

SECOND REGULAR SESSION

# HOUSE BILL NO. 2279

## 95TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES BRANDOM (Sponsor), DENISON, ZERR, POLLOCK,  
DIEHL AND FLOOK ((Co-sponsors)).

5112L.02I

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To amend chapter 288, RSMo, by adding thereto one new section relating to tax credits against employer contributions.

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

Section A. Chapter 288, RSMo, is amended by adding thereto one new section, to be  
2 known as section 288.105, to read as follows:

288.105. 1. The commission shall make an expedited request within fifteen days of  
2 August 28, 2010, for a determination by the United States Secretary of Labor that  
3 implementation of subsection 3 of this section is in conformity with federal law. If the  
4 United States Secretary of Labor determines subsection 3 of this section is not in  
5 conformity with federal law, subsection 3 of this section shall not become effective. Upon  
6 such determination, the commission shall take all necessary steps to obtain a waiver of  
7 conformity with federal law from the United States Secretary of Labor. If such waiver is  
8 granted, subsection 3 of this section shall become effective immediately upon the granting  
9 of the waiver. If the United States Secretary of Labor determines subsection 3 of this  
10 section is in conformity with federal law, subsection 3 of this section shall become effective  
11 upon such determination. The commission shall notify the revisor of statutes that the  
12 United States Secretary of Labor has determined subsection 3 of this section is in  
13 conformity with federal law.

14 2. In the event subsection 3 of this section becomes effective, it shall not be  
15 implemented unless the commission determines that the employer contribution and  
16 reimbursement liability shall not increase as a result of such implementation.

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.

17           **3. If this subsection becomes effective, for calendar quarters beginning January 1,**  
18 **2011, there shall be a credit to be known as the "Missouri Works Tax Credit". The**  
19 **amount of the credit shall not be less than twenty-five dollars and not more than one**  
20 **hundred twenty-five dollars per individual employee per calendar quarter, as described**  
21 **in this subsection. The determination of the amount of the credit, within the permissible**  
22 **range, shall be made and periodically revised by the commission based on the commission's**  
23 **evaluation of conditions in the Missouri labor market, the state of the economy, and the**  
24 **unemployment rate. The credit may be claimed by an employee for up to four calendar**  
25 **quarters for each individual hired by that employer for services to be performed in this**  
26 **state under the following conditions:**

27           **(1) Such individual:**

28           **(a) Has filed a claim for unemployment compensation in this state and is currently**  
29 **receiving weekly unemployment compensation benefits on that claim under this chapter**  
30 **and such benefits are chargeable to the experience rating account of an employer under**  
31 **section 288.100;**

32           **(b) Has been profiled by the commission as likely to exhaust benefits;**

33           **(c) Has no return-to-work date or promise of future employment; and**

34           **(d) Has at least eight weeks of benefit eligibility remaining on his or her current**  
35 **claim at the time the employer hires the individual;**

36           **(2) The credit for such hired individual per calendar quarter may be claimed on**  
37 **the employer's quarterly contribution and wage reports as a reduction from amounts**  
38 **otherwise due in each four calendar quarters immediately following the hire date of the**  
39 **individual; provided, however, that the credit shall not be claimed for any individual who**  
40 **has been hired more than once by the employer claiming the credit or for more than four**  
41 **calendar quarters for that one hiring;**

42           **(3) For each calendar quarter for which the credit is claimed, such individual shall**  
43 **be continuously employed by the employer claiming the credit, and such individual's**  
44 **employment with that employer shall consist of at least thirty hours per week during each**  
45 **week of that calendar quarter;**

46           **(4) The credit shall be timely claimed for the calendar quarter to which the credit**  
47 **is applicable and in no event later than the last day of the reporting month following the**  
48 **end of the calendar quarter to which the credit is applicable. The credit shall not be**  
49 **refundable. The credit shall not reduce tax liability below zero; provided, however, that**  
50 **the credit, if properly and timely claimed, may be carried forward and applied against**  
51 **contributions due in any subsequent calendar quarter in the same calendar year as**

52 **claimed. Any unused credit remaining at the end of the calendar year shall not be carried**  
53 **forward to another calendar year and shall be deemed to have expired; and**

54 **(5) No credit shall be claimed or taken by any employer who fails to timely file any**  
55 **report or to timely pay all amounts otherwise due for all calendar quarters during the**  
56 **calendar year for which the credit is claimed. In the event an employer has claimed a**  
57 **credit under this section and fails to timely file any report or to timely pay all amounts**  
58 **otherwise due during the year the credit is claimed, the amount of any credits claimed for**  
59 **that calendar year shall be cancelled and become delinquent as of the date originally due**  
60 **and subject to all the provisions of this chapter as if no credit had ever been available or**  
61 **claimed.**

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