualified low-income community investment shall be considered  
21 held by the issuer through the seventh anniversary of the qualified equity investment's issuance;
- 22       (2) "Applicable percentage", zero percent for each of the first two credit allowance dates,  
23 seven percent for the third credit allowance date, and eight percent for the next four credit  
24 allowance dates;
- 25       (3) "Credit allowance date", with respect to any qualified equity investment:
  - 26       (a) The date on which such investment is initially made; and
  - 27       (b) Each of the six anniversary dates of such date thereafter;

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

37 (5) "Qualified active low-income community business", the meaning given such term  
38 in Section 45D of the Internal Revenue Code of 1986, as amended; provided that any business  
39 that derives or projects to derive fifteen percent or more of its annual revenue from the rental or  
40 sale of real estate shall not be considered to be a qualified active low-income community  
41 business;

42 (6) "Qualified community development entity", the meaning given such term in Section  
43 45D of the Internal Revenue Code of 1986, as amended; provided that such entity has entered  
44 into an allocation agreement with the Community Development Financial Institutions Fund of  
45 the U.S. Treasury Department with respect to credits authorized by Section 45D of the Internal  
46 Revenue Code of 1986, as amended, which includes the state of Missouri within the service area  
47 set forth in such allocation agreement;

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

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

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

54 (c) Is designated by the issuer as a qualified equity investment under this subdivision and  
55 is certified by the department of economic development as not exceeding the limitation contained  
56 in subsection 2 of this section. This term shall include any qualified equity investment that does  
57 not meet the provisions of paragraph (a) of this subdivision if such investment was a qualified  
58 equity investment in the hands of a prior holder;

59 (8) "Qualified low-income community investment", any capital or equity investment in,  
60 or loan to, any qualified active low-income community business. With respect to any one  
61 qualified active low-income community business, the maximum amount of qualified low-income  
62 community investments made in such business, on a collective basis with all of its affiliates, that  
63 may be used from the calculation of any numerator described in subparagraph a. of paragraph

64 (b) of subdivision (1) of this subsection shall be ten million dollars whether issued to one or  
65 several qualified community development entities;

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

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

72 2. A taxpayer that makes a qualified equity investment earns a vested right to tax credits  
73 under this section. On each credit allowance date of such qualified equity investment the  
74 taxpayer, or subsequent holder of the qualified equity investment, shall be entitled to a tax credit  
75 during the taxable year including such credit allowance date. The tax credit amount shall be  
76 equal to the applicable percentage of the adjusted purchase price paid to the issuer of such  
77 qualified equity investment. The amount of the tax credit claimed shall not exceed the amount  
78 of the taxpayer's state tax liability for the tax year for which the tax credit is claimed. No tax  
79 credit claimed under this section shall be refundable or transferable. Tax credits earned by a  
80 partnership, limited liability company, S-corporation, or other pass-through entity may be  
81 allocated to the partners, members, or shareholders of such entity for their direct use in  
82 accordance with the provisions of any agreement among such partners, members, or  
83 shareholders. Any amount of tax credit that the taxpayer is prohibited by this section from  
84 claiming in a taxable year may be carried forward to any of the taxpayer's five subsequent taxable  
85 years. The department of economic development shall limit the monetary amount of qualified  
86 equity investments permitted under this section to a level necessary to limit tax credit utilization  
87 at no more than [fifteen] **twenty-five** million dollars of tax credits in any fiscal year. Such  
88 limitation on qualified equity investments shall be based on the anticipated utilization of credits  
89 without regard to the potential for taxpayers to carry forward tax credits to later tax years.

90 3. The issuer of the qualified equity investment shall certify to the department of  
91 economic development the anticipated dollar amount of such investments to be made in this state  
92 during the first twelve-month period following the initial credit allowance date. If on the second  
93 credit allowance date, the actual dollar amount of such investments is different than the amount  
94 estimated, the department of economic development shall adjust the credits arising on the second  
95 allowance date to account for such difference.

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

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

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

105 5. The department of economic development shall promulgate rules to implement the  
106 provisions of this section, including recapture provisions on a scaled proportional basis, and to  
107 administer the allocation of tax credits issued for qualified equity investments, which shall be  
108 conducted on a first-come, first-serve basis. Any rule or portion of a rule, as that term is defined  
109 in section 536.010, RSMo, that is created under the authority delegated in this section shall  
110 become effective only if it complies with and is subject to all of the provisions of chapter 536,  
111 RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are  
112 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536,  
113 RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently  
114 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted  
115 after September 4, 2007, shall be invalid and void.

116 6. For fiscal years following fiscal year 2010, qualified equity investments shall not be  
117 made under this section unless reauthorization is made pursuant to this subsection. For all fiscal  
118 years following fiscal year 2010, unless the general assembly adopts a concurrent resolution  
119 granting authority to the department of economic development to approve qualified equity  
120 investments for the Missouri new markets development program and clearly describing the  
121 amount of tax credits available for the next fiscal year, or otherwise complies with the provisions  
122 of this subsection, no qualified equity investments may be permitted to be made under this  
123 section. The amount of available tax credits contained in such a resolution shall not exceed the  
124 limitation provided under subsection 2 of this section. In any year in which the provisions of this  
125 section shall sunset pursuant to subsection 7 of this section, reauthorization shall be made by  
126 general law and not by concurrent resolution. Nothing in this subsection shall preclude a  
127 taxpayer who makes a qualified equity investment prior to the expiration of authority to make  
128 qualified equity investments from claiming tax credits relating to such qualified equity  
129 investment for each applicable credit allowance date.

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

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

134 (2) If such program is reauthorized, the program authorized under this section shall  
135 automatically sunset twelve years after the effective date of the reauthorization of this section;  
136 and

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

135.766. An eligible small business, as defined in Section 44 of the Internal Revenue  
2 Code, shall be allowed a credit against the tax otherwise due pursuant to chapter 143, RSMo, not  
3 including sections 143.191 to 143.265, RSMo, in an amount equal to any amount paid by the  
4 eligible small business to the United States Small Business Administration as a guaranty fee  
5 pursuant to obtaining Small Business Administration guaranteed financing and to programs  
6 administered by the United States Department of Agriculture for rural development or farm  
7 service agencies. **No tax credits provided under this section shall be authorized on or after**  
8 **the thirtieth day following the effective date of this act. The provisions of this subsection**  
9 **shall not be construed to limit or in any way impair the department's ability to issue tax**  
10 **credits authorized prior to the thirtieth day following the effective date of this act, or a**  
11 **taxpayer's ability to redeem such tax credits.**

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

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

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

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

12 (3) "All tax credit programs", or **"Any tax credit program"**, the tax credit programs  
13 included in the definitions of agricultural tax credits, business recruitment tax credits, community  
14 development tax credits, domestic and social tax credits, entrepreneurial tax credits,  
15 environmental tax credits, **financial and insurance tax credits**, housing tax credits,  
16 redevelopment tax credits, and training and educational tax credits;

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



22 created pursuant to section 135.535, [and] the film production tax credit created pursuant to  
23 section 135.750, **the enhanced enterprise zone created pursuant to sections 135.950 to**  
24 **135.975, and the Missouri quality jobs program created pursuant to sections 620.1875 to**  
25 **620.1900, RSMo;**

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

31 (6) "Domestic and social tax credits", the youth opportunities tax credit created pursuant  
32 to section 135.460 and sections 620.1100 to 620.1103, RSMo, the shelter for victims of domestic  
33 violence created pursuant to section 135.550, the senior citizen or disabled person property tax  
34 credit created pursuant to sections 135.010 to 135.035, the special needs adoption tax credit **and**  
35 **children in crisis tax credit** created pursuant to sections 135.325 to 135.339, the maternity  
36 home tax credit created pursuant to section 135.600, **the surviving spouse tax credit created**  
37 **pursuant to section 135.090, the residential treatment agency tax credit created pursuant**  
38 **to section 135.1150, the pregnancy resource center tax credit created pursuant to section**  
39 **135.630, the food pantry tax credit created pursuant to section 135.647, the health care**  
40 **access fund tax credit created pursuant to section 135.575, the residential dwelling access**  
41 **tax credit created pursuant to section 135.562,** and the shared care tax credit created pursuant  
42 to section 660.055, RSMo;

43 (7) "Entrepreneurial tax credits", the capital tax credit created pursuant to sections  
44 135.400 to 135.429, the certified capital company tax credit created pursuant to sections 135.500  
45 to 135.529, the seed capital tax credit created pursuant to sections 348.300 to 348.318, RSMo,  
46 the new enterprise creation tax credit created pursuant to sections 620.635 to 620.653, RSMo,  
47 the research tax credit created pursuant to section 620.1039, RSMo, the small business incubator  
48 tax credit created pursuant to section 620.495, RSMo, the guarantee fee tax credit created  
49 pursuant to section 135.766, and the new generation cooperative tax credit created pursuant to  
50 sections 32.105 to 32.125, RSMo;

51 (8) "Environmental tax credits", the charcoal producer tax credit created pursuant to  
52 section 135.313, the wood energy tax credit created pursuant to sections 135.300 to 135.311, **and**  
53 **the alternative fuel stations tax credit created pursuant to section 135.710;**

54 (9) "Financial and Insurance tax credits", the bank franchise tax credit created  
55 pursuant to section 148.030, RSMo, the bank tax credit for S corporations created  
56 pursuant to section 143.471, RSMo, the exam fee tax credit created pursuant to section  
57 **148.400, RSMo, the health insurance pool tax credit created pursuant to section 376.975,**  
58 **RSMo, the life and health insurance guaranty tax credit created pursuant to section**

59 **376.745, RSMo, the property and casualty guaranty tax credit created pursuant to section**  
60 **375.774, RSMo, and the self-employed health insurance tax credit created pursuant to**  
61 **section 143.119, RSMo;**

62 (10) "Housing tax credits", the neighborhood preservation tax credit created pursuant to  
63 sections 135.475 to 135.487, the low-income housing tax credit created pursuant to sections  
64 135.350 to 135.363, and the affordable housing tax credit created pursuant to sections 32.105 to  
65 32.125, RSMo;

66 [(10)] (11) "Recipient", the individual or entity who is the original applicant for and who  
67 receives proceeds from a tax credit program directly from the administering agency, the person  
68 or entity responsible for the reporting requirements established in section 135.805;

69 [(11)] (12) "Redevelopment tax credits", the historic preservation tax credit created  
70 pursuant to sections 253.545 to 253.561, RSMo, the brownfield redevelopment program tax  
71 credit created pursuant to sections 447.700 to 447.718, RSMo, the community development  
72 corporations tax credit created pursuant to sections 135.400 to 135.430, the infrastructure tax  
73 credit created pursuant to subsection 6 of section 100.286, RSMo, the bond guarantee tax credit  
74 created pursuant to section 100.297, RSMo, [and] the disabled access tax credit created pursuant  
75 to section 135.490, **the new markets tax credit created pursuant to section 135.680, and the**  
76 **distressed areas land assemblage tax credit created pursuant to section 99.1205, RSMo;**

77 [(12)] (13) "Training and educational tax credits", the community college new jobs tax  
78 credit created pursuant to sections 178.892 to 178.896, RSMo.

135.802. 1. Beginning January 1, 2005, all applications for all tax credit programs shall  
2 include, in addition to any requirements provided by the enacting statutes of a particular credit  
3 program, the following information to be submitted to the department administering the tax  
4 credit:

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

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

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

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

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

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

18           3. In addition to the information required by subsection 1 of this section, an applicant  
19 for a redevelopment tax credit shall also provide information detailing the location and legal  
20 description of the property, age of the structure, if applicable, whether the property is residential,  
21 commercial, or governmental, and the projected project cost, labor cost, and projected date of  
22 completion. Where a redevelopment tax credit applicant is required to submit  
23 contemporaneously a federal application for a similar credit on the same underlying project, the  
24 submission of a copy of the federal application shall be sufficient to meet the requirements of  
25 this subsection.

26           4. In addition to the information required by subsection 1 of this section, an applicant  
27 for a business recruitment tax credit shall also provide information detailing the category of  
28 business by size, the address of the business headquarters and all offices located within this state,  
29 the number of employees at the time of the application, the number of employees projected to  
30 increase as a result of the completion of the project, and the estimated project cost.

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

35           6. In addition to the information required by subsection 1 of this section, an applicant  
36 for a housing tax credit also shall provide information detailing the address, legal description,  
37 and fair market value of the property, and the projected labor cost and projected completion date  
38 of the project. Where a housing tax credit applicant is required to submit contemporaneously  
39 a federal application for a similar credit on the same underlying project, the submission of a copy  
40 of the federal application shall be sufficient to meet the requirements of this subsection. For the  
41 purposes of this subsection, "fair market value" means the value as of the purchase of the  
42 property or the most recent assessment, whichever is more recent.

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

46           8. In addition to the information required by subsection 1 of this section, an applicant  
47 for an agricultural tax credit shall also provide information detailing the type of agricultural  
48 commodity, the amount of contribution, the type of equipment purchased, and the name and  
49 description of the facility.

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

54           10. An administering agency may, by rule, require additional information to be submitted  
55 by an applicant. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo,  
56 that is created pursuant to the authority delegated in this section shall become effective only if  
57 it complies with and is subject to all of the provisions of chapter 536, RSMo, and if applicable,  
58 section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of  
59 the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay  
60 the effective date or to disapprove and annul a rule are subsequently held unconstitutional, then  
61 the grant of rulemaking authority and any rule proposed or adopted after August 28, 2004, shall  
62 be void.

63           11. Where the sole requirement for receiving a tax credit in the enabling legislation of  
64 any tax credit is an obligatory assessment upon a taxpayer or a monetary contribution to a  
65 particular group or entity, the application requirements provided in this section shall apply to the  
66 recipient of such assessment or contribution and shall not apply to the assessed nor the  
67 contributor.

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

          135.805. 1. **A recipient of any tax credit program, except domestic and social tax  
2 credits, environmental tax credits, or financial and insurance tax credits, shall annually,  
3 for a period of three years following the issuance of the tax credits, provide to the  
4 administering agency the actual number of jobs created as a result of the tax credits, at the  
5 location on the last day of the annual reporting period, separated by part-time permanent  
6 and full-time permanent for each month of the preceding twelve month period.**

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

11          [2.] 3. A recipient of a redevelopment tax credit shall annually, for a period of three years  
12 following issuance of tax credits, provide to the administering agency information confirming  
13 whether the property is used for residential, commercial, or governmental purposes, and the  
14 projected or actual project cost, labor cost, and date of completion.

15          [3.] 4. A recipient of a business recruitment tax credit shall annually, for a period of three  
16 years following issuance of tax credits, provide to the administering agency information  
17 confirming the category of business by size, the address of the business headquarters and all  
18 offices located within this state, the number of employees at the time of the annual update, an

19 updated estimate of the number of employees projected to increase as a result of the completion  
20 of the project, and the estimated or actual project cost.

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

26 [5.] 6. A recipient of a housing tax credit shall annually, for a period of three years  
27 following issuance of tax credits, provide to the administering agency information confirming  
28 the address of the property, the fair market value of the property, as defined in subsection 6 of  
29 section 135.802, and the projected or actual labor cost and completion date of the project.

30 [6.] 7. A recipient of an entrepreneurial tax credit shall annually, for a period of three  
31 years following issuance of tax credits, provide to the administering agency information  
32 confirming the amount of investment and the names of the project, fund, and research project.

33 [7.] 8. A recipient of an agricultural tax credit shall annually, for a period of three years  
34 following issuance of tax credits, provide to the administering agency information confirming  
35 the type of agricultural commodity, the amount of contribution, the type of equipment purchased,  
36 and the name and description of the facility, except that if the agricultural credit is issued as a  
37 result of a producer member investing in a new generation processing entity or new generation  
38 cooperative then the new generation processing entity or new generation cooperative, and not  
39 the recipient, shall annually, for a period of three years following issuance of tax credits, provide  
40 to the administering agency information confirming the type of agricultural commodity, the  
41 amount of contribution, the type of equipment purchased, and the name and description of the  
42 facility.

43 [8.] 9. A recipient of an environmental tax credit shall annually, for a period of three  
44 years following issuance of tax credits, provide to the administering agency information detailing  
45 any change to the type of equipment purchased, if applicable, and any change to any  
46 environmental impact statement, if such statement is required by state or federal law.

47 [9.] 10. The reporting requirements established in this section shall be due annually on  
48 June thirtieth of each year. No person or entity shall be required to make an annual report until  
49 at least one year after the credit issuance date.

50 [10.] 11. Where the sole requirement for receiving a tax credit in the enabling legislation  
51 of any tax credit is an obligatory assessment upon a taxpayer or a monetary contribution to a  
52 particular group or entity, the reporting requirements provided in this section shall apply to the  
53 recipient of such assessment or contribution and shall not apply to the assessed nor the  
54 contributor.

55 [11.] **12.** Where the enacting statutes of a particular tax credit program or the rules of a  
56 particular administering agency require reporting of information that includes the information  
57 required in sections 135.802 to 135.810, upon reporting of the required information, the  
58 applicant shall be deemed to be in compliance with the requirements of sections 135.802 to  
59 135.810. The administering agency shall notify in writing the department of economic  
60 development of the administering agency's status as custodian of any particular tax credit  
61 program and that all records pertaining to the program are available at the administering agency's  
62 office for review by the department of economic development.

63 [12.] **13.** The provisions of subsections 1 to 10 of this section shall apply beginning on  
64 June 30, 2005.

65 [13.] **14.** Notwithstanding provisions of law to the contrary, every agency of this state  
66 charged with administering a tax credit program authorized under the laws of this state shall  
67 make available for public inspection the name of each tax credit recipient and the amount of tax  
68 credits issued to each such recipient.

69 **15. The department of economic development shall make all information provided**  
70 **under the provisions of this section available for public inspection on the department's**  
71 **website and the Missouri Accountability Portal.**

72 **16. The administering agency of any tax credit program for which reporting**  
73 **requirements are required under the provisions of subsection 1 of this section shall publish**  
74 **guidelines and may promulgate rules to implement the provisions of such subsection. Any**  
75 **rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created**  
76 **under the authority delegated in this section shall become effective only if it complies with**  
77 **and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section**  
78 **536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the**  
79 **powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to**  
80 **delay the effective date, or to disapprove and annul a rule are subsequently held**  
81 **unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted**  
82 **after August 28, 2009, shall be invalid and void.**

147.010. 1. For the transitional year defined in subsection 4 of this section and each  
2 taxable year beginning on or after January 1, 1980, but before January 1, 2000, every corporation  
3 organized pursuant to or subject to chapter 351, RSMo, or pursuant to any other law of this state  
4 shall, in addition to all other fees and taxes now required or paid, pay an annual franchise tax to  
5 the state of Missouri equal to one-twentieth of one percent of the par value of its outstanding  
6 shares and surplus if its outstanding shares and surplus exceed two hundred thousand dollars, or  
7 if the outstanding shares of such corporation or any part thereof consist of shares without par  
8 value, then, in that event, for the purpose contained in this section, such shares shall be  
9 considered as having a value of five dollars per share unless the actual value of such shares

10 exceeds five dollars per share, in which case the tax shall be levied and collected on the actual  
11 value and the surplus if the actual value and the surplus exceed two hundred thousand dollars.  
12 If such corporation employs a part of its outstanding shares in business in another state or  
13 country, then such corporation shall pay an annual franchise tax equal to one-twentieth of one  
14 percent of its outstanding shares and surplus employed in this state if its outstanding shares and  
15 surplus employed in this state two hundred thousand dollars, and for the purposes of sections  
16 147.010 to 147.120, such corporation shall be deemed to have employed in this state that  
17 proportion of its entire outstanding shares and surplus that its property and assets employed in  
18 this state bears to all its property and assets wherever located. A foreign corporation engaged  
19 in business in this state, whether pursuant to a certificate of authority issued pursuant to chapter  
20 351, RSMo, or not, shall be subject to this section. Any corporation whose outstanding shares  
21 and surplus as calculated in this subsection does not exceed two hundred thousand dollars shall  
22 state that fact on the annual report form prescribed by the secretary of state. For all taxable years  
23 beginning on or after January 1, 2000, **but ending before December 31, 2009**, the annual  
24 franchise tax shall be equal to one-thirtieth of one percent of the corporation's outstanding shares  
25 and surplus if the outstanding shares and surplus exceed one million dollars. Any corporation  
26 whose outstanding shares and surplus do not exceed one million dollars shall state that fact on  
27 the annual report form prescribed by the director of revenue. **For taxable years beginning on**  
28 **or after January 1, 2010, the annual franchise tax shall be equal to one-thirtieth of one**  
29 **percent of the corporation's outstanding shares and surplus if the outstanding shares and**  
30 **surplus exceed ten million dollars, and any corporation whose outstanding shares and**  
31 **surplus do not exceed ten million dollars shall state that fact on the annual report form**  
32 **prescribed by the director of revenue.**

33 2. Sections 147.010 to 147.120 shall not apply to corporations not organized for profit,  
34 nor to corporations organized pursuant to the provisions of chapter 349, RSMo, nor to express  
35 companies, which now pay an annual tax on their gross receipts in this state, nor to insurance  
36 companies, which pay an annual tax on their premium receipts in this state, nor to state, district,  
37 county, town and farmers' mutual companies now organized or that may be hereafter organized  
38 pursuant to any of the laws of this state, organized for the sole purpose of writing fire, lightning,  
39 windstorm, tornado, cyclone, hail and plate glass and mutual automobile insurance and for the  
40 purpose of paying any loss incurred by any member by assessment, nor to any mutual insurance  
41 corporation not having shares, nor to a company or association organized to transact business of  
42 life or accident insurance on the assessment plan for the purpose of mutual protection and benefit  
43 to its members and the payment of stipulated sums of moneys to the family, heirs, executors,  
44 administrators or assigns of the deceased member, nor to foreign life, fire, accident, surety,  
45 liability, steam boiler, tornado, health, or other kind of insurance company of whatever nature  
46 coming within the provisions of section 147.050 and doing business in this state, nor to savings

47 and loan associations and domestic and foreign regulated investment companies as defined by  
48 Section 170 of the Act of Congress commonly known as the "Revenue Act of 1942", nor to  
49 electric and telephone corporations organized pursuant to chapter 351, RSMo, and chapter 392,  
50 RSMo, prior to January 1, 1980, which have been declared tax exempt organizations pursuant  
51 to Section 501(c) of the Internal Revenue Code of 1986, nor for taxable years beginning after  
52 December 31, 1986, to banking institutions subject to the annual franchise tax imposed by  
53 sections 148.010 to 148.110, RSMo; but bank deposits shall be considered as funds of the  
54 individual depositor left for safekeeping and shall not be considered in computing the amount  
55 of tax collectible pursuant to the provisions of sections 147.010 to 147.120.

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

58 4. A corporation's "transitional year" for the purposes of sections 147.010 to 147.120  
59 shall be its taxable year which includes parts of each of the years 1979 and 1980.

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

66 6. All franchise reports and franchise taxes shall be returned to the director of revenue.  
67 All checks and drafts remitted for payment of franchise taxes shall be made payable to the  
68 director of revenue.

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

71 8. The director of the department of revenue shall honor all existing agreements between  
72 taxpayers and the director of the department of revenue.

208.770. 1. Moneys deposited in or withdrawn pursuant to subsection 1 of section  
2 208.760 from a family development account by an account holder are exempted from taxation  
3 pursuant to chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to  
4 143.265, RSMo, and chapter 147, 148 or 153, RSMo, provided, however, that any money  
5 withdrawn for an unapproved use should be subject to tax as required by law.

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

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



11           4. A program contributor shall be allowed a credit against the tax imposed by chapter  
12 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, and  
13 chapter 147, 148 or 153, RSMo, pursuant to sections 208.750 to 208.775. Contributions up to  
14 fifty thousand dollars per program contributor are eligible for the tax credit which shall not  
15 exceed fifty percent of the contribution amount.

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

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

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

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

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

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

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

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

19           (b) The court finds that all of the real property located within the proposed district will  
20 benefit by the projects to be undertaken by the district; and

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

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

25 4. The petition shall set forth:

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

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

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

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

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

40 (6) The name of the proposed district;

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

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

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

49 (10) A proposal for funding the district initially, pursuant to the authority granted in  
50 sections 238.200 to 238.275, together with a request that the funding proposal be submitted to  
51 the qualified voters within the limits of the proposed district; provided, however, the funding  
52 method of special assessments may also be approved as provided in subsection 1 of section  
53 238.230; [and]

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

56           **(12) Details of the budgeted expenditures, including estimated expenditures for real**  
57 **physical improvements, estimated land acquisition expenses, estimated expenses for**  
58 **professional services and estimated interest charges.**

59           5. (1) As an alternative to the methods described in subsections 1 and 2 of this section,  
60 if two or more local transportation authorities have adopted resolutions calling for the joint  
61 establishment of a district, the governing body of any one such local transportation authority may  
62 file a petition in the circuit court of any county in which the proposed project is located  
63 requesting the creation of a district; or, if not less than fifty registered voters from each of two  
64 or more counties sign a petition calling for the joint establishment of a district for the purpose  
65 of developing a project that lies in whole or in part within those same counties, the petition may  
66 be filed in the circuit court of any of those counties in which not less than fifty registered voters  
67 have signed the petition.

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

72           (3) The petition shall set forth:

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

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

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

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

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

87           (f) The name of the proposed district;

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

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

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

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

238.212. 1. If the petition was filed by registered voters or by a governing body, the  
 2 circuit clerk in whose office the petition was filed shall give notice to the public by causing one  
 3 or more newspapers of general circulation serving the counties or portions thereof contained in  
 4 the proposed district to publish once a week for four consecutive weeks a notice substantially in  
 5 the following form:

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

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

27 2. The circuit court may also order a public hearing on the question of the creation and  
 28 funding of the proposed district, if it deems such appropriate, under such terms and conditions  
 29 as it deems appropriate. **The circuit court shall order at least one public hearing on the**  
 30 **creation and funding of the proposed district, if the petition for creating such district was**

31 **filed by the owners of record of all real property within the proposed district.** If a public  
32 hearing is ordered, notice of the time, date and place of the hearing shall also be given in the  
33 notice specified in subsection 1 of this section.

238.235. 1. (1) Any transportation development district may by resolution impose a  
2 transportation development district sales tax on all retail sales made in such transportation  
3 development district which are subject to taxation pursuant to the provisions of sections 144.010  
4 to 144.525, RSMo, except such transportation development district sales tax shall not apply to  
5 the sale or use of motor vehicles, trailers, boats or outboard motors nor to all sales of electricity  
6 or electrical current, water and gas, natural or artificial, nor to sales of service to telephone  
7 subscribers, either local or long distance. Such transportation development district sales tax may  
8 be imposed for any transportation development purpose designated by the transportation  
9 development district in its ballot of submission to its qualified voters, except that no resolution  
10 enacted pursuant to the authority granted by this section shall be effective unless:

11 (a) The board of directors of the transportation development district submits to the  
12 qualified voters of the transportation development district a proposal to authorize the board of  
13 directors of the transportation development district to impose or increase the levy of an existing  
14 tax pursuant to the provisions of this section; or

15 (b) The voters approved the question certified by the petition filed pursuant to subsection  
16 5 of section 238.207.

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

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

26 ☐ YES ☐ NO

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

29

30 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor  
31 of the proposal, then the resolution and any amendments thereto shall be in effect. If a majority  
32 of the votes cast by the qualified voters voting are opposed to the proposal, then the board of  
33 directors of the transportation development district shall have no power to impose the sales tax  
34 authorized by this section unless and until the board of directors of the transportation

35 development district shall again have submitted another proposal to authorize it to impose the  
36 sales tax pursuant to the provisions of this section and such proposal is approved by a majority  
37 of the qualified voters voting thereon.

38 (3) The sales tax authorized by this section shall become [effective on the first day of the  
39 month following adoption of the tax by the qualified voters] **effective on the first day of the**  
40 **second calendar quarter after the department of revenue receives notification of the tax.**

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

46 (5) In order to permit sellers required to collect and report the sales tax authorized by this  
47 section to collect the amount required to be reported and remitted, but not to change the  
48 requirements of reporting or remitting tax or to serve as a levy of the tax, and in order to avoid  
49 fractions of pennies, the transportation development district may establish appropriate brackets  
50 which shall be used in the district imposing a tax pursuant to this section in lieu of those brackets  
51 provided in section 144.285, RSMo.

52 (6) All revenue received by a transportation development district from the tax authorized  
53 by this section which has been designated for a certain transportation development purpose shall  
54 be deposited in a special trust fund and shall be used solely for such designated purpose. Upon  
55 the expiration of the period of years approved by the qualified voters pursuant to subdivision (2)  
56 of this subsection or if the tax authorized by this section is repealed pursuant to subsection 6 of  
57 this section, all funds remaining in the special trust fund shall continue to be used solely for such  
58 designated transportation development purpose. Any funds in such special trust fund which are  
59 not needed for current expenditures may be invested by the board of directors in accordance with  
60 applicable laws relating to the investment of other transportation development district funds.

61 (7) The sales tax may be imposed in increments of one-eighth of one percent, up to a  
62 maximum of one percent on the receipts from the sale at retail of all tangible personal property  
63 or taxable services at retail within the transportation development district adopting such tax, if  
64 such property and services are subject to taxation by the state of Missouri pursuant to the  
65 provisions of sections 144.010 to 144.525, RSMo, except such transportation development  
66 district sales tax shall not apply to the sale or use of motor vehicles, trailers, boats or outboard  
67 motors nor to public utilities. Any transportation development district sales tax imposed  
68 pursuant to this section shall be imposed at a rate that shall be uniform throughout the district.

69 2. The resolution imposing the sales tax pursuant to this section shall impose upon all  
70 sellers a tax for the privilege of engaging in the business of selling tangible personal property or  
71 rendering taxable services at retail to the extent and in the manner provided in sections 144.010

72 to 144.525, RSMo, and the rules and regulations of the director of revenue issued pursuant  
73 thereto; except that the rate of the tax shall be the rate imposed by the resolution as the sales tax  
74 and the tax shall be reported and returned to and collected by the transportation development  
75 district.

76 3. On and after the effective date of any tax imposed pursuant to this section, the  
77 [transportation development district] **director of revenue** shall perform all functions incident  
78 to the administration, collection, enforcement, and operation of the tax, **and the director of**  
79 **revenue shall collect, in addition to all other sales taxes imposed by law, the additional tax**  
80 **authorized pursuant to this section.** The tax imposed pursuant to this section **and the taxes**  
81 **imposed pursuant to all other laws of the state of Missouri** shall be collected **together** and  
82 reported upon such forms and [under] **pursuant to** such administrative rules and regulations as  
83 may be prescribed by the [transportation development district] **director of revenue.**

84 4. (1) All applicable provisions contained in sections 144.010 to 144.525, RSMo,  
85 governing the state sales tax, sections 32.085 and 32.087, RSMo, and section 32.057, RSMo, the  
86 uniform confidentiality provision, shall apply to the collection of the tax imposed by this section,  
87 except as modified in this section.

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

92 (3) The same sales tax permit, exemption certificate and retail certificate required by  
93 sections 144.010 to 144.525, RSMo, for the administration and collection of the state sales tax  
94 shall satisfy the requirements of this section, and no additional permit or exemption certificate  
95 or retail certificate shall be required; except that the transportation development district may  
96 prescribe a form of exemption certificate for an exemption from the tax imposed by this section.

97 (4) All discounts allowed the retailer pursuant to the provisions of the state sales tax laws  
98 for the collection of and for payment of taxes pursuant to such laws are hereby allowed and made  
99 applicable to any taxes collected pursuant to the provisions of this section.

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

102 (6) For the purpose of a sales tax imposed by a resolution pursuant to this section, all  
103 retail sales except retail sales of motor vehicles shall be deemed to be consummated at the place  
104 of business of the retailer unless the tangible personal property sold is delivered by the retailer  
105 or the retailer's agent to an out-of-state destination or to a common carrier for delivery to an  
106 out-of-state destination. In the event a retailer has more than one place of business in this state  
107 which participates in the sale, the sale shall be deemed to be consummated at the place of  
108 business of the retailer where the initial order for the tangible personal property is taken, even

109 though the order must be forwarded elsewhere for acceptance, approval of credit, shipment or  
110 billing. A sale by a retailer's employee shall be deemed to be consummated at the place of  
111 business from which the employee works.

112 5. All sales taxes [collected] **received** by the transportation development district shall  
113 be deposited by the [transportation development district] **director of revenue** in a special fund  
114 to be expended for the purposes authorized in this section. The [transportation development  
115 district] **director of revenue** shall keep accurate records of the amount of money which was  
116 collected pursuant to this section, and the records shall be open to the inspection of officers of  
117 each transportation development district and the general public.

118 6. (1) No transportation development district imposing a sales tax pursuant to this  
119 section may repeal or amend such sales tax unless such repeal or amendment will not impair the  
120 district's ability to repay any liabilities which it has incurred, money which it has borrowed or  
121 revenue bonds, notes or other obligations which it has issued or which have been issued by the  
122 commission or any local transportation authority to finance any project or projects.

123 (2) Whenever the board of directors of any transportation development district in which  
124 a transportation development sales tax has been imposed in the manner provided by this section  
125 receives a petition, signed by ten percent of the qualified voters calling for an election to repeal  
126 such transportation development sales tax, the board of directors shall, if such repeal will not  
127 impair the district's ability to repay any liabilities which it has incurred, money which it has  
128 borrowed or revenue bonds, notes or other obligations which it has issued or which have been  
129 issued by the commission or any local transportation authority to finance any project or projects,  
130 submit to the qualified voters of such transportation development district a proposal to repeal the  
131 transportation development sales tax imposed pursuant to the provisions of this section. If a  
132 majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of  
133 the proposal to repeal the transportation development sales tax, then the resolution imposing the  
134 transportation development sales tax, along with any amendments thereto, is repealed. If a  
135 majority of the votes cast by the qualified voters voting thereon are opposed to the proposal to  
136 repeal the transportation development sales tax, then the ordinance or resolution imposing the  
137 transportation development sales tax, along with any amendments thereto, shall remain in effect.

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

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

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

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



9           (4) **Leasehold interest", a lease in an eligible property for a term of not less than**  
10 **thirty years;**

11           (5) **"Principal", a managing partner, general partner, or president of a taxpayer;**

12           [(3)] (6) **"Structure in a certified historic district", a structure located in Missouri which**  
13 **is certified by the department of natural resources as contributing to the historic significance of**  
14 **a certified historic district listed on the National Register of Historic Places, or a local district**  
15 **that has been certified by the United States Department of the Interior;**

16           (7) **"Taxpayer", any person, firm, partnership, trust, estate, limited liability**  
17 **company, or corporation.**

253.550. 1. Any [person, firm, partnership, trust, estate, or corporation] **taxpayer**  
2 incurring costs and expenses for the rehabilitation of eligible property, which is a certified  
3 historic structure or structure in a certified historic district, [shall be entitled to] **may, subject**  
4 **to the provisions of this section and section 253.559, receive** a credit against the taxes imposed  
5 pursuant to chapters 143 and 148, RSMo, except for sections 143.191 to 143.265, RSMo, on  
6 [that person or entity] **such taxpayer** in an amount equal to twenty-five percent of the total costs  
7 and expenses of rehabilitation incurred after January 1, 1998, which shall include, but not be  
8 limited to, qualified rehabilitation expenditures as defined under section 47(c)(2)(A) of the  
9 Internal Revenue Code of 1986, as amended, and the related regulations thereunder, provided  
10 the rehabilitation costs associated with rehabilitation and the expenses exceed fifty percent of the  
11 total basis in the property and the rehabilitation meets standards consistent with the standards of  
12 the Secretary of the United States Department of the Interior for rehabilitation as determined by  
13 the state historic preservation officer of the Missouri department of natural resources.

14           **2. During the period beginning on January 1, 2010, but ending on or after June 30,**  
15 **2010, the department of economic development shall not approve applications for tax**  
16 **credits under the provisions of subsections 3 and 8 of section 253.559 which, in the**  
17 **aggregate, exceed seventy million dollars, increased by any amount of tax credits for which**  
18 **approval shall be rescinded under the provisions of section 253.559. For each fiscal year**  
19 **beginning on or after July 1, 2010, the department of economic development shall not**  
20 **approve applications for tax credits under the provisions of subsections 3 and 8 of section**  
21 **253.559 which, in the aggregate, exceed one hundred forty million dollars, increased by any**  
22 **amount of tax credits for which approval shall be rescinded under the provisions of section**  
23 **253.559. The limitations provided under this subsection shall not apply to applications**  
24 **approved under the provisions of subsection 3 of section 253.559 for projects to receive less**  
25 **than two hundred seventy-five thousand dollars in tax credits.**

26           **3. For all applications for tax credits approved on or after January 1, 2010, no more**  
27 **than two hundred fifty thousand dollars in tax credits may be issued for eligible costs and**  
28 **expenses incurred in the rehabilitation of an eligible property which is a non-income**

29 producing single-family, owner-occupied residential property and is either a certified  
30 historic structure or a structure in a certified historic district.

31 4. The limitations on tax credit authorization provided under the provisions of  
32 subsections 2 and 3 of this section shall not apply to:

33 (1) Any application submitted by a taxpayer, which has received approval from the  
34 department prior to January 1, 2010; or

35 (2) Any taxpayer applying for tax credits, provided under this section, which, on  
36 or before January 1, 2010, has filed an application with the department evidencing that  
37 such taxpayer:

38 (a) Has incurred costs and expenses for an eligible property which exceed the lesser  
39 of five percent of the total project costs or one million dollars and received an approved  
40 Part I from the Secretary of the United States Department of Interior; or

41 (b) Has received certification, by the state historic preservation officer, that the  
42 rehabilitation plan meets the standards consistent with the standards of the Secretary of  
43 the United States Department of the Interior, and the rehabilitation costs and expenses  
44 associated with such rehabilitation shall exceed fifty percent of the total basis in the  
45 property.

253.559. 1. [To claim the credit authorized pursuant to sections 253.550 to 253.561 of  
2 senate bill no. 1 of the second extraordinary session of the eighty-ninth general assembly and  
3 section 253.557 of this act, the] **To obtain approval for tax credits allowed under sections**  
4 **253.545 to 253.559**, a taxpayer shall [apply] **submit a application for tax credits** to the  
5 department of economic development [which, in consultation with the department of natural  
6 resources, shall]. **Each application for approval, including any applications received for**  
7 **supplemental allocations of tax credits as provided under subsection 8 of section 253.559,**  
8 **shall be prioritized for review and approval, in the order of the date on which the**  
9 **application was postmarked, with the oldest postmarked date receiving priority.**  
10 **Applications postmarked on the same day shall go through a lottery process to determine**  
11 **the order in which such applications shall be reviewed.**

12 2. Each application shall be reviewed by the department of economic development  
13 for approval. In order to receive approval, an application, other than applications  
14 submitted under the provisions of subsection 8 of this section, shall include:

15 (1) **Proof of ownership or site control. Proof of ownership shall include evidence**  
16 **that the taxpayer is the fee simple owner of the eligible property, such as a warranty deed**  
17 **or a closing statement. Proof of site control may be evidenced by a leasehold interest or an**  
18 **option to acquire such an interest. If the taxpayer is in the process of acquiring fee simple**  
19 **ownership, proof of site control shall include an executed sales contract or an executed**  
20 **option to purchase the eligible property;**

(2) Floor plans of the existing structure, 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 is an eligible property and a certified historic structure or a structure in a certified historic district; and

(5) Any other information which the department of economic development may reasonably require to review the project for approval.

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

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

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

(1) The taxpayer may add partners, members, or shareholders as part of the ownership structure, so long as the principal remains the same, provided however, that subsequent to the commencement of renovation and the expenditure of at least ten percent of the proposed rehabilitation budget, removal of the principal for failure to perform duties and the appointment of a new principal thereafter shall not constitute a change of the principal; or

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

58           **5. In the event that the department of economic development grants approval for**  
59 **tax credits equal to the total amount available under subsection 2 of section 253.550, or**  
60 **sufficient that when totaled with all other approvals, the amount available under**  
61 **subsection 2 of section 253.550 is exhausted, all taxpayers with applications then awaiting**  
62 **approval or thereafter submitted for approval shall be notified by the department of**  
63 **economic development that no additional approvals shall be granted during the fiscal year**  
64 **and shall be notified of the priority given to such taxpayer's application then awaiting**  
65 **approval. Such applications shall be kept on file by the department of economic**  
66 **development and shall be considered for approval for tax credits in the order established**  
67 **in this section in the event that additional credits become available due to the rescission of**  
68 **approvals or when a new fiscal year's allocation of credits becomes available for approval.**

69           **6. All taxpayers with applications receiving approval on or after the effective date**  
70 **of this act shall commence rehabilitation within two years of the date of issuance of the**  
71 **letter from the department of economic development granting the approval for tax credits.**  
72 **Commencement of rehabilitation shall mean that as of the date in which actual physical**  
73 **work, contemplated by the architectural plans submitted with the application, has begun,**  
74 **the taxpayer has incurred no less than ten percent of the estimated costs of rehabilitation**  
75 **provided in the application. Taxpayers with approval of a project shall submit evidence**  
76 **of compliance with the provisions of this subsection. If the department of economic**  
77 **development determines that a taxpayer has failed to comply with the requirements**  
78 **provided under this section, the approval for the amount of tax credits for such taxpayer**  
79 **shall be rescinded and such amount of tax credits shall then be included in the total**  
80 **amount of tax credits, provided under subsection 2 of section 253.550, from which**  
81 **approvals may be granted. Any taxpayer whose approval shall be subject to rescission**  
82 **shall be notified of such from the department of economic development and, upon receipt**  
83 **of such notice, may submit a new application for the project.**

84           **7. To claim the credit authorized under sections 253.550 to 253.559, a taxpayer with**  
85 **approval shall apply for final approval and issuance of tax credits from the department of**  
86 **economic development which, in consultation with the department of natural resources,**  
87 **shall determine the final amount of eligible rehabilitation costs and expenses and whether the**  
88 **completed rehabilitation meets the standards of the Secretary of the United States Department**  
89 **of the Interior for rehabilitation as determined by the state historic preservation officer of the**  
90 **Missouri department of natural resources. For financial institutions credits authorized pursuant**  
91 **to sections 253.550 to 253.561 shall be deemed to be "economic development credits" for**  
92 **purposes of section 148.064, RSMo. The approval of all applications and the issuing of**  
93 **certificates of eligible credits to taxpayers shall be performed by the department of economic**  
94 **development. The department of economic development shall inform a taxpayer of final**

95 **approval by letter and shall issue, to the taxpayer, tax credit certificates.** The taxpayer shall  
96 attach the certificate to all Missouri income tax returns on which the credit is claimed.

97 [2.] **8. Except as expressly provided in this subsection, tax credit certificates shall**  
98 **be issued in the final year that costs and expenses of rehabilitation of the project are**  
99 **incurred, or within the twelve month period immediately following the conclusion of such**  
100 **rehabilitation. In the event the amount of eligible rehabilitation costs and expenses**  
101 **incurred by a taxpayer would result in the issuance of an amount of tax credits in excess**  
102 **of the amount provided under such taxpayer's approval granted under subsection 3 of this**  
103 **section, such taxpayer may apply to the department for issuance of tax credits in an**  
104 **amount equal to such excess. Applications for issuance of tax credits in excess of the**  
105 **amount provided under a taxpayer's application shall be made on a form prescribed by the**  
106 **department. Such applications shall be subject to all provisions regarding priority**  
107 **provided under subsection 1 of this section.**

108 **9.** The department of economic development shall determine, on an annual basis, the  
109 overall economic impact to the state from the rehabilitation of eligible property.

338.337. It shall be unlawful for any out-of-state wholesale drug distributor or  
2 out-of-state pharmacy acting as a distributor to do business in this state without first obtaining  
3 a license to do so from the board of pharmacy and paying the required fee. Application for an  
4 out-of-state wholesale drug distributor's license under this section shall be made on a form  
5 furnished by the board. The issuance of a license under sections 338.330 to 338.370 shall not  
6 change or affect tax liability imposed by the Missouri department of revenue on any out-of-state  
7 wholesale drug distributor or out-of-state pharmacy. Any out-of-state wholesale drug distributor  
8 that is a drug manufacturer and which produces and distributes from a facility which has been  
9 inspected and approved by the Food and Drug Administration [within the last two years] ,  
10 **maintains current approval by the federal Food and Drug Administration, and has**  
11 **provided a copy of the most recent Food and Drug Administration Establishment**  
12 **Inspection Report to the board** and which is licensed by the state in which the distribution  
13 facility is located, **or, if located within a foreign jurisdiction, is authorized and in good**  
14 **standing to operate as a drug manufacturer within such jurisdiction,** need not be licensed  
15 as provided in this section but such out-of-state distributor shall register its business name and  
16 address with the board of pharmacy and pay a filing fee of ten dollars.

447.708. 1. For eligible projects, the director of the department of economic  
2 development, with notice to the directors of the departments of natural resources and revenue,  
3 and subject to the other provisions of sections 447.700 to 447.718, may not create a new  
4 enterprise zone but may decide that a prospective operator of a facility being remedied and  
5 renovated pursuant to sections 447.700 to 447.718 may receive the tax credits and exemptions  
6 pursuant to sections 135.100 to 135.150, RSMo, and sections 135.200 to 135.257, RSMo. The

7 tax credits allowed pursuant to this subsection shall be used to offset the tax imposed by chapter  
8 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or the  
9 tax otherwise imposed by chapter 147, RSMo, or the tax otherwise imposed by chapter 148,  
10 RSMo. For purposes of this subsection:

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

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

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

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

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

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

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

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

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

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

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

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

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

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



118 if the project is located in a municipality which has a population less than twenty thousand and  
119 the above conditions are otherwise met. The adjacent property shall independently qualify as  
120 abandoned or underutilized. The amount of the credit available for demolition not associated  
121 with remediation cannot exceed the total amount of credits approved for remediation including  
122 demolition required for remediation.

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

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

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

137 (5) No more than seventy-five percent of earned remediation tax credits may be issued  
138 when the remediation costs were paid, and the remaining percentage may be issued when the  
139 department of natural resources issues a "Letter of Completion" letter or covenant not to sue  
140 following completion of the voluntary remediation activities. It shall not include any costs  
141 associated with ongoing operational environmental compliance of the facility or remediation  
142 costs arising out of spills, leaks, or other releases arising out of the ongoing business operations  
143 of the facility. **In the event the department of natural resources issues a letter of completion  
144 for a portion of a property, an impacted media such as soil or groundwater, or for a site  
145 or a portion of a site improvement, a prorated amount of the remaining percentage may  
146 be released based on the percentage of the total site receiving a letter of completion.**

147 4. In the exercise of the sound discretion of the director of the department of economic  
148 development or the director's designee, the tax credits and exemptions described in this section  
149 may be terminated, suspended or revoked, if the eligible project fails to continue to meet the  
150 conditions set forth in this section. In making such a determination, the director shall consider  
151 the severity of the condition violation, actions taken to correct the violation, the frequency of any  
152 condition violations and whether the actions exhibit a pattern of conduct by the eligible facility  
153 owner and operator. The director shall also consider changes in general economic conditions and  
154 the recommendation of the director of the department of natural resources, or his or her designee,

concerning the severity, scope, nature, frequency and extent of any violations of the environmental compliance conditions. The taxpayer or person claiming the tax credits or exemptions may appeal the decision regarding termination, suspension or revocation of any tax credit or exemption in accordance with the procedures outlined in subsections 4 to 6 of section 135.250, RSMo. The director of the department of economic development shall notify the directors of the departments of natural resources and revenue of the termination, suspension or revocation of any tax credits as determined in this section or pursuant to the provisions of section 447.716.

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

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

(1) That portion of the taxpayer's income attributed to the eligible project; or  
(2) One hundred percent of the total business' income tax if the eligible facility does not replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, and further provided the taxpayer does not operate any other facilities besides the eligible project in Missouri; fifty percent of the total business' income tax if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which the credits are earned, and further provided the taxpayer does not operate any other facilities besides the eligible project in Missouri; or twenty-five percent of the total business income if the taxpayer operates, in addition to the eligible facility, any other facilities in Missouri. In no case shall a taxpayer operating more than one eligible project in Missouri be allowed to offset more than twenty-five percent of the taxpayer's business income in any tax period. That portion of the taxpayer's income attributed to the eligible project as referenced in subdivision (1) of this subsection, for which the credits allowed in sections 135.110 and 135.225, RSMo, and subsection 3 of this section, may apply, shall be determined in the same manner as prescribed in subdivision (6) of section 135.100, RSMo. That portion of the taxpayer's franchise tax attributed to the eligible project for which the remediation tax credit may offset, shall be determined in the same manner as prescribed in paragraph (a) of subdivision (6) of section 135.100, RSMo.

7. Taxpayers claiming the state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section shall be required to file all applicable tax credit applications, forms and schedules prescribed by the director during the taxpayer's tax period immediately after the tax period in which the eligible project was first put into use. Otherwise, the taxpayer's right to

192 claim such state tax benefits shall be forfeited. Unused business facility and enterprise zone tax  
193 credits shall not be carried forward but shall be initially claimed for the tax period during which  
194 the eligible project was first capable of being used, and during any applicable subsequent tax  
195 periods.

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

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

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

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

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

224 (2) The partners of the partnership.

225

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

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

(1) Legal actions, causes of action or litigation involving a public governmental body and any confidential or privileged communications between a public governmental body or its representatives and its attorneys. However, any minutes, vote or settlement agreement relating to legal actions, causes of action or litigation involving a public governmental body or any agent or entity representing its interests or acting on its behalf or with its authority, including any insurance company acting on behalf of a public government body as its insured, shall be made public upon final disposition of the matter voted upon or upon the signing by the parties of the settlement agreement, unless, prior to final disposition, the settlement agreement is ordered closed by a court after a written finding that the adverse impact to a plaintiff or plaintiffs to the action clearly outweighs the public policy considerations of section 610.011, however, the amount of any moneys paid by, or on behalf of, the public governmental body shall be disclosed; provided, however, in matters involving the exercise of the power of eminent domain, the vote shall be announced or become public immediately following the action on the motion to authorize institution of such a legal action. Legal work product shall be considered a closed record;

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

(3) Hiring, firing, disciplining or promoting of particular employees by a public governmental body when personal information about the employee is discussed or recorded. However, any vote on a final decision, when taken by a public governmental body, to hire, fire, promote or discipline an employee of a public governmental body shall be made available with a record of how each member voted to the public within seventy-two hours of the close of the meeting where such action occurs; provided, however, that any employee so affected shall be entitled to prompt notice of such decision during the seventy-two-hour period before such decision is made available to the public. As used in this subdivision, the term "personal information" means information relating to the performance or merit of individual employees;

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

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

37 (6) Scholastic probation, expulsion, or graduation of identifiable individuals, including  
38 records of individual test or examination scores; however, personally identifiable student records  
39 maintained by public educational institutions shall be open for inspection by the parents,  
40 guardian or other custodian of students under the age of eighteen years and by the parents,  
41 guardian or other custodian and the student if the student is over the age of eighteen years;

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

44 (8) Welfare cases of identifiable individuals;

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

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

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

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

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

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

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

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

64 (17) Confidential or privileged communications between a public governmental body  
65 and its auditor, including all auditor work product; however, all final audit reports issued by the  
66 auditor are to be considered open records pursuant to this chapter;

67 (18) Operational guidelines and policies developed, adopted, or maintained by any public  
68 agency responsible for law enforcement, public safety, first response, or public health for use in  
69 responding to or preventing any critical incident which is or appears to be terrorist in nature and  
70 which has the potential to endanger individual or public safety or health. Nothing in this  
71 exception shall be deemed to close information regarding expenditures, purchases, or contracts  
72 made by an agency in implementing these guidelines or policies. When seeking to close  
73 information pursuant to this exception, the agency shall affirmatively state in writing that

74 disclosure would impair its ability to protect the safety or health of persons, and shall in the same  
75 writing state that the public interest in nondisclosure outweighs the public interest in disclosure  
76 of the records. This exception shall sunset on December 31, 2012;

77 (19) Existing or proposed security systems and structural plans of real property owned  
78 or leased by a public governmental body, and information that is voluntarily submitted by a  
79 nonpublic entity owning or operating an infrastructure to any public governmental body for use  
80 by that body to devise plans for protection of that infrastructure, the public disclosure of which  
81 would threaten public safety;

82 (a) Records related to the procurement of or expenditures relating to security systems  
83 purchased with public funds shall be open;

84 (b) When seeking to close information pursuant to this exception, the public  
85 governmental body shall affirmatively state in writing that disclosure would impair the public  
86 governmental body's ability to protect the security or safety of persons or real property, and shall  
87 in the same writing state that the public interest in nondisclosure outweighs the public interest  
88 in disclosure of the records;

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

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

94 (20) Records that identify the configuration of components or the operation of a  
95 computer, computer system, computer network, or telecommunications network, and would  
96 allow unauthorized access to or unlawful disruption of a computer, computer system, computer  
97 network, or telecommunications network of a public governmental body. This exception shall  
98 not be used to limit or deny access to otherwise public records in a file, document, data file or  
99 database containing public records. Records related to the procurement of or expenditures  
100 relating to such computer, computer system, computer network, or telecommunications network,  
101 including the amount of moneys paid by, or on behalf of, a public governmental body for such  
102 computer, computer system, computer network, or telecommunications network shall be open;  
103 [and]

104 (21) Credit card numbers, personal identification numbers, digital certificates, physical  
105 and virtual keys, access codes or authorization codes that are used to protect the security of  
106 electronic transactions between a public governmental body and a person or entity doing business  
107 with a public governmental body. Nothing in this section shall be deemed to close the record  
108 of a person or entity using a credit card held in the name of a public governmental body or any  
109 record of a transaction made by a person using a credit card or other method of payment for  
110 which reimbursement is made by a public governmental body; **and**

111           **(22) Records submitted by an individual, corporation, or other business entity to**  
112 **a public institution of higher education in connection with a proposal to license intellectual**  
113 **property or perform sponsored research and which contains sales projections or other**  
114 **business plan information the disclosure of which may endanger the competitiveness of a**  
115 **business.**

620.014. Records and documents submitted to the department of economic development,  
2 to the Missouri economic development, export and infrastructure board, or to a regional planning  
3 commission formed pursuant to chapter 251, RSMo, relating to financial investments in a  
4 business, or sales projections or other business plan information which may endanger the  
5 competitiveness of a business, **or records pertaining to a business prospect with which the**  
6 **department, board, or commission is currently negotiating,** may be deemed a "closed record"  
7 as such term is defined in section 610.010, RSMo.

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

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

8           (2) Describe the economic incentive, including the amount and type of economic  
9 incentive;

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

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

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

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

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

17          (8) State all other financial assistance known by the department that was received by the  
18 recipient for the same project; **and**

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

21          2. In addition, such a contract or agreement shall require that any recipient which uses  
22 the proceeds or services for any other purpose or fails to comply with any requirement  
23 established by the program through which the loan, grant, tax credit, financial assistance or  
24 service is provided shall return any remaining proceeds to the department and shall also require  
25 that any proceeds expended or the value of any incentives or services to which a monetary value

26 can be assigned received by the party shall be repaid to the department as required by the  
27 contract.

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

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

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

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

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

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

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

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

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

17 2. Assistance under the new or expanding industry training program may be available  
18 only for industries [whose] **who certify to the department that their** investments relate directly  
19 to a projected increase in employment which will result in the need for training of newly hired



20 employees or the retraining or upgrading of the skills of existing employees for new jobs created  
21 by the new or expanding industry's investment.

22 3. The department shall issue rules and regulations governing the awarding of funds  
23 administered through the new or expanding industry training program. When promulgating these  
24 rules and regulations, the department shall consider such factors as the potential number of new  
25 permanent jobs to be created, the amount of private sector investment in new facilities and  
26 equipment, the significance of state funding to the industry's decision to locate or expand in  
27 Missouri, the economic need of the affected community, and the importance of the industry to  
28 the economic development of Missouri.

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

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

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

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

8 (4) "County average wage", the average wages in each county as determined by the  
9 department for the most recently completed full calendar year. However, if the computed county  
10 average wage is above the statewide average wage, the statewide average wage shall be deemed  
11 the county average wage for such county for the purpose of determining eligibility. The  
12 department shall publish the county average wage for each county at least annually.  
13 Notwithstanding the provisions of this subdivision to the contrary, for any qualified company  
14 that in conjunction with their project is relocating employees from a Missouri county with a  
15 higher county average wage, the company shall obtain the endorsement of the governing body  
16 of the community from which jobs are being relocated or the county average wage for their  
17 project shall be the county average wage for the county from which the employees are being  
18 relocated;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

63 (19) "Project facility", the building used by a qualified company at which the new jobs  
64 and new investment will be located. A project facility may include separate buildings that are

65 located within [one mile] **fifteen miles** of each other or within the same county such that their  
66 purpose and operations are interrelated;

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

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

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

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

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

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

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

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

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

94 (f) Any company that has filed for or has publicly announced its intention to file for  
95 bankruptcy protection. **However, a company that has filed for or has publicly announced**  
96 **its intention to file for bankruptcy between January 1, 2009, and December 31, 2009, may**  
97 **be a qualified company provided that such company:**

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

99 b. **After its bankruptcy petition has been filed, it produces proof, in a form and at**  
100 **times satisfactory to the department, that it is not delinquent in filing any tax returns or**  
101 **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 controlled by the qualified company;

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

(c) Corporations, partnerships, trusts or associations controlled by an individual, corporation, partnership, trust or association in control of the qualified company. As used in this subdivision, "control of a corporation" shall mean ownership, directly or indirectly, of stock possessing at least fifty percent of the total combined voting power of all classes of stock entitled to vote, "control of a partnership or association" shall mean ownership of at least fifty percent of the capital or profits interest in such partnership or association, "control of a trust" shall mean ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal

139 or income of such trust, and ownership shall be determined as provided in Section 318 of the  
140 Internal Revenue Code of 1986, as amended;

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

143 (27) "Related facility base employment", the greater of the number of full-time  
144 employees located at all related facilities on the date of the notice of intent or for the  
145 twelve-month period prior to the date of the notice of intent, the average number of full-time  
146 employees located at all related facilities of the qualified company or a related company located  
147 in this state;

148 (28) "Related facility base payroll", the total amount of taxable wages paid by the  
149 qualified company to full-time employees of the qualified company located at a related facility  
150 in the twelve months prior to the filing of the notice of intent, not including the payroll of the  
151 owners of the qualified company unless the qualified company is participating in an employee  
152 stock ownership plan. For purposes of calculating the benefits under this program, the amount  
153 of related facility base payroll shall increase each year based on an appropriate measure, as  
154 determined by the department;

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

158 (30) "Small and expanding business project", a qualified company that within two years  
159 of the date of the approval creates a minimum of twenty new jobs if the project facility is located  
160 in a rural area or a minimum of forty new jobs if the project facility is not located in a rural area  
161 and creates fewer than one hundred new jobs regardless of the location of the project facility;

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

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

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

169 (b) Which owns or leases a facility which produces electricity derived from qualified  
170 renewable energy sources, or produces fuel for the generation of electricity from qualified  
171 renewable energy sources, but does not include any company that has received the alcohol  
172 mixture credit, alcohol credit, or small ethanol producer credit pursuant to 26 U.S.C. Section  
173 40 of the tax code in the previous tax year; [or]

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

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

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

620.1881. 1. The department of economic development shall respond within thirty days to a company who provides a notice of intent with either an approval or a rejection of the notice of intent. The department shall give preference to qualified companies and projects targeted at an area of the state which has recently been classified as a disaster area by the federal government. Failure to respond on behalf of the department of economic development shall result in the notice of intent being deemed an approval for the purposes of this section. A qualified company who is provided an approval for a project shall be allowed a benefit as provided in this program in the amount and duration provided in this section. A qualified company may receive additional periods for subsequent new jobs at the same facility after the full initial period if the minimum thresholds are met as set forth in sections 620.1875 to 620.1890. There is no limit on the number of periods a qualified company may participate in the program, as long as the minimum thresholds are achieved and the qualified company provides the department with the required reporting and is in proper compliance for this program or other state programs. A qualified company may elect to file a notice of intent to start a new project period concurrent with an existing project period if the minimum thresholds are achieved and the qualified company provides the department with the required reporting and is in proper compliance for this program and other state programs; however, the qualified company may not receive any further benefit under the original approval for jobs created after the date of the new notice of intent, and any jobs created before the new notice of intent may not be included as new jobs for the purpose of benefit calculation in relation to the new approval. **When a qualified company has filed and received approval of a notice of intent and subsequently files another notice of intent, the department shall apply the definition of project facility under subdivision (19) of section 620.1878 to the new notice of intent as well as all previously approved notices of intent and shall determine the application of the definitions of new job, new payroll, project facility base employment, and project facility base payroll accordingly.**

2. Notwithstanding any provision of law to the contrary, any qualified company that is awarded benefits under this program may not simultaneously receive tax credits or exemptions under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections 135.900 to 135.906, RSMo, at the same project facility. The benefits available to the company under any other state programs for which the company is eligible and which utilize withholding tax from the new jobs of the company must first be credited to the other state program before the

33 withholding retention level applicable under the Missouri quality jobs act will begin to accrue.  
34 These other state programs include, but are not limited to, the new jobs training program under  
35 sections 178.892 to 178.896, RSMo, the job retention program under sections 178.760 to  
36 178.764, RSMo, the real property tax increment allocation redevelopment act, sections 99.800  
37 to 99.865, RSMo, or the Missouri downtown and rural economic stimulus act under sections  
38 99.915 to 99.980, RSMo. If any qualified company also participates in the new jobs training  
39 program in sections 178.892 to 178.896, RSMo, the company shall retain no withholding tax,  
40 but the department shall issue a refundable tax credit for the full amount of benefit allowed under  
41 this subdivision. The calendar year annual maximum amount of tax credits which may be issued  
42 to a qualifying company that also participates in the new job training program shall be increased  
43 by an amount equivalent to the withholding tax retained by that company under the new jobs  
44 training program. However, if the combined benefits of the quality jobs program and the new  
45 jobs training program exceed the projected state benefit of the project, as determined by the  
46 department of economic development through a cost-benefit analysis, the increase in the  
47 maximum tax credits shall be limited to the amount that would not cause the combined benefits  
48 to exceed the projected state benefit. Any taxpayer who is awarded benefits under this program  
49 who knowingly hires individuals who are not allowed to work legally in the United States shall  
50 immediately forfeit such benefits and shall repay the state an amount equal to any state tax  
51 credits already redeemed and any withholding taxes already retained.

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

53 (1) Small and expanding business projects: in exchange for the consideration provided  
54 by the new tax revenues and other economic stimuli that will be generated by the new jobs  
55 created by the program, a qualified company may retain an amount equal to the withholding tax  
56 as calculated under subdivision (33) of section 620.1878 from the new jobs that would otherwise  
57 be withheld and remitted by the qualified company under the provisions of sections 143.191 to  
58 143.265, RSMo, for a period of three years from the date the required number of new jobs were  
59 created if the average wage of the new payroll equals or exceeds the county average wage or for  
60 a period of five years from the date the required number of new jobs were created if the average  
61 wage of the new payroll equals or exceeds one hundred twenty percent of the county average  
62 wage;

63 (2) Technology business projects: in exchange for the consideration provided by the new  
64 tax revenues and other economic stimuli that will be generated by the new jobs created by the  
65 program, a qualified company may retain an amount equal to a maximum of five percent of new  
66 payroll for a period of five years from the date the required number of jobs were created from  
67 the withholding tax of the new jobs that would otherwise be withheld and remitted by the  
68 qualified company under the provisions of sections 143.191 to 143.265, RSMo, if the average  
69 wage of the new payroll equals or exceeds the county average wage. An additional one-half

70 percent of new payroll may be added to the five percent maximum if the average wage of the  
71 new payroll in any year exceeds one hundred twenty percent of the county average wage in the  
72 county in which the project facility is located, plus an additional one-half percent of new payroll  
73 may be added if the average wage of the new payroll in any year exceeds one hundred forty  
74 percent of the average wage in the county in which the project facility is located. The department  
75 shall issue a refundable tax credit for any difference between the amount of benefit allowed  
76 under this subdivision and the amount of withholding tax retained by the company, in the event  
77 the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified  
78 company under this subdivision[. The calendar year annual maximum amount of tax credits that  
79 may be issued to any qualified company for a project or combination of projects is five hundred  
80 thousand dollars];

81 (3) High impact projects: in exchange for the consideration provided by the new tax  
82 revenues and other economic stimuli that will be generated by the new jobs created by the  
83 program, a qualified company may retain an amount from the withholding tax of the new jobs  
84 that would otherwise be withheld and remitted by the qualified company under the provisions  
85 of sections 143.191 to 143.265, RSMo, equal to three percent of new payroll for a period of five  
86 years from the date the required number of jobs were created if the average wage of the new  
87 payroll equals or exceeds the county average wage of the county in which the project facility is  
88 located. **For high-impact projects in a facility located within two adjacent counties, the new**  
89 **payroll shall equal or exceed the higher county average wage of the adjacent counties.** The  
90 percentage of payroll allowed under this subdivision shall be three and one-half percent of new  
91 payroll if the average wage of the new payroll in any year exceeds one hundred twenty percent  
92 of the county average wage in the county in which the project facility is located. The percentage  
93 of payroll allowed under this subdivision shall be four percent of new payroll if the average wage  
94 of the new payroll in any year exceeds one hundred forty percent of the county average wage in  
95 the county in which the project facility is located. An additional one percent of new payroll may  
96 be added to these percentages if local incentives equal between ten percent and twenty-four  
97 percent of the new direct local revenue; an additional two percent of new payroll is added to  
98 these percentages if the local incentives equal between twenty-five percent and forty-nine percent  
99 of the new direct local revenue; or an additional three percent of payroll is added to these  
100 percentages if the local incentives equal fifty percent or more of the new direct local revenue.  
101 The department shall issue a refundable tax credit for any difference between the amount of  
102 benefit allowed under this subdivision and the amount of withholding tax retained by the  
103 company, in the event the withholding tax is not sufficient to provide the entire amount of benefit  
104 due to the qualified company under this subdivision[. The calendar year annual maximum  
105 amount of tax credits that may be issued to any qualified company for a project or combination  
106 of projects is seven hundred fifty thousand dollars. The calendar year annual maximum amount



of tax credit that may be issued to any qualified company for a project or combination of projects may be increased up to one million dollars if the number of new jobs will exceed five hundred and if such action is proposed by the department and approved by the quality jobs advisory task force established in section 620.1887; provided, however, until such time as the initial at-large members of the quality jobs advisory task force are appointed, this determination shall be made by the director of the department of economic development. In considering such a request, the task force shall rely on economic modeling and other information supplied by the department when requesting the increased limit on behalf of the project];

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

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

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

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

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

(e) The local taxing entities shall provide local incentives of at least fifty percent of the new direct local revenues created by the project over a ten-year period. The quality jobs advisory task force may recommend to the department of economic development that appropriate penalties be applied to the company for violating the agreement. The amount of the job retention credit granted may be equal to up to fifty percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of five years. The calendar year annual maximum amount of tax credit that may be issued to any qualified company for a job retention project or combination of job retention projects shall be seven hundred fifty thousand dollars per year, but the maximum amount may be increased up to one million dollars if such action is

proposed by the department and approved by the quality jobs advisory task force established in section 620.1887; provided, however, until such time as the initial at-large members of the quality jobs advisory task force are appointed, this determination shall be made by the director of the department of economic development. In considering such a request, the task force shall rely on economic modeling and other information supplied by the department when requesting the increased limit on behalf of the job retention project. In no event shall the total amount of all tax credits issued for the entire job retention program under this subdivision exceed three million dollars annually. Notwithstanding the above, no tax credits shall be issued for job retention projects approved by the department after August 30, 2013;

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

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

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

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

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

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

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

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

(h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company cumulatively invests at least two million dollars in capital improvements in facilities and equipment located at such facilities that are not located within a five hundred year flood plain as designated by the Federal Emergency Management Agency, and amended from time to time. The amount of the small business job retention and flood survivor relief credit granted may be equal to up to one hundred percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of three years. The calendar year annual maximum amount of tax credit that may be issued to any qualified company for a small business job

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

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

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

215 6. The department shall allocate the annual tax credits based on the date of the approval,  
216 reserving such tax credits based on the department's best estimate of new jobs and new payroll  
217 of the project, and the other factors in the determination of benefits of this program. However,

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

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

231         8. Tax credits may be claimed against taxes otherwise imposed by chapters 143 and 148,  
232 RSMo, and may not be carried forward but shall be claimed within one year of the close of the  
233 taxable year for which they were issued, except as provided under subdivision (4) of subsection  
234 3 of this section.

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

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

255 delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions  
256 of other provisions of law.

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

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

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

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

3       **2. No user fees imposed by the state of Missouri shall increase for the four-year**  
4 **period beginning on the effective date of this section, unless such fee increase is to**  
5 **implement a federal program administered by the state or is a result of an act of the**  
6 **general assembly. For purposes of this section, "user fee" does not include, employer taxes**  
7 **or contributions, assessments to offset the cost of examining insurance or financial**  
8 **institutions, any health-related taxes approved by Center for Medicare and Medicaid**  
9 **Services, or any professional or occupational licensing fees set by a board of members of**  
10 **that profession or occupation and required by statute to be set at a level not to exceed the**  
11 **cost of administration.**

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

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

18       **(2) Certify that the rule is necessary to protect the life, health or safety of the**  
19 **public; or**

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

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

Section B. Because of the need to spark economic growth to end the state's recession,  
2 the repeal and reenactment of sections 100.286, 100.760, 100.770, 100.850, 135.680, 253.545,  
3 253.550, 253.559, 620.1878, and 620.1881 of this act is deemed necessary for the immediate  
4 preservation of the public health, welfare, peace and safety, and is hereby declared to be an  
5 emergency act within the meaning of the constitution, and the repeal and reenactment of sections  
6 100.286, 100.760, 100.770, 100.850, 135.680, 253.545, 253.550, 253.559, 620.1878, and  
7 620.1881 of this act shall be in full force and effect upon its passage and approval.

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