

SECOND REGULAR SESSION

HOUSE BILL NO. 1860

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES SPRENG (Sponsor), VOGT, FLOOK, KRATKY, HUMMEL, SCHIEFFER, FALLERT, NIEVES, RICHARD, COLONA, CORCORAN, ROORDA, STORCH, LIESE, FUNDERBURK, HUGHES, McNEIL, KOMO, McGHEE, FRAME AND MEADOWS (Co-sponsors).

4435L.02I

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for certain motor vehicle purchases.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be known as section 135.552, to read as follows:

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

(1) **"Qualifying motor vehicle"**, any new self-propelled vehicle not operated exclusively upon tracks, except farm tractors, that is assembled and sold in this state on or after January 1, 2011;

(2) **"Tax credit"**, a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 147, 148, or 153;

(3) **"Taxpayer"**, any individual or entity subject to the tax imposed in chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax imposed in chapter 147, 148, or 153.

2. For all taxable years beginning on or after January 1, 2011, a taxpayer shall be allowed a tax credit for the purchase of a qualifying motor vehicle. The tax credit amount shall be equal to the amount of state sales tax paid on such qualifying motor vehicle. If the amount of the tax credit issued exceeds the amount of the taxpayer's state tax liability for

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.

15 the tax year for which the credit is claimed, the difference shall be refundable. No tax
16 credit granted under this section shall be transferred, sold, or assigned.

17 3. This section shall not be construed to prohibit the levy of any local sales tax, as
18 defined in section 32.085, on any sales of new motor vehicles assembled and sold in the state
19 on or after January 1, 2011. In the event that any political subdivision has enacted a local
20 sales tax on such sales, the political subdivision may, by order or ordinance, exempt such
21 sales from the local sales tax law.

22 4. The department of revenue may promulgate rules to implement the provisions
23 of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that
24 is created under the authority delegated in this section shall become effective only if it
25 complies with and is subject to all of the provisions of chapter 536 and, if applicable,
26 section 536.028. This section and chapter 536 are nonseverable and if any of the powers
27 vested with the general assembly pursuant to chapter 536 to review, to delay the effective
28 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
29 grant of rulemaking authority and any rule proposed or adopted after August 28, 2010,
30 shall be invalid and void.

31 5. Under section 23.253 of the Missouri sunset act:

32 (1) The provisions of the new program authorized under this section shall
33 automatically sunset on December thirty-first six years after the effective date of this
34 section unless reauthorized by an act of the general assembly; and

35 (2) If such program is reauthorized, the program authorized under this section
36 shall automatically sunset on December thirty-first twelve years after the effective date of
37 the reauthorization of this section; and

38 (3) This section shall terminate on September first of the calendar year immediately
39 following the calendar year in which the program authorized under this section is sunset.

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