

FIRST EXTRAORDINARY SESSION

HOUSE BILL NO. 4

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE TILLEY.

0030L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 32.028, 32.087, 32.115, 99.1205, 100.286, 100.297, 100.850, 105.716, 135.010, 135.025, 135.030, 135.090, 135.155, 135.313, 135.326, 135.327, 135.350, 135.352, 135.460, 135.484, 135.490, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.700, 135.815, 135.825, 135.950, 135.973, 135.1150, 143.119, 144.054, 178.760, 178.761, 178.762, 178.763, 178.764, 178.892, 178.893, 178.894, 178.895, 178.896, 196.1109, 196.1115, 208.770, 215.020, 215.030, 215.033, 215.034, 253.545, 253.550, 253.557, 253.559, 348.251, 348.253, 348.256, 348.261, 348.262, 348.263, 348.264, 348.271, 348.300, 348.430, 348.432, 348.434, 348.500, 348.505, 447.708, 620.470, 620.472, 620.474, 620.475, 620.476, 620.478, 620.479, 620.480, 620.481, 620.482, 620.495, 620.1878, 620.1881, and 660.055, RSMo, and to enact in lieu thereof ninety-seven new sections relating to collection of state money, with penalty provisions and an emergency clause.

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

Section A. Sections 32.028, 32.087, 32.115, 99.1205, 100.286, 100.297, 100.850,
2 105.716, 135.010, 135.025, 135.030, 135.090, 135.155, 135.313, 135.326, 135.327, 135.350,
3 135.352, 135.460, 135.484, 135.490, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630,
4 135.647, 135.679, 135.700, 135.815, 135.825, 135.950, 135.973, 135.1150, 143.119, 144.054,
5 178.760, 178.761, 178.762, 178.763, 178.764, 178.892, 178.893, 178.894, 178.895, 178.896,
6 196.1109, 196.1115, 208.770, 215.020, 215.030, 215.033, 215.034, 253.545, 253.550, 253.557,
7 253.559, 348.251, 348.253, 348.256, 348.261, 348.262, 348.263, 348.264, 348.271, 348.300,
8 348.430, 348.432, 348.434, 348.500, 348.505, 447.708, 620.470, 620.472, 620.474, 620.475,
9 620.476, 620.478, 620.479, 620.480, 620.481, 620.482, 620.495, 620.1878, 620.1881, and

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.

10 660.055, RSMo, are repealed and ninety-seven new sections enacted in lieu thereof, to be known
11 as sections 32.028, 32.058, 32.087, 32.115, 32.383, 32.385, 32.410, 32.420, 32.430, 32.440,
12 32.450, 32.460, 67.2050, 67.3000, 67.3005, 99.1205, 100.286, 100.297, 100.850, 105.716,
13 135.010, 135.025, 135.030, 135.090, 135.155, 135.326, 135.327, 135.350, 135.352, 135.460,
14 135.484, 135.490, 135.535, 135.550, 135.562, 135.600, 135.630, 135.647, 135.679, 135.700,
15 135.815, 135.825, 135.950, 135.973, 135.1150, 135.1180, 135.1500, 135.1503, 135.1505,
16 135.1507, 135.1509, 135.1511, 135.1513, 135.1515, 135.1517, 135.1519, 135.1521, 140.910,
17 144.054, 144.810, 196.1109, 196.1115, 208.770, 215.020, 215.030, 215.033, 215.034, 253.545,
18 253.550, 253.557, 253.559, 348.250, 348.251, 348.256, 348.257, 348.261, 348.262, 348.263,
19 348.264, 348.265, 348.269, 348.271, 348.300, 348.430, 348.432, 348.434, 348.500, 447.708,
20 620.495, 620.800, 620.803, 620.806, 620.809, 620.1878, 620.1881, 660.055, and 1, to read as
21 follows:

32.028. 1. There is hereby created a department of revenue in charge of a director
2 appointed by the governor, by and with the advice and consent of the senate. The department
3 shall collect all taxes and fees payable to the state as provided by law **and may collect, upon**
4 **referral by a state agency, debts owed to any state agency subject to section 32.420.**

5 2. The powers, duties and functions of the department of revenue, chapter 32 and others,
6 are transferred by type I transfer to the department of revenue. All powers, duties and function
7 of the collector of revenue are transferred to the director of the department by type I transfer and
8 the position of collector of revenue is abolished.

9 3. The powers, duties and functions of the state tax commission, chapter 138 and others,
10 are transferred by type III transfer to the department of revenue.

11 4. All of the powers, duties and functions of the state tax commission relating to
12 administration of the corporation franchise tax, chapter 152, and others, are transferred by type
13 I transfer to the department of revenue; provided, however, that the provision of section 138.430
14 relating to appeals from decisions of the director of revenue shall apply to these taxes.

15 5. All the powers, duties and functions of the highway reciprocity commission, chapter
16 301, are transferred by type II transfer to the department of revenue.

32.058. For all years beginning after January 1, 2012, notwithstanding the certified
2 **mail provisions contained in chapters 32, 140, 142, 143, 144, 147, 148, 149, and 302, the**
3 **director of revenue may choose to mail any document by first class mail.**

32.087. 1. Within ten days after the adoption of any ordinance or order in favor of
2 adoption of any local sales tax authorized under the local sales tax law by the voters of a taxing
3 entity, the governing body or official of such taxing entity shall forward to the director of revenue
4 by United States registered mail or certified mail a certified copy of the ordinance or order.
5 The ordinance or order shall reflect the effective date thereof.

6 2. Any local sales tax so adopted shall become effective on the first day of the second
7 calendar quarter after the director of revenue receives notice of adoption of the local sales tax,
8 except as provided in subsection 18 of this section.

9 3. Every retailer within the jurisdiction of one or more taxing entities which has imposed
10 one or more local sales taxes under the local sales tax law shall add all taxes so imposed along
11 with the tax imposed by the sales tax law of the state of Missouri to the sale price and, when
12 added, the combined tax shall constitute a part of the price, and shall be a debt of the purchaser
13 to the retailer until paid, and shall be recoverable at law in the same manner as the purchase
14 price. The combined rate of the state sales tax and all local sales taxes shall be the sum of the
15 rates, multiplying the combined rate times the amount of the sale.

16 4. The brackets required to be established by the director of revenue under the provisions
17 of section 144.285 shall be based upon the sum of the combined rate of the state sales tax and
18 all local sales taxes imposed under the provisions of the local sales tax law.

19 5. The ordinance or order imposing a local sales tax under the local sales tax law shall
20 impose upon all sellers a tax for the privilege of engaging in the business of selling tangible
21 personal property or rendering taxable services at retail to the extent and in the manner provided
22 in sections 144.010 to 144.525, and the rules and regulations of the director of revenue issued
23 pursuant thereto; except that the rate of the tax shall be the sum of the combined rate of the state
24 sales tax or state highway use tax and all local sales taxes imposed under the provisions of the
25 local sales tax law.

26 6. On and after the effective date of any local sales tax imposed under the provisions of
27 the local sales tax law, the director of revenue shall perform all functions incident to the
28 administration, collection, enforcement, and operation of the tax, and the director of revenue
29 shall collect in addition to the sales tax for the state of Missouri all additional local sales taxes
30 authorized under the authority of the local sales tax law. **The director shall retain one percent**
31 **of the amount of any local sales or use tax collected for cost of collection.** All local sales
32 taxes imposed under the local sales tax law together with all taxes imposed under the sales tax
33 law of the state of Missouri shall be collected together and reported upon such forms and under
34 such administrative rules and regulations as may be prescribed by the director of revenue.

35 7. All applicable provisions contained in sections 144.010 to 144.525 governing the state
36 sales tax and section 32.057, the uniform confidentiality provision, shall apply to the collection
37 of any local sales tax imposed under the local sales tax law except as modified by the local sales
38 tax law.

39 8. All exemptions granted to agencies of government, organizations, persons and to the
40 sale of certain articles and items of tangible personal property and taxable services under the
41 provisions of sections 144.010 to 144.525, as these sections now read and as they may hereafter

42 be amended, it being the intent of this general assembly to ensure that the same sales tax
43 exemptions granted from the state sales tax law also be granted under the local sales tax law, are
44 hereby made applicable to the imposition and collection of all local sales taxes imposed under
45 the local sales tax law.

46 9. The same sales tax permit, exemption certificate and retail certificate required by
47 sections 144.010 to 144.525 for the administration and collection of the state sales tax shall
48 satisfy the requirements of the local sales tax law, and no additional permit or exemption
49 certificate or retail certificate shall be required; except that the director of revenue may prescribe
50 a form of exemption certificate for an exemption from any local sales tax imposed by the local
51 sales tax law.

52 10. All discounts allowed the retailer under the provisions of the state sales tax law for
53 the collection of and for payment of taxes under the provisions of the state sales tax law are
54 hereby allowed and made applicable to any local sales tax collected under the provisions of the
55 local sales tax law.

56 11. The penalties provided in section 32.057 and sections 144.010 to 144.525 for a
57 violation of the provisions of those sections are hereby made applicable to violations of the
58 provisions of the local sales tax law.

59 12. (1) For the purposes of any local sales tax imposed by an ordinance or order under
60 the local sales tax law, all sales, except the sale of motor vehicles, trailers, boats, and outboard
61 motors, shall be deemed to be consummated at the place of business of the retailer unless the
62 tangible personal property sold is delivered by the retailer or his agent to an out-of-state
63 destination. In the event a retailer has more than one place of business in this state which
64 participates in the sale, the sale shall be deemed to be consummated at the place of business of
65 the retailer where the initial order for the tangible personal property is taken, even though the
66 order must be forwarded elsewhere for acceptance, approval of credit, shipment or billing. A
67 sale by a retailer's agent or employee shall be deemed to be consummated at the place of business
68 from which he works.

69 (2) For the purposes of any local sales tax imposed by an ordinance or order under the
70 local sales tax law, all sales of motor vehicles, trailers, boats, and outboard motors shall be
71 deemed to be consummated at the residence of the purchaser and not at the place of business of
72 the retailer, or the place of business from which the retailer's agent or employee works.

73 (3) For the purposes of any local tax imposed by an ordinance or under the local sales
74 tax law on charges for mobile telecommunications services, all taxes of mobile
75 telecommunications service shall be imposed as provided in the Mobile Telecommunications
76 Sourcing Act, 4 U.S.C. Sections 116 through 124, as amended.

77 13. Local sales taxes imposed pursuant to the local sales tax law on the purchase and sale
78 of motor vehicles, trailers, boats, and outboard motors shall not be collected and remitted by the
79 seller, but shall be collected by the director of revenue at the time application is made for a
80 certificate of title, if the address of the applicant is within a taxing entity imposing a local sales
81 tax under the local sales tax law.

82 14. The director of revenue and any of his **or her** deputies, assistants and employees who
83 have any duties or responsibilities in connection with the collection, deposit, transfer, transmittal,
84 disbursement, safekeeping, accounting, or recording of funds which come into the hands of the
85 director of revenue under the provisions of the local sales tax law shall enter a surety bond or
86 bonds payable to any and all taxing entities in whose behalf such funds have been collected
87 under the local sales tax law in the amount of one hundred thousand dollars for each such tax;
88 but the director of revenue may enter into a blanket bond covering himself **or herself** and all
89 such deputies, assistants and employees. The cost of any premium for such bonds shall be paid
90 by the director of revenue from the share of the collections under the sales tax law retained by
91 the director of revenue for the benefit of the state.

92 15. The director of revenue shall annually report on his **or her** management of each trust
93 fund which is created under the local sales tax law and administration of each local sales tax
94 imposed under the local sales tax law. He **or she** shall provide each taxing entity imposing one
95 or more local sales taxes authorized by the local sales tax law with a detailed accounting of the
96 source of all funds received by him for the taxing entity. Notwithstanding any other provisions
97 of law, the state auditor shall annually audit each trust fund. A copy of the director's report and
98 annual audit shall be forwarded to each taxing entity imposing one or more local sales taxes.

99 16. Within the boundaries of any taxing entity where one or more local sales taxes have
100 been imposed, if any person is delinquent in the payment of the amount required to be paid by
101 him **or her** under the local sales tax law or in the event a determination has been made against
102 him **or her** for taxes and penalty under the local sales tax law, the limitation for bringing suit for
103 the collection of the delinquent tax and penalty shall be the same as that provided in sections
104 144.010 to 144.525. Where the director of revenue has determined that suit must be filed against
105 any person for the collection of delinquent taxes due the state under the state sales tax law, and
106 where such person is also delinquent in payment of taxes under the local sales tax law, the
107 director of revenue shall notify the taxing entity in the event any person fails or refuses to pay
108 the amount of any local sales tax due so that appropriate action may be taken by the taxing entity.

109 17. Where property is seized by the director of revenue under the provisions of any law
110 authorizing seizure of the property of a taxpayer who is delinquent in payment of the tax imposed
111 by the state sales tax law, and where such taxpayer is also delinquent in payment of any tax
112 imposed by the local sales tax law, the director of revenue shall permit the taxing entity to join

113 in any sale of property to pay the delinquent taxes and penalties due the state and to the taxing
114 entity under the local sales tax law. The proceeds from such sale shall first be applied to all sums
115 due the state, and the remainder, if any, shall be applied to all sums due such taxing entity.

116 18. If a local sales tax has been in effect for at least one year under the provisions of the
117 local sales tax law and voters approve reimposition of the same local sales tax at the same rate
118 at an election as provided for in the local sales tax law prior to the date such tax is due to expire,
119 the tax so reimposed shall become effective the first day of the first calendar quarter after the
120 director receives a certified copy of the ordinance, order or resolution accompanied by a map
121 clearly showing the boundaries thereof and the results of such election, provided that such
122 ordinance, order or resolution and all necessary accompanying materials are received by the
123 director at least thirty days prior to the expiration of such tax. Any administrative cost or
124 expense incurred by the state as a result of the provisions of this subsection shall be paid by the
125 city or county reimposing such tax.

32.115. 1. The department of revenue shall grant a tax credit, to be applied in the
2 following order until used, against:

- 3 (1) The annual tax on gross premium receipts of insurance companies in chapter 148;
- 4 (2) The tax on banks determined pursuant to subdivision (2) of subsection 2 of section
5 148.030;
- 6 (3) The tax on banks determined in subdivision (1) of subsection 2 of section 148.030;
- 7 (4) The tax on other financial institutions in chapter 148;
- 8 (5) The corporation franchise tax in chapter 147;
- 9 (6) The state income tax in chapter 143; and
- 10 (7) The annual tax on gross receipts of express companies in chapter 153.

11 2. For proposals approved pursuant to section 32.110:

12 (1) The amount of the tax credit shall not exceed fifty percent of the total amount
13 contributed during the taxable year by the business firm or, in the case of a financial institution,
14 where applicable, during the relevant income period in programs approved pursuant to section
15 32.110;

16 (2) Except as provided in subsection 2 or 5 of this section, a tax credit of up to seventy
17 percent may be allowed for contributions to programs where activities fall within the scope of
18 special program priorities as defined with the approval of the governor in regulations
19 promulgated by the director of the department of economic development;

20 (3) Except as provided in subsection 2 or 5 of this section, the tax credit allowed for
21 contributions to programs located in any community shall be equal to seventy percent of the total
22 amount contributed where such community is a city, town or village which has fifteen thousand

23 or less inhabitants as of the last decennial census and is located in a county which is either
24 located in:

25 (a) An area that is not part of a standard metropolitan statistical area;

26 (b) A standard metropolitan statistical area but such county has only one city, town or
27 village which has more than fifteen thousand inhabitants; or

28 (c) A standard metropolitan statistical area and a substantial number of persons in such
29 county derive their income from agriculture. Such community may also be in an unincorporated
30 area in such county as provided in subdivision (1), (2) or (3) of this subsection. Except in no
31 case shall the total economic benefit of the combined federal and state tax savings to the taxpayer
32 exceed the amount contributed by the taxpayer during the tax year;

33 (4) Such tax credit allocation, equal to seventy percent of the total amount contributed,
34 shall not exceed four million dollars in fiscal year 1999 and six million dollars in fiscal year 2000
35 and any subsequent fiscal year. When the maximum dollar limit on the seventy percent tax credit
36 allocation is committed, the tax credit allocation for such programs shall then be equal to fifty
37 percent credit of the total amount contributed. Regulations establishing special program
38 priorities are to be promulgated during the first month of each fiscal year and at such times
39 during the year as the public interest dictates. Such credit shall not exceed two hundred and fifty
40 thousand dollars annually except as provided in subdivision (5) of this subsection. No tax credit
41 shall be approved for any bank, bank and trust company, insurance company, trust company,
42 national bank, savings association, or building and loan association for activities that are a part
43 of its normal course of business. Any tax credit not used in the period the contribution was made
44 may be carried over the next five succeeding calendar or fiscal years until the full credit has been
45 claimed. Except as otherwise provided for proposals approved pursuant to section 32.111,
46 32.112 or 32.117, in no event shall the total amount of all other tax credits allowed pursuant to
47 sections 32.100 to 32.125 exceed thirty-two million dollars in any one fiscal year, of which six
48 million shall be credits allowed pursuant to section 135.460. If six million dollars in credits are
49 not approved, then the remaining credits may be used for programs approved pursuant to sections
50 32.100 to 32.125;

51 (5) The credit may exceed two hundred fifty thousand dollars annually and shall not be
52 limited if community services, crime prevention, education, job training, physical revitalization
53 or economic development, as defined by section 32.105, is rendered in an area defined by federal
54 or state law as an impoverished, economically distressed, or blighted area or as a neighborhood
55 experiencing problems endangering its existence as a viable and stable neighborhood, or if the
56 community services, crime prevention, education, job training, physical revitalization or
57 economic development is limited to impoverished persons.

58 3. For proposals approved pursuant to section 32.111:

59 (1) The amount of the tax credit shall not exceed fifty-five percent of the total amount
60 invested in affordable housing assistance activities or market rate housing in distressed
61 communities as defined in section 135.530 by a business firm. Whenever such investment is
62 made in the form of an equity investment or a loan, as opposed to a donation alone, tax credits
63 may be claimed only where the loan or equity investment is accompanied by a donation which
64 is eligible for federal income tax charitable deduction, and where the total value of the tax credits
65 herein plus the value of the federal income tax charitable deduction is less than or equal to the
66 value of the donation. Any tax credit not used in the period for which the credit was approved
67 may be carried over the next ten succeeding calendar or fiscal years until the full credit has been
68 allowed. If the affordable housing units or market rate housing units in distressed communities
69 for which a tax is claimed are within a larger structure, parts of which are not the subject of a tax
70 credit claim, then expenditures applicable to the entire structure shall be reduced on a prorated
71 basis in proportion to the ratio of the number of square feet devoted to the affordable housing
72 units or market rate housing units in distressed communities, for purposes of determining the
73 amount of the tax credit. The total amount of tax credit granted for programs approved pursuant
74 to section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed two million dollars,
75 to be increased by no more than two million dollars each succeeding fiscal year, until the total
76 tax credits that may be approved reaches ten million dollars in any fiscal year;

77 (2) For any year during the compliance period indicated in the land use restriction
78 agreement, the owner of the affordable housing rental units for which a credit is being claimed
79 shall certify to the commission that all tenants renting claimed units are income eligible for
80 affordable housing units and that the rentals for each claimed unit are in compliance with the
81 provisions of sections 32.100 to 32.125. The commission is authorized, in its discretion, to audit
82 the records and accounts of the owner to verify such certification;

83 (3) In the case of owner-occupied affordable housing units, the qualifying owner
84 occupant shall, before the end of the first year in which credits are claimed, certify to the
85 commission that the occupant is income eligible during the preceding two years, and at the time
86 of the initial purchase contract, but not thereafter. The qualifying owner occupant shall further
87 certify to the commission, before the end of the first year in which credits are claimed, that
88 during the compliance period indicated in the land use restriction agreement, the cost of the
89 affordable housing unit to the occupant for the claimed unit can reasonably be projected to be
90 in compliance with the provisions of sections 32.100 to 32.125. Any succeeding owner occupant
91 acquiring the affordable housing unit during the compliance period indicated in the land use
92 restriction agreement shall make the same certification;

93 (4) If at any time during the compliance period the commission determines a project for
94 which a proposal has been approved is not in compliance with the applicable provisions of

105 sections 32.100 to 32.125 or rules promulgated therefor, the commission may within one
106 hundred fifty days of notice to the owner either seek injunctive enforcement action against the
107 owner, or seek legal damages against the owner representing the value of the tax credits, or
108 foreclose on the lien in the land use restriction agreement, selling the project at a public sale, and
109 paying to the owner the proceeds of the sale, less the costs of the sale and less the value of all tax
110 credits allowed herein. The commission shall remit to the director of revenue the portion of the
111 legal damages collected or the sale proceeds representing the value of the tax credits. However,
112 except in the event of intentional fraud by the taxpayer, the proposal's certificate of eligibility for
113 tax credits shall not be revoked.

114 4. For proposals approved pursuant to section 32.112, the amount of the tax credit shall
115 not exceed fifty-five percent of the total amount contributed to a neighborhood organization by
116 business firms. Any tax credit not used in the period for which the credit was approved may be
117 carried over the next ten succeeding calendar or fiscal years until the full credit has been allowed.
118 The total amount of tax credit granted for programs approved pursuant to section 32.112 shall
119 not exceed one million dollars for each fiscal year.

120 5. The total amount of tax credits used for market rate housing in distressed communities
121 pursuant to sections 32.100 to 32.125 shall not exceed thirty percent of the total amount of all
122 tax credits authorized pursuant to sections 32.111 and 32.112.

123 6. **Notwithstanding any provision of law to the contrary, except as provided under
subsection 7 of this section, no tax credits provided under sections 32.100 to 32.125 shall
be authorized on or after August 28, 2015. The provisions of this subsection shall not be
construed to limit or in any way impair the department's ability to issue tax credits
authorized prior to August 28, 2015, or a taxpayer's ability to redeem such tax credits.**

124 7. **Notwithstanding any provision of law to the contrary, no tax credits provided
under the development tax credit program created pursuant to sections 32.100 to 32.125
shall be authorized on or after the effective date of this act. The provisions of this
subsection shall not be construed to limit or impair the department's ability to issue tax
credits authorized prior to the effective date of this act, or a taxpayer's ability to redeem
such tax credits.**

32.383. 1. **Notwithstanding the provisions of any other law to the contrary, with
respect to taxes administered by the department of revenue and imposed in chapters 143
and 144, an amnesty from the assessment or payment of all penalties, additions to tax, and
interest shall apply with respect to unpaid taxes or taxes due and owing reported and paid
in full from January 1, 2012, to June 30, 2012, regardless of whether previously assessed,
except for penalties, additions to tax, and interest paid before January 1, 2012. The
amnesty shall apply only to state tax liabilities due or due but unpaid on or before**

8 December 31, 2010, and shall not extend to any taxpayer who at the time of payment is a
9 party to any criminal investigations or to any civil or criminal litigation that is pending in
10 any court of the United States or this state for nonpayment, delinquency, or fraud in
11 relation to any state tax imposed by this state.

12 2. Upon written application by the taxpayer, on forms prescribed by the director
13 of revenue, and upon compliance with the provisions of this section, the department of
14 revenue shall not seek to collect any penalty, addition to tax, or interest that may be
15 applicable. The department of revenue shall not seek civil or criminal prosecution for any
16 taxpayer for the taxable period for which the amnesty has been granted, unless subsequent
17 investigation or audit shows that the taxpayer engaged in fraudulent or criminal conduct
18 in applying for amnesty.

19 3. Amnesty shall be granted only to those taxpayers who have applied for amnesty
20 within the period stated in this section, who have filed a tax return for each taxable period
21 for which amnesty is requested, who have paid the entire balance due within sixty days of
22 approval by the department of revenue, and who agree to comply with state tax laws for
23 the next eight years from the date of the agreement. No taxpayer shall be entitled to a
24 waiver of any penalty, addition to tax, or interest under this section unless full payment of
25 the tax due is made in accordance with rules established by the director of revenue.

26 4. All taxpayers granted amnesty under this section shall comply with this state's
27 tax laws for the eight years following the date of the amnesty agreement. If any such
28 taxpayer fails to comply with all of this state's tax laws at any time during the eight years
29 following the date of the agreement, all penalties, additions to tax, and interest that were
30 waived under the amnesty agreement shall become due and owing immediately.

31 5. If a taxpayer elects to participate in the amnesty program established in this
32 section as evidenced by full payment of the tax due as established by the director of
33 revenue, that election shall constitute an express and absolute relinquishment of all
34 administrative and judicial rights of appeal. No tax payment received under this section
35 shall be eligible for refund or credit.

36 6. Nothing in this section shall be interpreted to disallow the department of revenue
37 to adjust a taxpayer's tax return as a result of any state or federal audit.

38 7. All tax payments received as a result of the amnesty program established in this
39 section, other than revenues earmarked by state law, shall be deposited in the state general
40 revenue fund.

41 8. The department may promulgate rules as are necessary to implement the
42 provisions of this section. Any rule or portion of a rule, as that term is defined in section
43 536.010, that is created under the authority delegated in this section shall become effective

44 only if it complies with and is subject to all of the provisions of chapter 536 and, if
45 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of
46 the powers vested with the general assembly under chapter 536 to review, to delay the
47 effective date, or to disapprove and annul a rule are subsequently held unconstitutional,
48 then the grant of rulemaking authority and any rule proposed or adopted after effective
49 date of this act, shall be invalid and void.

32.385. 1. The director of revenue and the commissioner of administration may
2 jointly enter into a reciprocal collection and offset of indebtedness agreement with the
3 federal government, under which the State will offset from state tax refunds and from
4 payments otherwise due to vendors and contractors providing goods or services to state
5 departments, agencies, or other state agencies nontax debt owed to the federal government;
6 and the federal government will offset from federal payments to vendors, contractors, and
7 taxpayers debt owed to the state of Missouri.

8 2. When used in this section, the following terms shall mean:

9 (1) "Federal official", a unit or official of the federal government charged with the
10 collection of non-tax liabilities payable to the federal government under 31 U.S.C. Section
11 3716, as amended;

12 (2) "Nontax liability due the state", a liability certified to the director of revenue
13 by a state agency which shall include, but shall not be limited to, fines, fees, penalties, and
14 other nontax assessments imposed by, or payable to, any state agency that is finally
15 determined to be due and owing;

16 (3) "Offset agreement", the agreement authorized by this section;

17 (4) "Person", an individual, partnership, society, association, joint stock company,
18 corporation, public corporation, or any public authority, estate, receiver, trustee, assignee,
19 referee, any other person acting in a fiduciary or representative capacity whether
20 appointed by a court or otherwise, or any combination thereof;

21 (5) "Refund", an amount described as a refund of tax under the provisions of state
22 tax law that authorized its payment;

23 (6) "State agency", any department, division, board, commission, office, or other
24 agency of the state of Missouri;

25 (7) "Vendor payment", any payment, other than a refund, made by the state to any
26 person or entity which shall include, but not be limited to, any expense reimbursement to
27 an employee of the state. The term "vendor payment" shall not include a person's salary,
28 wages, or pension.

29 3. Under the offset agreement, a federal official may:

- 30 (1) Certify to the state of Missouri the existence of a person's delinquent nontax
31 liability owed by such person to the federal government;
- 32 (2) Request that the state of Missouri withhold any refund or vendor payment to
33 which such person is entitled;
- 34 (3) Certify and request the state of Missouri to withhold a refund or vendor
35 payment only if the laws of the United States:
- 36 (a) Allow the state of Missouri to enter into a reciprocal agreement with the United
37 States, under which the federal official would be authorized to offset federal payments to
38 collect delinquent tax and nontax debts owed to the state; and
- 39 (b) Provide for the payment of the amount withheld to the state;
- 40 (4) Retain a portion of the proceeds of any collection setoff as provided under the
41 offset agreement.
- 42 4. Under the offset agreement, a certification by a federal official to the state of
43 Missouri shall include:
- 44 (1) The full name of the person and any other names known to be used by such
45 person;
- 46 (2) The social security number or federal tax identification number of such person;
- 47 (3) The amount of the nontax liability; and
- 48 (4) A statement that the debt is past due and legally enforceable in the amount
49 certified.
- 50 5. If a person for whom a certification is received from a federal official is due a
51 refund of Missouri tax or a vendor payment, the agreement may provide that the state of
52 Missouri shall:
- 53 (1) Withhold such refund or vendor payment;
- 54 (2) In accordance with the provisions of the offset agreement, notify such person
55 of the amount withheld in satisfaction of a liability certified by a federal official;
- 56 (3) Pay to the federal official the lesser of:
- 57 (a) The entire refund or vendor payment; or
- 58 (b) The amount certified; and
- 59 (4) Pay any refund or vendor payment in excess of the certified amount to the
60 person.
- 61 6. Under the agreement, the director of revenue shall:
- 62 (1) Certify to a federal official the existence of a person's delinquent tax or nontax
63 liability due the state;
- 64 (2) Request that the federal official withhold any eligible vendor payment to which
65 the person is entitled; and

66 (3) Provide for the payment of the amount withheld to the state.

67 7. Any certification by a state agency to the director of revenue, or by the director
68 of revenue to a federal official under the offset agreement shall include:

69 (1) The full name and address of the person and any other names known to be used
70 by such person;

71 (2) The social security number or tax identification number of such person;

72 (3) The amount of the tax or nontax liability;

73 (4) A statement that the debt is past due and legally enforceable in the amount
74 certified; and

75 (5) Any other information required by federal law or regulation applicable to the
76 collection of the debt by offset of federal payments.

77 8. Any other provisions of law to the contrary notwithstanding, the director of
78 revenue and the commissioner of administration shall have the authority to enter into
79 reciprocal agreements with any other state which extends a like comity to this state to set
80 off from state tax refunds and from payments otherwise due to vendors and contractors
81 providing goods or services to state departments, agencies, or other state agencies nontax
82 debt for debts due the such state.

 32.410. As used in sections 32.410 to 32.460, the following terms shall mean:

2 (1) "Debt", an amount owed to the state directly or through a state agency, on
3 account of a fee, duty, lease, direct loan, loan insured or guaranteed by the state, rent,
4 service, sale of real or personal property, overpayment, fine, assessment, penalty,
5 restitution, damages, interest, tax, bail bond, forfeiture, reimbursement, liability owed, an
6 assignment, recovery of costs incurred by the state, or any other source of indebtedness to
7 the state;

8 (2) "Debtor", an individual, a corporation, a partnership, an unincorporated
9 association, a limited liability company, a trust, an estate, or any other public or private
10 entity, including a state, local, or federal government, or an Indian tribe, that is liable for
11 a debt or against whom there is a claim for a debt;

12 (3) "Department", the department of revenue;

13 (4) "State agency", any division, board, commission, office, or other agency of the
14 state of Missouri, including public community college districts and any state or municipal
15 court.

 32.420. 1. Notwithstanding any other provision of law to the contrary, all state
2 agencies may refer to the department for collection debts owed to them. The department
3 may provide collection services on debts referred to the department by a state agency. This

4 authority shall not supersede the authority granted to the attorney general pursuant to
5 section 27.060 or any other statute.

6 2. A referring agency may refer the debt to the department for collection at any
7 time after a debt becomes delinquent and uncontested and the debtor shall have no further
8 administrative appeal of the amount of the debt. Methods and procedures for referral
9 shall be governed by an agreement between the referring agency and the department.

10 3. The collection procedures and remedies under this chapter are in addition to any
11 other procedure or remedy available by law. If the state agency's applicable state or
12 federal law requires the use of a particular remedy or procedure for the collection of a
13 debt, that particular remedy or procedure shall govern the collection of that debt to the
14 extent the procedure or remedy is inconsistent with this chapter.

15 4. The state agency shall send notice to the debtor by United States mail at the
16 debtor's last known address at least twenty days before the debt is referred to the
17 department. The notice shall state the nature and amount of the debt, identify to whom
18 the debt is owed, and inform the debtor of the remedies available under this chapter or the
19 state agency's own procedures.

32.430. 1. Except as otherwise provided in this section, the department shall have
2 the authority to use all general remedies afforded creditors of this state in collection of debt
3 as well as any remedies afforded the state agency referring the debt and to the state in
4 general as a creditor. The department shall not have authority to prosecute or defend civil
5 actions on behalf of any other state agency, except as necessary to defend any challenges
6 made to actions pursuant to sections 143.902 or 143.910 for a debt referred by a state
7 agency or to prosecute an action pursuant to subsection 10 of section 104.910.

8 2. In addition to the remedies identified in sections 32.410 to 32.460, the department
9 may use the collection remedies afforded under sections 143.902 and 140.910 in the
10 collection of any state debt referred to the department.

11 3. The department may employ department staff and attorneys, and at the
12 department's discretion, prosecuting attorneys and private collection agencies as
13 authorized in sections 136.150 and 140.850 in seeking collection of debts referred to the
14 department by a state agency.

32.440. 1. The department shall add to the amount of debt referred to the
2 department by a state agency the cost of collection which shall be ten percent of the total
3 debt referred by the state agency. The department shall have the same authority to collect
4 the cost of collection as the department has in collecting the debt referred by the state
5 agency.

6 2. The cost of collection shall only be waived when:

7 (1) Within thirty days after the initial notice to the debtor by the department, the
8 debtor establishes to the department reasonable cause for the failure to pay the debt prior
9 to referral of the debt to the department, enters into an agreement satisfactory to the
10 department to pay the debt in full, and fully abides by the terms of that agreement;

11 (2) A good faith dispute as to the legitimacy or the amount of the debt exists, and
12 payment is remitted or an agreement satisfactory to the department to pay the debt in full
13 is entered into within thirty days after resolution of the dispute, and the debtor fully abides
14 by the terms of that agreement; or

15 (3) Collection costs have been added by the state agency and are included in the
16 amount of the referred debt.

17 3. If the department collects an amount less than the total due, the payment shall
18 be applied proportionally to collection costs and the underlying debt unless the department
19 has waived this requirement for certain categories of debt. Collection costs collected by the
20 department under this section shall be deposited in the general revenue fund.

 32.450. The department may compromise state debt referred to the department in
2 accordance with section 32.378 and any agreement with the referring agency.

 32.460. The department and state agencies, including the judiciary, may exchange
2 such information, including the debtor's Social Security number, as is necessary for the
3 successful collection of the state debt referred. The referring state agency shall follow all
4 applicable federal and state laws regarding the confidentiality of information and records
5 regarding the debtor. The confidentiality laws applicable to the particular information
6 received and retained by each agency shall apply to the employees of such state agency and
7 to the department when such information has been forwarded to the department.

 67.2050. 1. As used in this section, unless the context clearly indicates otherwise,
2 the following terms shall mean:

3 (1) "Facility", a location composed of real estate, buildings, fixtures, machinery,
4 and equipment;

5 (2) "Municipality", any county, city, incorporated town, or village of the state;

6 (3) "NAICS", the 2007 edition of the North American Industry Classification
7 System developed under the direction and guidance of the federal Office of Management
8 and Budget. Any NAICS sector, subsector, industry group, or industry identified in this
9 section shall include its corresponding classification in previous and subsequent federal
10 industry classification systems;

11 (4) "Technology business facility", a facility purchased, constructed, extended, or
12 improved under this section, provided that such business facility is engaged in:

13 (a) Wired telecommunications carriers (NAICS 517110);

- 14 (b) Data processing, hosting, and related services (NAICS 518210); or
15 (c) Internet publishing and broadcasting and web search portals (NAICS 519130),
16 at the business facility;
- 17 (5) "Technology business facility project" or "project", the purchase, construction,
18 extension, and improvement of technology business facilities, whether of the facility as a
19 whole or of any one or more of the facility's components of real estate, buildings, fixtures,
20 machinery, and equipment.
- 21 2. The governing body of any municipality may:
- 22 (1) Carry out technology business facility projects for economic development under
23 this section;
- 24 (2) Accept grants from the federal and state governments for technology business
25 facility project purposes, and may enter into such agreements as are not contrary to the
26 laws of this state and which may be required as a condition of grants by the federal
27 government or its agencies; and
- 28 (3) Receive gifts and donations from private sources to be used for technology
29 business facility project purposes.
- 30 3. The governing body of the municipality may enter into loan agreements, sell,
31 lease, or mortgage to private persons, partnerships, or corporations any one or more of the
32 components of a facility received, purchased, constructed, or extended by the municipality
33 for development of a technology business facility project. The loan agreement, installment
34 sale agreement, lease, or other such document shall contain such other terms as are agreed
35 upon between the municipality and the obligor, provided that such terms shall be
36 consistent with this section. When, in the judgment of the governing body of the
37 municipality, the technology business facility project will result in economic benefits to the
38 municipality, the governing body may lawfully enter into an agreement that includes
39 nominal monetary consideration to the municipality in exchange for the use of one or more
40 components of the facility.
- 41 4. Transactions involving the lease or rental of any components of a project under
42 this section shall be specifically exempted from the provisions of the local sales tax law as
43 defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to
44 144.761, and from the computation of the tax levied, assessed, or payable under the local
45 sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525
46 and 144.600 to 144.745.
- 47 5. Leasehold interests granted and held under this section shall not be subject to
48 property taxes.

49 **6. Any payments in lieu of taxes expected to be made by any lessee of the project**
50 **shall be applied in accordance with this section. The lessee may reimburse the municipality**
51 **for its actual costs of administering the plan. All amounts paid in excess of such actual**
52 **costs shall, immediately upon receipt thereof, be disbursed by the municipality's treasurer**
53 **or other financial officer to each affected taxing entity in proportion to the current ad**
54 **valorem tax levy of each affected taxing entity.**

55 **7. The county assessor shall include the current assessed value of all property**
56 **within the affected taxing entities in the aggregate valuation of assessed property entered**
57 **upon the assessor's book and verified under section 137.245, and such value shall be used**
58 **for the purpose of the debt limitation on local government under section 26(b), article VI,**
59 **Constitution of Missouri.**

60 **8. The governing body of any municipality may sell or otherwise dispose of the**
61 **property, buildings, or plants acquired under this section to private persons or**
62 **corporations for technology business facility project purposes upon approval by the**
63 **governing body. The terms and method of the sale or other disposal shall be established**
64 **by the governing body so as to reasonably protect the economic well-being of the**
65 **municipality and to promote the development of technology business facility projects. A**
66 **private person or corporation that initially transfers property to the municipality for the**
67 **purposes of a technology business facility project and does not charge a purchase price to**
68 **the municipality shall retain the right, upon request to the municipality, to have the**
69 **municipality retransfer the donated property to the person or corporation at no cost.**

70 **9. The provisions of this section shall not be construed to allow political**
71 **subdivisions to provide telecommunications services or telecommunications facilities to the**
72 **extent that they are prohibited from doing so by section 392.410.**

67.3000. 1. As used in this section and section 67.3005, the following words shall
2 **mean:**

3 **(1) "Active Member", an organization located in the state of Missouri, which**
4 **solicits and services sports events, sports organizations, and other types of sports-related**
5 **activities in that community;**

6 **(2) "Applicant" or "applicants", one or more certified sponsors, endorsing**
7 **counties, endorsing municipalities, or a local organizing committee, acting individually or**
8 **collectively;**

9 **(3) "Certified sponsor" or "certified sponsors", a nonprofit organization which is**
10 **an active member of the National Association of Sports Commissions;**

11 **(4) "Department", the Missouri department of economic development;**

12 **(5) "Director", the director of revenue;**

- 13 **(6) "Eligible costs", shall include:**
14 **(a) Costs necessary for conducting the sporting event;**
15 **(b) Costs relating to the preparations necessary for the conduct of the sporting**
16 **event; and**
17 **(c) An applicant's pledged obligations to the site selection organization as evidenced**
18 **by the support contract for the sporting event.**
19
20 **Eligible costs shall not include any cost associated with the rehabilitation or construction**
21 **of any facilities used to host the sporting event, but may include costs associated with the**
22 **retrofitting of a facility necessary to accommodate the sporting event and direct payments**
23 **to a for-profit site selection organization;**
24 **(7) "Eligible donation", donations received, by a certified sponsor or local**
25 **organizing committee, from a taxpayer that may include cash, publically traded stocks and**
26 **bonds, and real estate that will be valued and documented according to rules promulgated**
27 **by the department. Such donations shall be used solely to provide funding to attract**
28 **sporting events to this state;**
29 **(8) "Endorsing municipality" or "endorsing municipalities", any city, town,**
30 **incorporated village, or county that contains a site selected by a site selection organization**
31 **for one or more sporting events;**
32 **(9) "Joinder agreement", an agreement entered into by one or more applicants,**
33 **acting individually or collectively, and a site selection organization setting out**
34 **representations and assurances by each applicant in connection with the selection of a site**
35 **in this state for the location of a sporting event;**
36 **(10) "Joinder undertaking", an agreement entered into by one or more applicants,**
37 **acting individually or collectively, and a site selection organization that each applicant will**
38 **execute a joinder agreement in the event that the site selection organization selects a site**
39 **in this state for a sporting event;**
40 **(11) "Local organizing committee", a nonprofit corporation or its successor in**
41 **interest that:**
42 **(a) Has been authorized by one or more certified sponsors, endorsing**
43 **municipalities, or endorsing counties, acting individually or collectively, to pursue an**
44 **application and bid on its or the applicant's behalf to a site selection organization for**
45 **selection as the site of one or more sporting events; or**
46 **(b) With the authorization of one or more certified sponsors, endorsing**
47 **municipalities, or endorsing counties, acting individually or collectively, executes an**

48 agreement with a site selection organization regarding a bid to host one or more sporting
49 events;

50 (12) "Site selection organization", the National Collegiate Athletic Association
51 (NCAA); an NCAA member conference, university, or institution; the National Association
52 of Intercollegiate Athletics (NAIA); the United States Olympic Committee (USOC); a
53 national governing body (NGB) or international federation of a sport recognized by the
54 USOC; the United States Golf Association (USGA); the United States Tennis Association
55 (USTA); the Amateur Softball Association of America (ASA); other major regional,
56 national, and international sports associations, and amateur organizations that promote,
57 organize, or administer sporting games, or competitions; or other major regional, national,
58 and international organizations that promote or organize sporting events;

59 (13) "Sporting event" or "sporting events", an amateur sporting event that is
60 competitively bid;

61 (14) "Support contract" or "support contracts", an event award notification,
62 joinder undertaking, joinder agreement, or contract executed by an applicant and a site
63 selection organization;

64 (15) "Tax credit" or "tax credits", a credit or credits issued by the department
65 against the tax otherwise due under chapter 143 or 148, excluding withholding tax imposed
66 by sections 143.191 to 143.265;

67 (16) "Taxpayer", any of the following individuals or entities who make an eligible
68 donation:

69 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S
70 corporation doing business in the state of Missouri and subject to the state income tax
71 imposed in chapter 143;

72 (b) A corporation subject to the annual corporation franchise tax imposed in
73 chapter 147;

74 (c) An insurance company paying an annual tax on its gross premium receipts in
75 this state;

76 (d) Any other financial institution paying taxes to the state of Missouri or any
77 political subdivision of this state under chapter 148;

78 (e) An individual subject to the state income tax imposed in chapter 143;

79 (f) Any charitable organization which is exempt from federal income tax and whose
80 Missouri unrelated business taxable income, if any, would be subject to the state income
81 tax imposed under chapter 143.

82 2. An applicant may submit a copy of a support contract for a sporting event to the
83 department. Within sixty days of receipt of the sporting event support contract, the

84 department may review the applicant's support contract and certify such support contract
85 if it complies with the requirements of this section. Upon certification of the support
86 contract by the department, the applicant may be authorized to receive the tax credit under
87 subsection 4 of this section.

88 3. No more than thirty days following the conclusion of the sporting event, the
89 applicant shall submit eligible costs and documentation of the costs evidenced by receipts,
90 paid invoices, or other documentation in a manner prescribed by the department.

91 4. No later than seven days following the conclusion of the sporting event, the
92 department, in consultation with the director, may determine the total number of tickets
93 sold at face value for such event. No later than sixty days following the receipt of eligible
94 costs and documentation of such costs from the applicant as required in subsection 3 of this
95 section, the department may issue a refundable tax credit to the applicant for the lesser of
96 one hundred percent of eligible costs incurred by the applicant or an amount equal to five
97 dollars for every admission ticket sold to such event. Tax credits authorized by this section
98 may be claimed against taxes imposed by chapters 143 and 148 and shall be claimed within
99 one year of the close of the taxable year for which the credits were issued. Tax credits
100 authorized by this section may be transferred, sold, or assigned by filing a notarized
101 endorsement thereof with the department that names the transferee, the amount of tax
102 credit transferred, and the value received for the credit, as well as any other information
103 reasonably requested by the department.

104 5. In no event shall the amount of tax credits issued by the department under
105 subsection 4 of this section exceed three million dollars in any fiscal year.

106 6. An applicant shall provide any information necessary as determined by the
107 department for the department and the director to fulfill the duties required by this
108 section. At any time upon the request of the state of Missouri, a certified sponsor shall
109 subject itself to an audit conducted by the state.

110 7. This section shall not be construed as creating or requiring a state guarantee of
111 obligations imposed on an endorsing municipality under a support contract or any other
112 agreement relating to hosting one or more sporting events in this state.

113 8. The department shall only certify an applicant's support contract for a sporting
114 event in which the site selection organization has yet to select a location for the sporting
115 event as of the effective date of this act. Support contracts shall not be certified by the
116 department after August 28, 2017, provided that the support contracts may be certified
117 prior to August 28, 2017, for sporting events that will be held after such date.

118 9. The department may promulgate rules as necessary to implement the provisions
119 of this section. Any rule or portion of a rule, as that term is defined in section 536.010 that

120 is created under the authority delegated in this section shall become effective only if it
121 complies with and is subject to all of the provisions of chapter 536, and, if applicable,
122 section 536.028. This section and chapter 536 are nonseverable and if any of the powers
123 vested with the general assembly pursuant to chapter 536, to review, to delay the effective
124 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
125 grant of rulemaking authority and any rule proposed or adopted after the effective date
126 of this act shall be invalid and void.

67.3005. 1. For all taxable years beginning on or after January 1, 2011, any
2 taxpayer shall be allowed a credit against the taxes otherwise due under chapter 143, 147,
3 or 148 excluding withholding tax imposed by sections 143.191 to 143.265 in an amount
4 equal to fifty percent of the amount of an eligible donation, subject to the restrictions in
5 this section. The amount of the tax credit claimed shall not exceed the amount of the
6 taxpayer's state income tax liability in the tax year for which the credit is claimed. Any
7 amount of credit that the taxpayer is prohibited by this section from claiming in a tax year
8 shall not be refundable, but may be carried forward to any of the taxpayer's four
9 subsequent taxable years.

10 2. To claim the credit authorized in this section, a certified sponsor or local
11 organizing committee shall submit to the department an application for the tax credit
12 authorized by this section on behalf of taxpayers. The department shall verify that the
13 applicant has submitted the following items accurately and completely:

14 (1) A valid application in the form and format required by the department;

15 (2) A statement attesting to the eligible donation received, which shall include the
16 name and taxpayer identification number of the individual making the eligible donation,
17 the amount of the eligible donation, and the date the eligible donation was received; and

18 (3) Payment from the certified sponsor or local organizing committee equal to the
19 value of the tax credit for which application is made.

20

21 If the certified sponsor or local organizing committee applying for the tax credit meets all
22 criteria required by this subsection, the department shall issue a certificate in the
23 appropriate amount.

24 3. Tax credits issued under this section may be assigned, transferred, sold, or
25 otherwise conveyed, and the new owner of the tax credit shall have the same rights in the
26 credit as the taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise
27 conveyed, a notarized endorsement shall be filed with the department specifying the name
28 and address of the new owner of the tax credit or the value of the credit. In no event shall

29 the amount of tax credits issued by the department under this section exceed ten million
30 dollars in any fiscal year.

31 4. The department shall promulgate rules to implement the provisions of this
32 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is
33 created under the authority delegated in this section shall become effective only if it
34 complies with and is subject to all of the provisions of chapter 536, and, if applicable,
35 section 536.028. This section and chapter 536, are nonseverable and if any of the powers
36 vested with the general assembly pursuant to chapter 536, to review, to delay the effective
37 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
38 grant of rulemaking authority and any rule proposed or adopted after the effective date
39 of this act shall be invalid and void.

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

41 (1) The provisions of the new program authorized under this section shall
42 automatically sunset six years after the effective date of this act, unless reauthorized by an
43 act of the general assembly; and

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

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

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 or any portion thereof, and reasonable maintenance costs incurred to maintain an
7 acquired eligible parcel for a period of five years after the acquisition of such eligible parcel.
8 Acquisition costs shall not include costs for title insurance and survey, attorney's fees, relocation
9 costs, fines, or bills from 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;

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;

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.

99 3. Any applicant shall be entitled to a tax credit against the taxes imposed under chapters
100 143, 147, and 148, except for sections 143.191 to 143.265, in an amount equal to fifty percent
101 of the acquisition costs, and one hundred percent of the interest costs incurred [for a period of
102 five years] after the acquisition of an eligible parcel. No tax credits shall be issued under this
103 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 for the
107 succeeding six years, or until the full credit is used, whichever occurs first. The applicant shall
108 not be entitled to a tax credit for taxes imposed under sections 143.191 to 143.265. Applicants
109 entitled to receive such tax credits may transfer, sell, or assign the tax credits. Tax credits
110 granted to a partnership, a limited liability company taxed as a partnership, or multiple owners
111 of property shall be passed through to the partners, members, or owners respectively pro rata or
112 pursuant to an executed agreement among the partners, members, or owners documenting an
113 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, except for sections 143.191 to 143.265. A seller,
117 transferor, or assignor shall perfect such transfer by notifying the department in writing within
118 thirty calendar days following the effective date of the transfer and shall provide any information
119 as may be required by the department to administer and carry out the provisions of this section.

120 6. To claim tax credits authorized under this section, an applicant shall submit to the
121 department an application for a certificate. An applicant shall identify the boundaries of the
122 eligible project area in the application. The department shall verify that the applicant has
123 submitted a valid application in the form and format required by the department. The department
124 shall verify that the municipal authority held the requisite hearings and gave the requisite notices

for such hearings in accordance with the applicable economic incentive act, and municipal ordinances. On [an annual] **a quarterly** basis, an applicant may file for the tax credit for the acquisition costs, and for the tax credit for the interest costs, subject to the limitations of this section. If an applicant applying for the tax credit meets the criteria required under this section, the department shall issue a certificate in the appropriate amount. **The department shall issue certificates on a first-come first-serve basis.** If an applicant receives a tax credit for maintenance costs as a part of the applicant's acquisition costs, the department shall post on its Internet website the amount and type of maintenance costs and a description of the redevelopment project for which the applicant received a tax credit within thirty days after the department issues the certificate to the applicant.

7. The total aggregate amount of tax credits authorized under this section shall not exceed ninety-five million dollars. [At no time shall] **For all years ending on or before December 31, 2011,** the annual amount of the tax credits issued under this section **shall not** exceed twenty million dollars. [If the tax credits that are to be issued under this section exceed, in any year, the twenty million dollar limitation, the department shall either:

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

(2) Issue the tax credits on a pro rata basis to all applicants entitled to receive tax credits in that year.] **For all years beginning on or after January 1, 2012, the annual amount of the tax credits issued under this section shall not exceed fifteen million dollars.** Any amount of tax credits, which an applicant is, or applicants are, entitled to receive [on an annual basis and are] , **that is** not issued due to the [twenty million dollar] **applicable annual limitation on tax credit issuance,** shall be carried forward for the benefit of the applicant or applicants to subsequent years. No tax credits provided under this section shall be authorized after August 28, 2013. Any tax credits which have been authorized on or before August 28, 2013, but not issued, may be issued, subject to the limitations provided under this subsection, until all such authorized tax credits have been issued.

8. Upon issuance of any tax credits pursuant to this section, the department shall report to the municipal authority the applicant's name and address, the parcel numbers of the eligible parcels for which the tax credits were issued, the itemized acquisition costs and interest costs for which tax credits were issued, and the total value of the tax credits issued. The municipal authority and the state shall not consider the amount of the tax credits as an applicant's cost, but shall include the tax credits in any sources and uses and cost benefit analysis reviewed or created for the purpose of awarding other economic incentives. The amount of the tax credits shall not be considered an applicant's cost in the evaluation of the amount of any award of any other economic incentives, but shall be considered in measuring the reasonableness of the rate of

161 return to the applicant with respect to such award of other economic incentives. The municipal
162 authority shall provide the report to any relevant commission, board, or entity responsible for the
163 evaluation and recommendation or approval of other economic incentives to assist in the
164 redevelopment of the eligible project area. Tax credits authorized under this section shall
165 constitute redevelopment tax credits, as such term is defined under section 135.800, and shall
166 be subject to all provisions applicable to redevelopment tax credits provided under sections
167 135.800 to 135.830.

168 9. The department may promulgate rules to implement the provisions of this section.
169 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
170 authority delegated in this section shall become effective only if it complies with and is subject
171 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
172 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
173 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
174 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
175 or adopted after August 28, 2007, shall be invalid 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, may, subject to the limitations provided under
40 subsection 8 of this section, receive a tax credit against any tax otherwise due under the
41 provisions of chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261,
42 chapter 147, or chapter 148, in the amount of fifty percent of any amount contributed in money
43 or property by the taxpayer to the development and reserve fund, the infrastructure development
44 fund or the export finance fund during the taxpayer's tax year, provided, however, the total tax
45 credits awarded in any calendar year beginning after January 1, 1994, shall not be the greater of
46 ten million dollars or five percent of the average growth in general revenue receipts in the
47 preceding three fiscal years. This limit may be exceeded only upon joint agreement by the
48 commissioner of administration, the director of the department of economic development, and
49 the director of the department of revenue that such action is essential to ensure retention or
50 attraction of investment in Missouri. If the board receives, as a contribution, real property, the
51 contributor at such contributor's own expense shall have two independent appraisals conducted
52 by appraisers certified by the Master Appraisal Institute. Both appraisals shall be submitted to
53 the board, and the tax credit certified by the board to the contributor shall be based upon the
54 value of the lower of the two appraisals. The board shall not certify the tax credit until the
55 property is deeded to the board. Such credit shall not apply to reserve participation fees paid by
56 borrowers under sections 100.250 to 100.297. The portion of earned tax credits which exceeds
57 the taxpayer's tax liability may be carried forward for up to five years.

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

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

64 (2) In an amount not to exceed one hundred percent of annual earned credits. The
65 taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection, may
66 use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise
67 imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261,
68 chapter 147, or chapter 148. Unused credits in the hands of the assignee may be carried forward
69 for up to five years, provided all such credits shall be claimed within ten years following the tax
70 years in which the contribution was made. The assignor shall enter into a written agreement with
71 the assignee establishing the terms and conditions of the agreement and shall perfect such
72 transfer by notifying the board in writing within thirty calendar days following the effective day
73 of the transfer and shall provide any information as may be required by the board to administer
74 and carry out the provisions of this section. Notwithstanding any other provision of law to the
75 contrary, the amount received by the assignor of such tax credit shall be taxable as income of the
76 assignor, and the excess of the par value of such credit over the amount paid by the assignee for
77 such credit shall be taxable as income of the assignee.

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

92 **9. Notwithstanding any provision of law to the contrary, no tax credits provided**
93 **under this section shall be authorized on or after August 28, 2014. The provisions of this**

94 **subsection shall not be construed to limit or in any way impair the board's ability to issue**
95 **tax credits authorized prior to August 28, 2014, or a taxpayer's ability to redeem such tax**
96 **credits.**

100.297. 1. The board may authorize a tax credit, as described in this section, to the
2 owner of any revenue bonds or notes issued by the board pursuant to the provisions of sections
3 100.250 to 100.297, for infrastructure facilities as defined in subdivision (9) of section 100.255,
4 if, prior to the issuance of such bonds or notes, the board determines that:

5 (1) The availability of such tax credit is a material inducement to the undertaking of the
6 project in the state of Missouri and to the sale of the bonds or notes;

7 (2) The loan with respect to the project is adequately secured by a first deed of trust or
8 mortgage or comparable lien, or other security satisfactory to the board.

9 2. Upon making the determinations specified in subsection 1 of this section, the board
10 may declare that each owner of an issue of revenue bonds or notes shall be entitled, in lieu of any
11 other deduction with respect to such bonds or notes, to a tax credit against any tax otherwise due
12 by such owner pursuant to the provisions of chapter 143, excluding withholding tax imposed by
13 sections 143.191 to 143.261, chapter 147, or chapter 148, in the amount of one hundred percent
14 of the unpaid principal of and unpaid interest on such bonds or notes held by such owner in the
15 taxable year of such owner following the calendar year of the default of the loan by the borrower
16 with respect to the project. The occurrence of a default shall be governed by documents
17 authorizing the issuance of the bonds. The tax credit allowed pursuant to this section shall be
18 available to the original owners of the bonds or notes or any subsequent owner or owners thereof.
19 Once an owner is entitled to a claim, any such tax credits shall be transferable as provided in
20 subsection 7 of section 100.286. Notwithstanding any provision of Missouri law to the contrary,
21 any portion of the tax credit to which any owner of a revenue bond or note is entitled pursuant
22 to this section which exceeds the total income tax liability of such owner of a revenue bond or
23 note shall be carried forward and allowed as a credit against any future taxes imposed on such
24 owner within the next ten years pursuant to the provisions of chapter 143, excluding withholding
25 tax imposed by sections 143.191 to 143.261, chapter 147, or chapter 148. The eligibility of the
26 owner of any revenue bond or note issued pursuant to the provisions of sections 100.250 to
27 100.297 for the tax credit provided by this section shall be expressly stated on the face of each
28 such bond or note. The tax credit allowed pursuant to this section shall also be available to any
29 financial institution or guarantor which executes any credit facility as security for bonds issued
30 pursuant to this section to the same extent as if such financial institution or guarantor was an
31 owner of the bonds or notes, provided however, in such case the tax credits provided by this
32 section shall be available immediately following any default of the loan by the borrower with
33 respect to the project. In addition to reimbursing the financial institution or guarantor for claims

34 relating to unpaid principal and interest, such claim may include payment of any unpaid fees
35 imposed by such financial institution or guarantor for use of the credit facility.

36 3. The aggregate principal amount of revenue bonds or notes outstanding at any time
37 with respect to which the tax credit provided in this section shall be available shall not exceed
38 fifty million dollars.

39 **4. Notwithstanding any provision of law to the contrary, no tax credits provided**
40 **under this section shall be authorized on or after August 28, 2014. The provisions of this**
41 **subsection shall not be construed to limit or in any way impair the board's ability to issue**
42 **tax credits authorized prior to August 28, 2014, or a taxpayer's ability to redeem such tax**
43 **credits.**

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, 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, except withholding taxes imposed
15 under the provisions of sections 143.191 to 143.265, which were incurred during the tax period
16 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 twenty-five million dollars annually. Of such amount, nine hundred fifty
19 thousand dollars shall be reserved for an approved project for a world headquarters of a business
20 whose primary function is tax return preparation that is located in any home rule city with more
21 than four hundred thousand inhabitants and located in more than one county, which amount
22 reserved shall end in the year of the final maturity of the certificates issued for such approved
23 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.

27 **7. Notwithstanding any provision of law to the contrary, no tax credits provided**
28 **under sections 100.700 to 100.850 shall be authorized on or after August 28, 2017. The**
29 **provisions of this subsection shall not be construed to limit or in any way impair the**
30 **board's ability to issue tax credits authorized prior to August 28, 2017, or a taxpayer's**
31 **ability to redeem such tax credits.**

105.716. 1. Any investigation, defense, negotiation, or compromise of any claim
2 covered by sections 105.711 to 105.726 shall be conducted by the attorney general; provided,
3 that in the case of any claim against the department of conservation, the department of
4 transportation or a public institution which awards baccalaureate degrees, or any officer or
5 employee of such department or such institution, any investigation, defense, negotiation, or
6 compromise of any claim covered by sections 105.711 to 105.726 shall be conducted by legal
7 counsel provided by the respective entity against which the claim is made or which employs the
8 person against whom the claim is made.

9 In the case of any payment from the state legal expense fund based upon a claim or judgment
10 against the department of conservation, the department of transportation or any officer or
11 employee thereof, the department so affected shall immediately transfer to the state legal expense
12 fund from the department funds a sum equal to the amount expended from the state legal expense
13 fund on its behalf.

14 2. All persons and entities protected by the state legal expense fund shall cooperate with
15 the attorneys conducting any investigation and preparing any defense under the provisions of
16 sections 105.711 to 105.726 by assisting such attorneys in all respects, including the making of
17 settlements, the securing and giving of evidence, and the attending and obtaining witness to
18 attend hearings and trials. Funds in the state legal expense fund shall not be used to pay claims
19 and judgments against those persons and entities who do not cooperate as required by this
20 subsection.

21 3. The provisions of sections 105.711 to 105.726 notwithstanding, the attorney general
22 may investigate, defend, negotiate, or compromise any claim covered by sections 105.711 to
23 105.726 against any public institution which awards baccalaureate degrees whose governing
24 body has declared a state of financial exigency.

25 4. Notwithstanding the provisions of subsection 2 of section 105.711, funds in the state
26 legal expense fund may be expended prior to the payment of any claim or any final judgment to
27 pay costs of defense, including reasonable attorney's fees for retention of legal counsel, when the
28 attorney general determines that a conflict exists or particular expertise is required, and also to
29 pay for related legal expenses including medical examination fees, expert witness fees, court
30 reporter expenses, travel costs and ancillary legal expenses incurred prior to the payment of a
31 claim or any final judgment.

32 **5. Notwithstanding any other provision of law to the contrary, except for payments**
33 **of less than ten thousand dollars for property damage, no funds shall be expended from**
34 **the state legal expense fund for settlement of any liability claim except upon the production**
35 **of a no tax due statement from the department of revenue by the party making claim or**
36 **having judgment under section 105.711, which shall be satisfied from such fund. If the**
37 **party is found by the director of revenue to owe a delinquent tax debt to the state of**
38 **Missouri under the revenue laws of this state, after the payment of attorneys fees and**
39 **expenses associated with liability of the fund to the party, any remaining funds to be paid**
40 **to the party from the state legal expense fund shall be offset to satisfy such tax debt before**
41 **payment is made to the party making claim or having judgment.**

135.010. As used in sections 135.010 to 135.030 the following words and terms mean:

2 (1) "Claimant", a person or persons claiming a credit under sections 135.010 to 135.030.
3 If the persons are eligible to file a joint federal income tax return and reside at the same address
4 at any time during the taxable year, then the credit may only be allowed if claimed on a combined
5 Missouri income tax return or a combined claim return reporting their combined incomes and
6 property taxes. A claimant shall not be allowed a property tax credit unless the claimant or
7 spouse has attained the age of sixty-five on or before the last day of the calendar year and the
8 claimant or spouse was a resident of Missouri for the entire year, or the claimant or spouse is a
9 veteran of any branch of the armed forces of the United States or this state who became one
10 hundred percent disabled as a result of such service, or the claimant or spouse is disabled as
11 defined in subdivision (2) of this section, and such claimant or spouse provides proof of such
12 disability in such form and manner, and at such times, as the director of revenue may require, or
13 if the claimant has reached the age of sixty on or before the last day of the calendar year and such
14 claimant received surviving spouse Social Security benefits during the calendar year and the
15 claimant provides proof, as required by the director of revenue, that the claimant received
16 surviving spouse Social Security benefits during the calendar year for which the credit will be
17 claimed. A claimant shall not be allowed a property tax credit if the claimant filed a valid claim
18 for a credit under section 137.106 in the year following the year for which the property tax credit
19 is claimed. The residency requirement shall be deemed to have been fulfilled for the purpose of
20 determining the eligibility of a surviving spouse for a property tax credit if a person of the age
21 of sixty-five years or older who would have otherwise met the requirements for a property tax
22 credit dies before the last day of the calendar year. The residency requirement shall also be
23 deemed to have been fulfilled for the purpose of determining the eligibility of a claimant who
24 would have otherwise met the requirements for a property tax credit but who dies before the last
25 day of the calendar year;

26 (2) "Disabled", the inability to engage in any substantial gainful activity by reason of any
27 medically determinable physical or mental impairment which can be expected to result in death
28 or which has lasted or can be expected to last for a continuous period of not less than twelve
29 months. A claimant shall not be required to be gainfully employed prior to such disability to
30 qualify for a property tax credit;

31 (3) ["Gross rent", amount paid by a claimant to a landlord for the rental, at arm's length,
32 of a homestead during the calendar year, exclusive of charges for health and personal care
33 services and food furnished as part of the rental agreement, whether or not expressly set out in
34 the rental agreement. If the director of revenue determines that the landlord and tenant have not
35 dealt at arm's length, and that the gross rent is excessive, then he shall determine the gross rent
36 based upon a reasonable amount of rent. Gross rent shall be deemed to be paid only if actually
37 paid prior to the date a return is filed. The director of revenue may prescribe regulations
38 requiring a return of information by a landlord receiving rent, certifying for a calendar year the
39 amount of gross rent received from a tenant claiming a property tax credit and shall, by
40 regulation, provide a method for certification by the claimant of the amount of gross rent paid
41 for any calendar year for which a claim is made. The regulations authorized by this subdivision
42 may require a landlord or a tenant or both to provide data relating to health and personal care
43 services and to food. Neither a landlord nor a tenant may be required to provide data relating to
44 utilities, furniture, home furnishings or appliances;

45 (4)] "Homestead", the dwelling in Missouri owned or rented by the claimant and not to
46 exceed five acres of land surrounding it as is reasonably necessary for use of the dwelling as a
47 home. It may consist of part of a multidwelling or multipurpose building and part of the land
48 upon which it is built. "Owned" includes a vendee in possession under a land contract and one
49 or more tenants by the entireties, joint tenants, or tenants in common and includes a claimant
50 actually in possession if he was the immediate former owner of record, if a lineal descendant is
51 presently the owner of record, and if the claimant actually pays all taxes upon the property. It
52 may include a mobile home;

53 [(5)] (4) "Income", Missouri adjusted gross income as defined in section 143.121 less
54 two thousand dollars, or in the case of a homestead owned and occupied, for the entire year, by
55 the claimant, less four thousand dollars as an exemption for the claimant's spouse residing at the
56 same address, and increased, where necessary, to reflect the following:

57 (a) Social Security, railroad retirement, and veterans payments and benefits unless the
58 claimant is a one hundred percent service-connected, disabled veteran or a spouse of a one
59 hundred percent service-connected, disabled veteran. The one hundred percent
60 service-connected disabled veteran shall not be required to list veterans payments and benefits;

61 (b) The total amount of all other public and private pensions and annuities;

62 (c) Public relief, public assistance, and unemployment benefits received in cash, other
63 than benefits received under this chapter;

64 (d) No deduction being allowed for losses not incurred in a trade or business;

65 (e) Interest on the obligations of the United States, any state, or any of their subdivisions
66 and instrumentalities;

67 [(6)] (5) "Property taxes accrued", property taxes paid, exclusive of special assessments,
68 penalties, interest, and charges for service levied on a claimant's homestead in any calendar year.
69 Property taxes shall qualify for the credit only if actually paid prior to the date a return is filed.
70 The director of revenue shall require a tax receipt or other proof of property tax payment. If a
71 homestead is owned only partially by claimant, then "property taxes accrued" is that part of
72 property taxes levied on the homestead which was actually paid by the claimant. For purposes
73 of this subdivision, property taxes are "levied" when the tax roll is delivered to the director of
74 revenue for collection. If a claimant owns a homestead part of the preceding calendar year and
75 rents it or a different homestead for part of the same year, "property taxes accrued" means only
76 taxes levied on the homestead both owned and occupied by the claimant, multiplied by the
77 percentage of twelve months that such property was owned and occupied as the homestead of
78 the claimant during the year. When a claimant owns and occupies two or more different
79 homesteads in the same calendar year, property taxes accrued shall be the sum of taxes allocable
80 to those several properties occupied by the claimant as a homestead for the year. If a homestead
81 is an integral part of a larger unit such as a farm, or multipurpose or multidwelling building,
82 property taxes accrued shall be that percentage of the total property taxes accrued as the value
83 of the homestead is of the total value. For purposes of this subdivision "unit" refers to the parcel
84 of property covered by a single tax statement of which the homestead is a part[;

85 (7) "Rent constituting property taxes accrued", twenty percent of the gross rent paid by
86 a claimant and spouse in the calendar year].

135.025. 1. The property taxes accrued [and rent constituting property taxes accrued]
2 on each return shall be totaled. This total, up to [seven hundred fifty dollars in rent constituting
3 property taxes actually paid or] eleven hundred dollars in actual property tax paid, shall be used
4 in determining the property tax credit. The director of revenue shall prescribe regulations
5 providing for allocations where part of a claimant's homestead is rented to another or used for
6 nondwelling purposes or where a homestead is owned [or rented] or used as a dwelling for part
7 of a year.

8 **2. The director of the department of revenue shall calculate the amount of property**
9 **tax credit that was attributable to renters in fiscal year 2011. Beginning with the budget**
10 **request for fiscal year 2013, the director of the department of revenue shall annually**
11 **request that such amount be appropriated from the general revenue fund to the Missouri**

12 **senior services protection fund. The money in the Missouri senior services protection fund**
 13 **shall be appropriated for the Missouri Rx plan under section 208.782, for services for**
 14 **seniors through the area agencies on aging, and other programs for low-income seniors.**

15 **3. There is hereby created in the state treasury the "Missouri Senior Services**
 16 **Protection Fund" which shall consist of money collected under this section. The state**
 17 **treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180,**
 18 **the state treasurer may approve disbursements. The fund shall be a dedicated fund and,**
 19 **upon appropriation, money in the fund shall be used solely for the administration of this**
 20 **section. Notwithstanding the provisions of section 33.080, to the contrary, any moneys**
 21 **remaining in the fund at the end of the biennium shall not revert to the credit of the**
 22 **general revenue fund. The state treasurer shall invest moneys in the fund in the same**
 23 **manner as other funds are invested. Any interest and moneys earned on such investments**
 24 **shall be credited to the fund.**

135.030. 1. As used in this section:

2 (1) The term "maximum upper limit" shall, for each calendar year after December 31,
 3 1997, but before calendar year 2008, be the sum of twenty-five thousand dollars. For all calendar
 4 years beginning on or after January 1, 2008, the maximum upper limit shall be the sum of
 5 twenty-seven thousand five hundred dollars. In the case of a homestead owned and occupied for
 6 the entire year by the claimant, the maximum upper limit shall be the sum of thirty thousand
 7 dollars;

8 (2) The term "minimum base" shall, for each calendar year after December 31, 1997, but
 9 before calendar year 2008, be the sum of thirteen thousand dollars. For all calendar years
 10 beginning on or after January 1, 2008, the minimum base shall be the sum of fourteen thousand
 11 three hundred dollars.

12 2. If the income on a return is equal to or less than the maximum upper limit for the
 13 calendar year for which the return is filed, the property tax credit shall be determined from a table
 14 of credits based upon the amount by which the total property tax described in section 135.025
 15 exceeds the percent of income in the following list:

16 If the income on the return is:	The percent is:
17 Not over the minimum base	0 percent with credit
18	not to exceed \$1,100
19	in actual property tax
20	[or rent equivalent] paid
21	[up to \$750]
22 Over the minimum base but	1/16 percent accumulative
23 not over the maximum upper	per \$300 from

24 limit 0 percent to 4 percent.

25

26 The director of revenue shall prescribe a table based upon the preceding sentences. The property
27 tax shall be in increments of twenty-five dollars and the income in increments of three hundred
28 dollars. The credit shall be the amount rounded to the nearest whole dollar computed on the
29 basis of the property tax and income at the midpoints of each increment. As used in this
30 subsection, the term "accumulative" means an increase by continuous or repeated application of
31 the percent to the income increment at each three hundred dollar level.

32 3. Notwithstanding subsection 4 of section 32.057, the department of revenue or any
33 duly authorized employee or agent shall determine whether any taxpayer filing a report or return
34 with the department of revenue who has not applied for the credit allowed pursuant to section
35 135.020 may qualify for the credit, and shall notify any qualified claimant of the claimant's
36 potential eligibility, where the department determines such potential eligibility exists.

37 **4. Notwithstanding any provision of law to the contrary, no tax credits provided**
38 **under sections 135.010 to 135.030 shall be authorized on or after August 28, 2015. The**
39 **provisions of this subsection shall not be construed to limit or in any way impair the**
40 **department's ability to issue tax credits authorized prior to August 28, 2015, or a**
41 **taxpayer's ability to redeem such tax credits.**

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

2 (1) "Homestead", the dwelling in Missouri owned by the surviving spouse and not
3 exceeding five acres of land surrounding it as is reasonably necessary for use of the dwelling as
4 a home. As used in this section, "homestead" shall not include any dwelling which is occupied
5 by more than two families;

6 (2) "Public safety officer", any firefighter, police officer, capitol police officer, parole
7 officer, probation officer, correctional employee, water patrol officer, park ranger, conservation
8 officer, commercial motor **vehicle** enforcement officer, emergency medical technician, first
9 responder, or highway patrolman employed by the state of Missouri or a political subdivision
10 thereof who is killed in the line of duty, unless the death was the result of the officer's own
11 misconduct or abuse of alcohol or drugs;

12 (3) "Surviving spouse", a spouse, who has not remarried, of a public safety officer.

13 2. For all tax years beginning on or after January 1, 2008, a surviving spouse shall be
14 allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax
15 imposed by sections 143.191 to 143.265, in an amount equal to the total amount of the property
16 taxes on the surviving spouse's homestead paid during the tax year for which the credit is
17 claimed. A surviving spouse may claim the credit authorized under this section for each tax year
18 beginning the year of death of the public safety officer spouse until the tax year in which the

19 surviving spouse remarries. No credit shall be allowed for the tax year in which the surviving
20 spouse remarries. If the amount allowable as a credit exceeds the income tax reduced by other
21 credits, then the excess shall be considered an overpayment of the income tax.

22 3. The department of revenue shall promulgate rules to implement the provisions of this
23 section.

24 4. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
25 under the authority delegated in this section shall become effective only if it complies with and
26 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
27 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
28 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule
29 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule
30 proposed or adopted after August 28, 2007, shall be invalid and void.

31 5. [Pursuant to section 23.253 of the Missouri sunset act:

32 (1) The provisions of the new program authorized under this section shall automatically
33 sunset six years after August 28, 2007, unless reauthorized by an act of the general assembly; and

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

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

39 **Pursuant to section 23.253 of the Missouri sunset act, the provisions of the program**
40 **authorized under this section are hereby reauthorized and shall automatically sunset on**
41 **August 28, 2015.**

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 incentives
5 set forth in subsections 9 to 14 of section 135.110 for facilities commencing or expanding
6 operations on or after [January 1, 2020] **August 28, 2017.**

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 be
9 entitled to the credits as set forth in subsections 9 to 14 of section 135.110 if the number of new
10 business facility employees attributed to each such expansion is at least twenty-five and the
11 amount of new business facility investment attributed to each such expansion is at least one
12 million dollars. In any year in which a new business facility is not created, the jobs and

13 investment for that year shall be included in calculating the credits for the most recent new
14 business facility and not an earlier created new business facility.

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

135.326. As used in sections 135.325 to 135.339, the following terms shall mean:

2 (1) "Business entity", person, firm, a partner in a firm, corporation or a shareholder in
3 an S corporation doing business in the state of Missouri and subject to the state income tax
4 imposed by the provisions of chapter 143, or a corporation subject to the annual corporation
5 franchise tax imposed by the provisions of chapter 147, or an insurance company paying an
6 annual tax on its gross premium receipts in this state, or other financial institution paying taxes
7 to the state of Missouri or any political subdivision of this state under the provisions of chapter
8 148, or an express company which pays an annual tax on its gross receipts in this state pursuant
9 to chapter 153;

10 (2) "Handicap", a mental, physical, or emotional impairment that substantially limits one
11 or more major life activities, whether the impairment is congenital or acquired by accident, injury
12 or disease, and where the impairment is verified by medical findings;

13 (3) "Nonrecurring adoption expenses", reasonable and necessary adoption fees, court
14 costs, attorney fees, and other expenses which are directly related to the legal adoption of a
15 special needs child and which are not incurred in violation of federal, state, or local law.
16 **"Nonrecurring adoption expenses" shall not include expenses incurred as a result of an**
17 **international adoption;**

18 (4) "Special needs child", a child for whom it has been determined by the division of
19 family services, or by a child-placing agency licensed by the state, or by a court of competent
20 jurisdiction to be a child:

21 (a) That cannot or should not be returned to the home of his or her parents; and

22 (b) Who has a specific factor or condition such as ethnic background, age, membership
23 in a minority or sibling group, medical condition, or handicap because of which it is reasonable
24 to conclude that such child cannot be easily placed with adoptive parents;

25 (5) "State tax liability", any liability incurred by a taxpayer under the provisions of
26 chapter 143, chapter 147, chapter 148, and chapter 153, exclusive of the provisions relating to
27 the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions.

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

2 (1) "CASA", an entity which receives funding from the court-appointed special advocate
3 fund established under section 476.777, including an association based in this state, affiliated

4 with a national association, organized to provide support to entities receiving funding from the
5 court-appointed special advocate fund;

6 (2) "Child advocacy centers", the regional child assessment centers listed in subsection
7 2 of section 210.001;

8 (3) "Contribution", amount of donation to qualified agency;

9 (4) "Crisis care center", entities contracted with this state which provide temporary care
10 for children whose age ranges from birth through seventeen years of age whose parents or
11 guardian are experiencing an unexpected and unstable or serious condition that requires
12 immediate action resulting in short-term care, usually three to five continuous, uninterrupted
13 days, for children who may be at risk for child abuse, neglect, or in an emergency situation;

14 (5) "Department", the department of revenue;

15 (6) "Director", the director of the department of revenue;

16 (7) "Qualified agency", CASA, child advocacy centers, or a crisis care center;

17 (8) "Tax liability", the tax due under chapter 143 other than taxes withheld under
18 sections 143.191 to 143.265.

19 2. Any person residing in this state who legally adopts a special needs child on or after
20 January 1, 1988, and before January 1, 2000, shall be eligible to receive a tax credit of up to ten
21 thousand dollars for nonrecurring adoption expenses for each child adopted that may be applied
22 to taxes due under chapter 143. Any business entity providing funds to an employee to enable
23 that employee to legally adopt a special needs child shall be eligible to receive a tax credit of up
24 to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may be
25 applied to taxes due under such business entity's state tax liability, except that only one ten
26 thousand dollar credit is available for each special needs child that is adopted.

27 3. Any person residing in this state who proceeds in good faith with the adoption of a
28 special needs child on or after January 1, 2000, shall be eligible to receive a tax credit of up to
29 ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to
30 taxes due under chapter 143; provided, however, that beginning on or after July 1, 2004, two
31 million dollars of the tax credits allowed shall be allocated for the adoption of special needs
32 children who are residents or wards of residents of this state at the time the adoption is initiated.
33 Any business entity providing funds to an employee to enable that employee to proceed in good
34 faith with the adoption of a special needs child shall be eligible to receive a tax credit of up to
35 ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to
36 taxes due under such business entity's state tax liability, except that only one ten thousand dollar
37 credit is available for each special needs child that is adopted.

38 4. Individuals and business entities may claim a tax credit for their total nonrecurring
39 adoption expenses in each year that the expenses are incurred. A claim for fifty percent of the

40 credit shall be allowed when the child is placed in the home. A claim for the remaining fifty
41 percent shall be allowed when the adoption is final. The total of these tax credits shall not
42 exceed the maximum limit of ten thousand dollars per child. The cumulative amount of tax
43 credits which may be claimed by taxpayers claiming the credit for nonrecurring adoption
44 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million dollars. The
45 cumulative amount of tax credits that may be claimed by taxpayers claiming the credit for
46 nonrecurring adoption expenses shall not be more than four million dollars but may be increased
47 by appropriation in any fiscal year beginning on or after July 1, 2004; provided, however, that
48 by December thirty-first following each July, if less than two million dollars in credits have been
49 issued for adoption of special needs children who are not residents or wards of residents of this
50 state at the time the adoption is initiated, the remaining amount of the cap shall be available for
51 the adoption of special needs children who are residents or wards of residents of this state at the
52 time the adoption is initiated. For all fiscal years beginning on or after July 1, 2006, applications
53 to claim the adoption tax credit for special needs children who are residents or wards of residents
54 of this state at the time the adoption is initiated shall be filed between July first and April
55 fifteenth of each fiscal year. For all fiscal years beginning on or after July 1, 2006, applications
56 to claim the adoption tax credit for special needs children who are not residents or wards of
57 residents of this state at the time the adoption is initiated shall be filed between July first and
58 December thirty-first of each fiscal year.

59 5. Notwithstanding any provision of law to the contrary, any individual or business entity
60 may assign, transfer or sell tax credits allowed in this section. Any sale of tax credits claimed
61 pursuant to this section shall be at a discount rate of seventy-five percent or greater of the amount
62 sold.

63 6. The director of revenue shall establish a procedure by which, for each fiscal year, the
64 cumulative amount of tax credits authorized in this section is equally apportioned among all
65 taxpayers within the two categories specified in subsection 3 of this section claiming the credit
66 in that fiscal year. To the maximum extent possible, the director of revenue shall establish the
67 procedure described in this subsection in such a manner as to ensure that taxpayers within each
68 category can claim all the tax credits possible up to the cumulative amount of tax credits
69 available for the fiscal year.

70 7. For all tax years beginning on or after January 1, 2006, a tax credit may be claimed
71 in an amount equal to up to fifty percent of a verified contribution to a qualified agency and shall
72 be named the children in crisis tax credit. The minimum amount of any tax credit issued shall
73 not be less than fifty dollars and shall be applied to taxes due under chapter 143, excluding
74 sections 143.191 to 143.265. A contribution verification shall be issued to the taxpayer by the
75 agency receiving the contribution. Such contribution verification shall include the taxpayer's

76 name, Social Security number, amount of tax credit, amount of contribution, the name and
77 address of the agency receiving the credit, and the date the contribution was made. The tax credit
78 provided under this subsection shall be initially filed for the year in which the verified
79 contribution is made.

80 8. The cumulative amount of the tax credits redeemed shall not exceed the unclaimed
81 portion of the resident adoption category allocation as described in this section. The director of
82 revenue shall determine the unclaimed portion available. The amount available shall be equally
83 divided among the three qualified agencies: CASA, child advocacy centers, or crisis care centers
84 to be used towards tax credits issued. In the event tax credits claimed under one agency do not
85 total the allocated amount for that agency, the unused portion for that agency will be made
86 available to the remaining agencies equally. In the event the total amount of tax credits claimed
87 for any one agency exceeds the amount available for that agency, the amount redeemed shall and
88 will be apportioned equally to all eligible taxpayers claiming the credit under that agency. After
89 all children in crisis tax credits have been claimed, any remaining unclaimed portion of the
90 reserved allocation for adoptions of special needs children who are residents or wards of
91 residents of this state shall then be made available for adoption tax credit claims of special needs
92 children who are not residents or wards of residents of this state at the time the adoption is
93 initiated.

94 9. Prior to December thirty-first of each year, the entities listed under the definition of
95 qualified agency shall apply to the department of social services in order to verify their qualified
96 agency status. Upon a determination that the agency is eligible to be a qualified agency, the
97 department of social services shall provide a letter of eligibility to such agency. No later than
98 February first of each year, the department of social services shall provide a list of qualified
99 agencies to the department of revenue. All tax credit applications to claim the children in crisis
100 tax credit shall be filed between July first and April fifteenth of each fiscal year. A taxpayer shall
101 apply for the children in crisis tax credit by attaching a copy of the contribution verification
102 provided by a qualified agency to such taxpayer's income tax return.

103 10. The tax credits provided under this section shall be subject to the provisions of
104 section 135.333.

105 11. (1) In the event a credit denial, due to lack of available funds, causes a balance-due
106 notice to be generated by the department of revenue, or any other redeeming agency, the taxpayer
107 will not be held liable for any penalty or interest, provided the balance is paid, or approved
108 payment arrangements have been made, within sixty days from the notice of denial.

109 (2) In the event the balance is not paid within sixty days from the notice of denial, the
110 remaining balance shall be due and payable under the provisions of chapter 143.

12. The director shall calculate the level of appropriation necessary to issue all tax credits for nonresident special needs adoptions applied for under this section and provide such calculation to the speaker of the house of representatives, the president pro tempore of the senate, and the director of the division of budget and planning in the office of administration by January thirty-first of each year.

13. The department may promulgate such rules or regulations as are necessary to administer the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be invalid and void.

14. [Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under subsections 7 to 12 of this section shall automatically sunset six years after August 28, 2006, unless reauthorized by an act of the general assembly; and

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

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.] **Notwithstanding any provision of law to the contrary, no tax credits provided under sections 135.325 to 135.339 shall be authorized on or after August 28, 2015. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such tax credits.**

135.350. As used in [this section] **sections 135.350 to 135.363**, unless the context clearly requires otherwise, the following words and phrases shall mean:

(1) "Commission", the Missouri housing development commission, or its successor agency;

(2) "Director", director of the department of revenue;

(3) "Eligibility statement", a statement authorized and issued by the commission certifying that a given project qualifies for the Missouri low-income housing tax credit. The commission shall promulgate rules establishing criteria upon which the eligibility statements will

9 be issued. The eligibility statement shall specify the amount of the Missouri low-income housing
10 tax credit allowed. The commission shall only authorize the tax credits to qualified projects
11 which begin after June 18, 1991;

12 (4) **"Federal credit period", the same meaning as is prescribed the term "credit**
13 **period" under section 42 of the 1986 Internal Revenue Code, as amended;**

14 (5) "Federal low-income housing tax credit", the federal tax credit as provided in section
15 42 of the 1986 Internal Revenue Code, as amended;

16 [(5)] (6) "Low-income project", a housing project which has restricted rents that do not
17 exceed thirty percent of median income for at least forty percent of its units occupied by persons
18 of families having incomes of sixty percent or less of the median income, or at least twenty
19 percent of the units occupied by persons or families having incomes of fifty percent or less of the
20 median income;

21 [(6)] (7) "Median income", those incomes which are determined by the federal
22 Department of Housing and Urban Development guidelines and adjusted for family size;

23 [(7)] (8) "Qualified Missouri project", a qualified low-income building as that term is
24 defined in section 42 of the 1986 Internal Revenue Code, as amended, which is located in
25 Missouri;

26 [(8)] (9) "Taxpayer", person, firm or corporation subject to the state income tax imposed
27 by the provisions of chapter 143 (except withholding imposed by sections 143.191 to 143.265)
28 or a corporation subject to the annual corporation franchise tax imposed by the provisions of
29 chapter 147, or an insurance company paying an annual tax on its gross premium receipts in this
30 state, or other financial institution paying taxes to the state of Missouri or any political
31 subdivision of this state under the provisions of chapter 148, or an express company which pays
32 an annual tax on its gross receipts in this state.

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 a state
3 tax credit, whether or not allowed a federal tax credit, to be termed the Missouri low-income
4 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] **credit**
9 period, and such amount shall be subtracted from the amount of state tax otherwise due for the
10 same tax period.

11 3. No more than six million dollars in tax credits shall be authorized each fiscal year
12 **ending on or before June 30, 2011**, for projects financed through tax-exempt bond issuance.

13 4. For purposes of the limitations provided under this subsection, the aggregate
14 amount of tax credits allowed over a federal credit period shall be attributed to the fiscal
15 year in which such credits are authorized by the commission for a qualified Missouri
16 project. For each fiscal year beginning on or after July 1, 2011, there shall be a one
17 hundred ten million dollar cap on tax credit authorizations for projects which are not
18 financed through tax exempt bond issuance. For each fiscal year beginning on or after
19 July 1, 2011, but ending on or before June 30, 2015, there shall be a twenty million dollar
20 cap on tax credit authorizations for projects which are financed through tax exempt bond
21 issuance. No tax credits shall be authorized after June 30, 2015, for projects financed
22 through tax-exempt bond issuance.

23 5. The Missouri low-income housing tax credit shall be taken against the taxes and in
24 the order specified pursuant to section 32.115. The credit authorized by this section shall not be
25 refundable. Any amount of credit that exceeds the tax due for a taxpayer's taxable year may be
26 carried back to any of the taxpayer's three prior taxable years or carried forward to any of the
27 taxpayer's five subsequent taxable years. **For projects authorized on or after July 1, 2011, any**
28 **amount of credit that exceeds the tax due for a taxpayer's taxable year may be carried**
29 **forward to any of the taxpayer's five subsequent taxable years or carried back to any of**
30 **the taxpayer's two prior taxable years.**

31 [5.] 6. All or any portion of Missouri tax credits issued in accordance with the provisions
32 of sections 135.350 to 135.362 may be allocated to parties who are eligible pursuant to the
33 provisions of subsection 1 of this section. Beginning January 1, 1995, for qualified projects
34 which began on or after January 1, 1994, an owner of a qualified Missouri project shall certify
35 to the director the amount of credit allocated to each taxpayer. The owner of the project shall
36 provide to the director appropriate information so that the low-income housing tax credit can be
37 properly allocated.

38 [6.] 7. In the event that recapture of Missouri low-income housing tax credits is required
39 pursuant to subsection 2 of section 135.355, any statement submitted to the director as provided
40 in this section shall include the proportion of the state credit required to be recaptured, the
41 identity of each taxpayer subject to the recapture and the amount of credit previously allocated
42 to such taxpayer.

43 **8. A taxpayer that receives state tax credits under the provisions of sections 253.545**
44 **to 253.559 shall be ineligible to receive state tax credits under the provisions of sections**
45 **135.350 to 135.363 for the same project, if such project is not financed through tax-exempt**
46 **bond issuance.**

47 [7.] 9. The director of the department may promulgate rules and regulations necessary
48 to administer the provisions of this section. No rule or portion of a rule promulgated pursuant

49 to the authority of this section shall become effective unless it has been promulgated pursuant
50 to the provisions of section 536.024.

51 **10. Notwithstanding any provision of law to the contrary, no tax credits provided**
52 **under this section shall be authorized on or after August 28, 2018. The provisions of this**
53 **subsection shall not be construed to limit or in any way impair the department's ability to**
54 **issue tax credits authorized prior to August 28, 2018, or a taxpayer's ability to redeem such**
55 **tax credits.**

135.460. 1. This section and sections 620.1100 and 620.1103 shall be known and may
2 be cited as the "Youth Opportunities and Violence Prevention Act".

3 2. As used in this section, the term "taxpayer" shall include corporations as defined in
4 section 143.441 or 143.471, any charitable organization which is exempt from federal income
5 tax and whose Missouri unrelated business taxable income, if any, would be subject to the state
6 income tax imposed under chapter 143, and individuals, individual proprietorships and
7 partnerships.

8 3. A taxpayer shall be allowed a tax credit against the tax otherwise due pursuant to
9 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, chapter 147,
10 chapter 148, or chapter 153 in an amount equal to thirty percent for property contributions and
11 fifty percent for monetary contributions of the amount such taxpayer contributed to the programs
12 described in subsection 5 of this section, not to exceed two hundred thousand dollars per taxable
13 year, per taxpayer; except as otherwise provided in subdivision (5) of subsection 5 of this
14 section. The department of economic development shall prescribe the method for claiming the
15 tax credits allowed in this section. No rule or portion of a rule promulgated under the authority
16 of this section shall become effective unless it has been promulgated pursuant to the provisions
17 of chapter 536. All rulemaking authority delegated prior to June 27, 1997, is of no force and
18 effect and repealed; however, nothing in this section shall be interpreted to repeal or affect the
19 validity of any rule filed or adopted prior to June 27, 1997, if such rule complied with the
20 provisions of chapter 536. The provisions of this section and chapter 536 are nonseverable and
21 if any of the powers vested with the general assembly pursuant to chapter 536, including the
22 ability to review, to delay the effective date, or to disapprove and annul a rule or portion of a
23 rule, are subsequently held unconstitutional, then the purported grant of rulemaking authority and
24 any rule so proposed and contained in the order of rulemaking shall be invalid and void.

25 4. The tax credits allowed by this section shall be claimed by the taxpayer to offset the
26 taxes that become due in the taxpayer's tax period in which the contribution was made. Any tax
27 credit not used in such tax period may be carried over the next five succeeding tax periods.

28 5. The tax credit allowed by this section may only be claimed for monetary or property
29 contributions to public or private programs authorized to participate pursuant to this section by

30 the department of economic development and may be claimed for the development,
31 establishment, implementation, operation, and expansion of the following activities and
32 programs:

33 (1) An adopt-a-school program. Components of the adopt-a-school program shall
34 include donations for school activities, seminars, and functions; school-business employment
35 programs; and the donation of property and equipment of the corporation to the school;

36 (2) Expansion of programs to encourage school dropouts to reenter and complete high
37 school or to complete a graduate equivalency degree program;

38 (3) Employment programs. Such programs shall initially, but not exclusively, target
39 unemployed youth living in poverty and youth living in areas with a high incidence of crime;

40 (4) New or existing youth clubs or associations;

41 (5) Employment/internship/apprenticeship programs in business or trades for persons
42 less than twenty years of age, in which case the tax credit claimed pursuant to this section shall
43 be equal to one-half of the amount paid to the intern or apprentice in that tax year, except that
44 such credit shall not exceed ten thousand dollars per person;

45 (6) Mentor and role model programs;

46 (7) Drug and alcohol abuse prevention training programs for youth;

47 (8) Donation of property or equipment of the taxpayer to schools, including schools
48 which primarily educate children who have been expelled from other schools, or donation of the
49 same to municipalities, or not-for-profit corporations or other not-for-profit organizations which
50 offer programs dedicated to youth violence prevention as authorized by the department;

51 (9) Not-for-profit, private or public youth activity centers;

52 (10) Nonviolent conflict resolution and mediation programs;

53 (11) Youth outreach and counseling programs.

54 6. Any program authorized in subsection 5 of this section shall, at least annually, submit
55 a report to the department of economic development outlining the purpose and objectives of such
56 program, the number of youth served, the specific activities provided pursuant to such program,
57 the duration of such program and recorded youth attendance where applicable.

58 7. The department of economic development shall, at least annually submit a report to
59 the Missouri general assembly listing the organizations participating, services offered and the
60 number of youth served as the result of the implementation of this section.

61 8. The tax credit allowed by this section shall apply to all taxable years beginning after
62 December 31, 1995.

63 9. For the purposes of the credits described in this section, in the case of a corporation
64 described in section 143.471, partnership, limited liability company described in section 347.015,

65 cooperative, marketing enterprise, or partnership, in computing Missouri's tax liability, such
66 credits shall be allowed to the following:

- 67 (1) The shareholders of the corporation described in section 143.471;
68 (2) The partners of the partnership;
69 (3) The members of the limited liability company; and
70 (4) Individual members of the cooperative or marketing enterprise. Such credits shall be
71 apportioned to the entities described in subdivisions (1) and (2) of this subsection in proportion
72 to their share of ownership on the last day of the taxpayer's tax period.

73 **10. Notwithstanding any provision of law to the contrary, no tax credits provided**
74 **under this section shall be authorized on or after August 28, 2015. The provisions of this**
75 **subsection shall not be construed to limit or in any way impair the department's ability to**
76 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such**
77 **tax credits.**

135.484. 1. Beginning January 1, 2000, tax credits shall be allowed pursuant to section
2 135.481 in an amount not to exceed sixteen million dollars per year. Of this total amount of tax
3 credits in any given year, eight million dollars shall be set aside for projects in areas described
4 in subdivision (6) of section 135.478 and eight million dollars for projects in areas described in
5 subdivision (10) of section 135.478. The maximum tax credit for a project consisting of
6 multiple-unit qualifying residences in a distressed community shall not exceed three million
7 dollars.

8 2. Any amount of credit which exceeds the tax liability of a taxpayer for the tax year in
9 which the credit is first claimed may be carried back to any of the taxpayer's three prior tax years
10 and carried forward to any of the taxpayer's five subsequent tax years. A certificate of tax credit
11 issued to a taxpayer by the department may be assigned, transferred, sold or otherwise conveyed.
12 Whenever a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a
13 notarized endorsement shall be filed with the department specifying the name and address of the
14 new owner of the tax credit and the value of the credit.

15 3. The tax credits allowed pursuant to sections 135.475 to 135.487 may not be claimed
16 in addition to any other state tax credits, with the exception of the historic structures
17 rehabilitation tax credit authorized pursuant to sections 253.545 to 253.559, which insofar as
18 sections 135.475 to 135.487 are concerned may be claimed only in conjunction with the tax
19 credit allowed pursuant to subsection 4 of section 135.481. In order for a taxpayer eligible for
20 the historic structures rehabilitation tax credit to claim the tax credit allowed pursuant to
21 subsection 4 of section 135.481, the taxpayer must comply with the requirements of sections
22 253.545 to 253.559, and in such cases, the amount of the tax credit pursuant to subsection 4 of

23 section 135.481 shall be limited to the lesser of twenty percent of the taxpayer's eligible costs or
24 forty thousand dollars.

25 **4. Notwithstanding any provision of law to the contrary, no tax credits provided**
26 **under sections 135.475 to 135.487 shall be authorized on or after the effective date of this**
27 **act. The provisions of this subsection shall not be construed to limit or in any way impair**
28 **the department's ability to issue tax credits authorized prior to the effective date of this act,**
29 **or a taxpayer's ability to redeem such tax credits.**

135.490. 1. In order to encourage and foster community improvement, an eligible small
2 business, as defined in Section 44 of the Internal Revenue Code, shall be allowed a credit not to
3 exceed five thousand dollars against the tax otherwise due pursuant to chapter 143, not including
4 sections 143.191 to 143.265, in an amount equal to fifty percent of all eligible access
5 expenditures exceeding the monetary cap provided by Section 44 of the Internal Revenue Code.
6 For purposes of this section, "eligible access expenditures" means amounts paid or incurred by
7 the taxpayer in order to comply with applicable access requirements provided by the Americans
8 With Disabilities Act of 1990, as further defined in Section 44 of the Internal Revenue Code and
9 federal rulings interpreting Section 44 of the Internal Revenue Code.

10 2. The tax credit allowed by this section shall be claimed by the taxpayer at the time such
11 taxpayer files a return. Any amount of tax credit which exceeds the tax due shall be carried over
12 to any subsequent taxable year, but shall not be refunded and shall not be transferable.

13 3. The director of the department of economic development and the director of the
14 department of revenue shall jointly administer the tax credit authorized by this section. Both the
15 director of the department of economic development and the director of the department of
16 revenue are authorized to promulgate rules and regulations necessary to administer the provisions
17 of this section. No rule or portion of a rule promulgated pursuant to the authority of this section
18 shall become effective unless it has been promulgated pursuant to the provisions of chapter 536.

19 4. The provisions of this section shall become effective on January 1, 2000, and shall
20 apply to all taxable years beginning after December 31, 1999.

21 **5. Notwithstanding any provision of law to the contrary, no tax credits provided**
22 **under sections 135.475 to 135.487 shall be authorized on or after the effective date of this**
23 **act. The provisions of this subsection shall not be construed to limit or in any way impair**
24 **the department's ability to issue tax credits authorized prior to the effective date of this act,**
25 **or a taxpayer's ability to redeem such tax credits.**

135.535. 1. A corporation, limited liability corporation, partnership or sole
2 proprietorship, which moves its operations from outside Missouri or outside a distressed
3 community into a distressed community, or which commences operations in a distressed
4 community on or after January 1, 1999, and in either case has more than seventy-five percent of

5 its employees at the facility in the distressed community, and which has fewer than one hundred
6 employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical
7 devices, scientific research, animal research, computer software design or development,
8 computer programming, including Internet, web hosting, and other information technology,
9 wireless or wired or other telecommunications or a professional firm shall receive a forty percent
10 credit against income taxes owed pursuant to chapter 143, 147 or 148, other than taxes withheld
11 pursuant to sections 143.191 to 143.265, for each of the three years after such move, if approved
12 by the department of economic development, which shall issue a certificate of eligibility if the
13 department determines that the taxpayer is eligible for such credit. The maximum amount of
14 credits per taxpayer set forth in this subsection shall not exceed one hundred twenty-five
15 thousand dollars for each of the three years for which the credit is claimed. The department of
16 economic development, by means of rule or regulation promulgated pursuant to the provisions
17 of chapter 536, shall assign appropriate North American Industry Classification System numbers
18 to the companies which are eligible for the tax credits provided for in this section. Such
19 three-year credits shall be awarded only one time to any company which moves its operations
20 from outside of Missouri or outside of a distressed community into a distressed community or
21 to a company which commences operations within a distressed community. A taxpayer shall file
22 an application for certification of the tax credits for the first year in which credits are claimed and
23 for each of the two succeeding taxable years for which credits are claimed.

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

33 3. A tax credit against income taxes owed pursuant to chapter 143, 147 or 148, other than
34 the taxes withheld pursuant to sections 143.191 to 143.265, in lieu of the credit against income
35 taxes as provided in subsection 1 of this section, may be taken by such an entity in a distressed
36 community in an amount of forty percent of the amount of funds expended for computer
37 equipment and its maintenance, medical laboratories and equipment, research laboratory
38 equipment, manufacturing equipment, fiber optic equipment, high speed telecommunications,
39 wiring or software development expense up to a maximum of seventy-five thousand dollars in

40 tax credits for such equipment or expense per year per entity and for each of three years after
41 commencement in or moving operations into a distressed community.

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

51 5. An existing corporation, partnership or sole proprietorship that is located within a
52 distressed community and that relocates employees from another facility outside of the distressed
53 community to its facility within the distressed community, and an existing business located
54 within a distressed community that hires new employees for that facility may both be eligible for
55 the tax credits allowed by subsections 1 and 3 of this section. To be eligible for such tax credits,
56 such a business, during one of its tax years, shall employ within a distressed community at least
57 twice as many employees as were employed at the beginning of that tax year. A business hiring
58 employees shall have no more than one hundred employees before the addition of the new
59 employees. This subsection shall only apply to a business which is a manufacturing, biomedical,
60 medical devices, scientific research, animal research, computer software design or development,
61 computer programming or telecommunications business, or a professional firm.

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

66 7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section shall
67 be for an amount of no more than ten million dollars for each year beginning in 1999. [To the
68 extent there are available tax credits remaining under the ten million dollar cap provided in this
69 section, up to one hundred thousand dollars in the remaining credits shall first be used for tax
70 credits authorized under section 135.562.] The total maximum credit for all entities already
71 located in distressed communities and claiming credits pursuant to subsection 4 of this section
72 shall be seven hundred and fifty thousand dollars. The department of economic development in
73 approving taxpayers for the credit as provided for in subsection 6 of this section shall use
74 information provided by the department of revenue regarding taxes paid in the previous year, or
75 projected taxes for those entities newly established in the state, as the method of determining

76 when this maximum will be reached and shall maintain a record of the order of approval. Any
77 tax credit not used in the period for which the credit was approved may be carried over until the
78 full credit has been allowed.

79 8. A Missouri employer relocating into a distressed community and having employees
80 covered by a collective bargaining agreement at the facility from which it is relocating shall not
81 be eligible for the credits in subsection 1, 3, 4 or 5 of this section, and its employees shall not be
82 eligible for the credit in subsection 2 of this section if the relocation violates or terminates a
83 collective bargaining agreement covering employees at the facility, unless the affected collective
84 bargaining unit concurs with the move.

85 9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax
86 credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the
87 tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and
88 135.245, respectively, for the same business for the same tax period.

89 **10. Notwithstanding any provision of law to the contrary, no tax credits provided**
90 **under this section shall be authorized on or after the effective date of this act. The**
91 **provisions of this subsection shall not be construed to limit or in any way impair the**
92 **department's ability to issue tax credits authorized prior to the effective date of this act,**
93 **or a taxpayer's ability to redeem such tax credits.**

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

2 (1) "Contribution", a donation of cash, stock, bonds or other marketable securities, or
3 real property;

4 (2) "Shelter for victims of domestic violence", a facility located in this state which meets
5 the definition of a shelter for victims of domestic violence pursuant to section 455.200 and which
6 meets the requirements of section 455.220;

7 (3) "State tax liability", in the case of a business taxpayer, any liability incurred by such
8 taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153,
9 exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191
10 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability incurred
11 by such taxpayer pursuant to the provisions of chapter 143;

12 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a shareholder in an S
13 corporation doing business in the state of Missouri and subject to the state income tax imposed
14 by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax
15 imposed by the provisions of chapter 147, including any charitable organization which is exempt
16 from federal income tax and whose Missouri unrelated business taxable income, if any, would
17 be subject to the state income tax imposed under chapter 143, or an insurance company paying
18 an annual tax on its gross premium receipts in this state, or other financial institution paying

19 taxes to the state of Missouri or any political subdivision of this state pursuant to the provisions
20 of chapter 148, or an express company which pays an annual tax on its gross receipts in this state
21 pursuant to chapter 153, or an individual subject to the state income tax imposed by the
22 provisions of chapter 143.

23 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
24 liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a shelter
25 for victims of domestic violence.

26 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
27 state tax liability for the taxable year that the credit is claimed, and such taxpayer shall not be
28 allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However, any
29 tax credit that cannot be claimed in the taxable year the contribution was made may be carried
30 over to the next four succeeding taxable years until the full credit has been claimed.

31 4. Except for any excess credit which is carried over pursuant to subsection 3 of this
32 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such
33 taxpayer's contribution or contributions to a shelter or shelters for victims of domestic violence
34 in such taxpayer's taxable year has a value of at least one hundred dollars.

35 5. The director of the department of social services shall determine, at least annually,
36 which facilities in this state may be classified as shelters for victims of domestic violence. The
37 director of the department of social services may require of a facility seeking to be classified as
38 a shelter for victims of domestic violence whatever information is reasonably necessary to make
39 such a determination. The director of the department of social services shall classify a facility
40 as a shelter for victims of domestic violence if such facility meets the definition set forth in
41 subsection 1 of this section.

42 6. The director of the department of social services shall establish a procedure by which
43 a taxpayer can determine if a facility has been classified as a shelter for victims of domestic
44 violence, and by which such taxpayer can then contribute to such shelter for victims of domestic
45 violence and claim a tax credit. Shelters for victims of domestic violence shall be permitted to
46 decline a contribution from a taxpayer. The cumulative amount of tax credits which may be
47 claimed by all the taxpayers contributing to shelters for victims of domestic violence in any one
48 fiscal year shall not exceed two million dollars.

49 7. The director of the department of social services shall establish a procedure by which,
50 from the beginning of the fiscal year until some point in time later in the fiscal year to be
51 determined by the director of the department of social services, the cumulative amount of tax
52 credits are equally apportioned among all facilities classified as shelters for victims of domestic
53 violence. If a shelter for victims of domestic violence fails to use all, or some percentage to be
54 determined by the director of the department of social services, of its apportioned tax credits

55 during this predetermined period of time, the director of the department of social services may
56 reapportion these unused tax credits to those shelters for victims of domestic violence that have
57 used all, or some percentage to be determined by the director of the department of social
58 services, of their apportioned tax credits during this predetermined period of time. The director
59 of the department of social services may establish more than one period of time and reapportion
60 more than once during each fiscal year. To the maximum extent possible, the director of the
61 department of social services shall establish the procedure described in this subsection in such
62 a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative
63 amount of tax credits available for the fiscal year.

64 8. This section shall become effective January 1, 2000, and shall apply to all tax years
65 after December 31, 1999.

66 **9. Notwithstanding any provision of law to the contrary, no tax credits provided**
67 **under this section shall be authorized on or after August 28, 2015. The provisions of this**
68 **subsection shall not be construed to limit or in any way impair the department's ability to**
69 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such**
70 **tax credits.**

135.562. 1. If any taxpayer with a federal adjusted gross income of thirty thousand
2 dollars or less incurs costs for the purpose of making all or any portion of such taxpayer's
3 principal dwelling accessible to an individual with a disability who permanently resides with the
4 taxpayer, such taxpayer shall receive a tax credit against such taxpayer's Missouri income tax
5 liability in an amount equal to the lesser of one hundred percent of such costs or two thousand
6 five hundred dollars per taxpayer, per tax year.

7 2. Any taxpayer with a federal adjusted gross income greater than thirty thousand dollars
8 but less than sixty thousand dollars who incurs costs for the purpose of making all or any portion
9 of such taxpayer's principal dwelling accessible to an individual with a disability who
10 permanently resides with the taxpayer shall receive a tax credit against such taxpayer's Missouri
11 income tax liability in an amount equal to the lesser of fifty percent of such costs or two thousand
12 five hundred dollars per taxpayer per tax year. No taxpayer shall be eligible to receive tax credits
13 under this section in any tax year immediately following a tax year in which such taxpayer
14 received tax credits under the provisions of this section.

15 3. Tax credits issued pursuant to this section may be refundable in an amount not to
16 exceed two thousand five hundred dollars per tax year.

17 4. Eligible costs for which the credit may be claimed include:

- 18 (1) Constructing entrance or exit ramps;
19 (2) Widening exterior or interior doorways;
20 (3) Widening hallways;

- 21 (4) Installing handrails or grab bars;
- 22 (5) Moving electrical outlets and switches;
- 23 (6) Installing stairway lifts;
- 24 (7) Installing or modifying fire alarms, smoke detectors, and other alerting systems;
- 25 (8) Modifying hardware of doors; or
- 26 (9) Modifying bathrooms.

27 5. The tax credits allowed, including the maximum amount that may be claimed,
28 pursuant to this section shall be reduced by an amount sufficient to offset any amount of such
29 costs a taxpayer has already deducted from such taxpayer's federal adjusted gross income or to
30 the extent such taxpayer has applied any other state or federal income tax credit to such costs.

31 6. A taxpayer shall claim a credit allowed by this section in the same taxable year as the
32 credit is issued, and at the time such taxpayer files his or her Missouri income tax return;
33 provided that such return is timely filed.

34 7. The department may, in consultation with the department of social services,
35 promulgate such rules or regulations as are necessary to administer the provisions of this section.
36 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
37 authority delegated in this section shall become effective only if it complies with and is subject
38 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
39 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
40 to chapter 536 to review, to delay the effective date or to disapprove and annul a rule are
41 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
42 or adopted after August 28, 2007, shall be invalid and void.

43 8. The provisions of this section shall apply to all tax years beginning on or after January
44 1, 2008.

45 9. [The provisions of this section shall expire December 31, 2013.

46 10.] In no event shall the aggregate amount of all tax credits allowed pursuant to this
47 section exceed one hundred thousand dollars in any given fiscal year. The tax credits issued
48 pursuant to this section shall be on a first-come, first-served filing basis.

49 **10. Notwithstanding any provision of law to the contrary, no tax credits provided**
50 **under this section shall be authorized on or after August 28, 2015. The provisions of this**
51 **subsection shall not be construed to limit or in any way impair the department's ability to**
52 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such**
53 **tax credits.**

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

- 2 (1) "Contribution", a donation of cash, stock, bonds or other marketable securities, or
- 3 real property;

4 (2) "Maternity home", a residential facility located in this state established for the
5 purpose of providing housing and assistance to pregnant women who are carrying their
6 pregnancies to term, and which is exempt from income taxation under the United States Internal
7 Revenue Code;

8 (3) "State tax liability", in the case of a business taxpayer, any liability incurred by such
9 taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153,
10 exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191
11 to 143.265, and related provisions, and in the case of an individual taxpayer, any liability
12 incurred by such taxpayer pursuant to the provisions of chapter 143;

13 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a shareholder in an S
14 corporation doing business in the state of Missouri and subject to the state income tax imposed
15 by the provisions of chapter 143, including any charitable organization which is exempt from
16 federal income tax and whose Missouri unrelated business taxable income, if any, would be
17 subject to the state income tax imposed under chapter 143, or a corporation subject to the annual
18 corporation franchise tax imposed by the provisions of chapter 147, or an insurance company
19 paying an annual tax on its gross premium receipts in this state, or other financial institution
20 paying taxes to the state of Missouri or any political subdivision of this state pursuant to the
21 provisions of chapter 148, or an express company which pays an annual tax on its gross receipts
22 in this state pursuant to chapter 153, or an individual subject to the state income tax imposed by
23 the provisions of chapter 143.

24 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
25 liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a
26 maternity home.

27 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
28 state tax liability for the taxable year that the credit is claimed, and such taxpayer shall not be
29 allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However, any
30 tax credit that cannot be claimed in the taxable year the contribution was made may be carried
31 over to the next four succeeding taxable years until the full credit has been claimed.

32 4. Except for any excess credit which is carried over pursuant to subsection 3 of this
33 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such
34 taxpayer's contribution or contributions to a maternity home or homes in such taxpayer's taxable
35 year has a value of at least one hundred dollars.

36 5. The director of the department of social services shall determine, at least annually,
37 which facilities in this state may be classified as maternity homes. The director of the
38 department of social services may require of a facility seeking to be classified as a maternity
39 home whatever information is reasonably necessary to make such a determination. The director

40 of the department of social services shall classify a facility as a maternity home if such facility
41 meets the definition set forth in subsection 1 of this section.

42 6. The director of the department of social services shall establish a procedure by which
43 a taxpayer can determine if a facility has been classified as a maternity home, and by which such
44 taxpayer can then contribute to such maternity home and claim a tax credit. Maternity homes
45 shall be permitted to decline a contribution from a taxpayer. The cumulative amount of tax
46 credits which may be claimed by all the taxpayers contributing to maternity homes in any one
47 fiscal year shall not exceed two million dollars.

48 7. The director of the department of social services shall establish a procedure by which,
49 from the beginning of the fiscal year until some point in time later in the fiscal year to be
50 determined by the director of the department of social services, the cumulative amount of tax
51 credits are equally apportioned among all facilities classified as maternity homes. If a maternity
52 home fails to use all, or some percentage to be determined by the director of the department of
53 social services, of its apportioned tax credits during this predetermined period of time, the
54 director of the department of social services may reapportion these unused tax credits to those
55 maternity homes that have used all, or some percentage to be determined by the director of the
56 department of social services, of their apportioned tax credits during this predetermined period
57 of time. The director of the department of social services may establish more than one period
58 of time and reapportion more than once during each fiscal year. To the maximum extent
59 possible, the director of the department of social services shall establish the procedure described
60 in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits
61 possible up to the cumulative amount of tax credits available for the fiscal year.

62 8. This section shall become effective January 1, 2000, and shall apply to all tax years
63 after December 31, 1999.

64 **9. Notwithstanding any provision of law to the contrary, no tax credits provided**
65 **under this section shall be authorized on or after August 28, 2015. The provisions of this**
66 **subsection shall not be construed to limit or in any way impair the department's ability to**
67 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such**
68 **tax credits.**

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

2 (1) "Contribution", a donation of cash, stock, bonds, or other marketable securities, or
3 real property;

4 (2) "Director", the director of the department of social services;

5 (3) "Pregnancy resource center", a nonresidential facility located in this state:

6 (a) Established and operating primarily to provide assistance to women with crisis
7 pregnancies or unplanned pregnancies by offering pregnancy testing, counseling, emotional and

8 material support, and other similar services to encourage and assist such women in carrying their
9 pregnancies to term; and

10 (b) Where childbirths are not performed; and

11 (c) Which does not perform, induce, or refer for abortions and which does not hold itself
12 out as performing, inducing, or referring for abortions; and

13 (d) Which provides direct client services at the facility, as opposed to merely providing
14 counseling or referral services by telephone; and

15 (e) Which provides its services at no cost to its clients; and

16 (f) When providing medical services, such medical services must be performed in
17 accordance with Missouri statute; and

18 (g) Which is exempt from income taxation pursuant to the Internal Revenue Code of
19 1986, as amended;

20 (4) "State tax liability", in the case of a business taxpayer, any liability incurred by such
21 taxpayer pursuant to the provisions of chapters 143, 147, 148, and 153, excluding sections
22 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability
23 incurred by such taxpayer pursuant to the provisions of chapter 143, excluding sections 143.191
24 to 143.265 and related provisions;

25 (5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a shareholder in an
26 S corporation doing business in the state of Missouri and subject to the state income tax imposed
27 by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax
28 imposed by the provisions of chapter 147, or an insurance company paying an annual tax on its
29 gross premium receipts in this state, or other financial institution paying taxes to the state of
30 Missouri or any political subdivision of this state pursuant to the provisions of chapter 148, or
31 an express company which pays an annual tax on its gross receipts in this state pursuant to
32 chapter 153, or an individual subject to the state income tax imposed by the provisions of chapter
33 143, or any charitable organization which is exempt from federal income tax and whose Missouri
34 unrelated business taxable income, if any, would be subject to the state income tax imposed
35 under chapter 143.

36 2. For all tax years beginning on or after January 1, 2007, a taxpayer shall be allowed to
37 claim a tax credit against the taxpayer's state tax liability in an amount equal to fifty percent of
38 the amount such taxpayer contributed to a pregnancy resource center.

39 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
40 state tax liability for the taxable year for which the credit is claimed, and such taxpayer shall not
41 be allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However,
42 any tax credit that cannot be claimed in the taxable year the contribution was made may be
43 carried over to the next four succeeding taxable years until the full credit has been claimed.

44 4. Except for any excess credit which is carried over pursuant to subsection 3 of this
45 section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such
46 taxpayer's contribution or contributions to a pregnancy resource center or centers in such
47 taxpayer's taxable year has a value of at least one hundred dollars.

48 5. The director shall determine, at least annually, which facilities in this state may be
49 classified as pregnancy resource centers. The director may require of a facility seeking to be
50 classified as a pregnancy resource center whatever information which is reasonably necessary
51 to make such a determination. The director shall classify a facility as a pregnancy resource
52 center if such facility meets the definition set forth in subsection 1 of this section.

53 6. The director shall establish a procedure by which a taxpayer can determine if a facility
54 has been classified as a pregnancy resource center. Pregnancy resource centers shall be permitted
55 to decline a contribution from a taxpayer. The cumulative amount of tax credits which may be
56 claimed by all the taxpayers contributing to pregnancy resource centers in any one fiscal year
57 shall not exceed two million dollars. Tax credits shall be issued in the order contributions are
58 received.

59 7. The director shall establish a procedure by which, from the beginning of the fiscal year
60 until some point in time later in the fiscal year to be determined by the director, the cumulative
61 amount of tax credits are equally apportioned among all facilities classified as pregnancy
62 resource centers. If a pregnancy resource center fails to use all, or some percentage to be
63 determined by the director, of its apportioned tax credits during this predetermined period of
64 time, the director may reapportion these unused tax credits to those pregnancy resource centers
65 that have used all, or some percentage to be determined by the director, of their apportioned tax
66 credits during this predetermined period of time. The director may establish more than one
67 period of time and reapportion more than once during each fiscal year. To the maximum extent
68 possible, the director shall establish the procedure described in this subsection in such a manner
69 as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of
70 tax credits available for the fiscal year.

71 8. Each pregnancy resource center shall provide information to the director concerning
72 the identity of each taxpayer making a contribution to the pregnancy resource center who is
73 claiming a tax credit pursuant to this section and the amount of the contribution. The director
74 shall provide the information to the director of revenue. The director shall be subject to the
75 confidentiality and penalty provisions of section 32.057 relating to the disclosure of tax
76 information.

77 9. Notwithstanding any other law to the contrary, any tax credits granted under this
78 section may be assigned, transferred, sold, or otherwise conveyed without consent or approval.

79 Such taxpayer, hereinafter the assignor for purposes of this section, may sell, assign, exchange,
80 or otherwise transfer earned tax credits:

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

82 (2) In an amount not to exceed one hundred percent of annual earned credits.

83 10. [Pursuant to section 23.253 of the Missouri sunset act:

84 (1) Any new program authorized under this section shall automatically sunset six years
85 after August 28, 2006, unless reauthorized by an act of the general assembly; and

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

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

91 **Pursuant to section 23.253 of the Missouri sunset act, the provisions of the program**
92 **authorized under this section are hereby reauthorized and shall automatically sunset on**
93 **August 28, 2015.**

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

2 (1) "Local food pantry", any food pantry that is:

3 (a) Exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986,
4 as amended; and

5 (b) Distributing emergency food supplies to Missouri low-income people who would
6 otherwise not have access to food supplies in the area in which the taxpayer claiming the tax
7 credit under this section resides;

8 (2) "Taxpayer", an individual, a firm, a partner in a firm, corporation, or a shareholder
9 in an S corporation doing business in this state and subject to the state income tax imposed by
10 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

11 2. For all tax years beginning on or after January 1, 2007, any taxpayer who donates cash
12 or food, unless such food is donated after the food's expiration date, to any local food pantry shall
13 be allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax
14 imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of the value of the
15 donations made to the extent such amounts that have been subtracted from federal adjusted gross
16 income or federal taxable income are added back in the determination of Missouri adjusted gross
17 income or Missouri taxable income before the credit can be claimed. Each taxpayer claiming
18 a tax credit under this section shall file an affidavit with the income tax return verifying the
19 amount of their contributions. The amount of the tax credit claimed shall not exceed the amount
20 of the taxpayer's state tax liability for the tax year that the credit is claimed, and shall not exceed
21 two thousand five hundred dollars per taxpayer claiming the credit. Any amount of credit that

22 the taxpayer is prohibited by this section from claiming in a tax year shall not be refundable, but
23 may be carried forward to any of the taxpayer's three subsequent taxable years. No tax credit
24 granted under this section shall be transferred, sold, or assigned. No taxpayer shall be eligible
25 to receive a credit pursuant to this section if such taxpayer employs persons who are not
26 authorized to work in the United States under federal law.

27 3. The cumulative amount of tax credits under this section which may be allocated to all
28 taxpayers contributing to a local food pantry in any one fiscal year shall not exceed two million
29 dollars. The director of revenue shall establish a procedure by which the cumulative amount of
30 tax credits is apportioned among all taxpayers claiming the credit by April fifteenth of the fiscal
31 year in which the tax credit is claimed. To the maximum extent possible, the director of revenue
32 shall establish the procedure described in this subsection in such a manner as to ensure that
33 taxpayers can claim all the tax credits possible up to the cumulative amount of tax credits
34 available for the fiscal year.

35 4. Any local food pantry may accept or reject any donation of food made under this
36 section for any reason. For purposes of this section, any donations of food accepted by a local
37 food pantry shall be valued at fair market value, or at wholesale value if the taxpayer making the
38 donation of food is a retail grocery store, food broker, wholesaler, or restaurant.

39 5. The department of revenue shall promulgate rules to implement the provisions of this
40 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
41 under the authority delegated in this section shall become effective only if it complies with and
42 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
43 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
44 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule
45 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule
46 proposed or adopted after August 28, 2007, shall be invalid and void.

47 6. [Under section 23.253 of the Missouri sunset act:

48 (1) The provisions of the new program authorized under this section shall automatically
49 sunset four years after August 28, 2007, unless reauthorized by an act of the general assembly;
50 and

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

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

56 **Pursuant to section 23.253 of the Missouri sunset act, the provisions of the program**

57 **authorized under this section are hereby reauthorized and shall automatically sunset on**
58 **August 28, 2015.**

135.679. 1. This section shall be known and may be cited as the "Qualified Beef Tax
2 Credit Act".

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

4 (1) "Agricultural property", any real and personal property, including but not limited to
5 buildings, structures, improvements, equipment, and livestock, that is used in or is to be used in
6 this state by residents of this state for:

7 (a) The operation of a farm or ranch; and

8 (b) Grazing, feeding, or the care of livestock;

9 (2) "Authority", the agricultural and small business development authority established
10 in chapter 348;

11 (3) "Backgrounded", any additional weight at the time of the first qualifying sale, before
12 being finished, above the established baseline weight;

13 (4) "Baseline weight", the average weight in the immediate past three years of all beef
14 animals sold that are thirty months of age or younger, categorized by sex. Baseline weight for
15 qualified beef animals that are physically out-of-state but whose ownership is retained by a
16 resident of this state shall be established by the average transfer weight in the immediate past
17 three years of all beef animals that are thirty months of age or younger and that are transferred
18 out-of-state but whose ownership is retained by a resident of this state, categorized by sex. The
19 established baseline weight shall be effective for a period of three years. If the taxpayer is a
20 qualifying beef animal producer with fewer than three years of production, the baseline weight
21 shall be established by the available average weight in the immediate past year of all beef
22 animals sold that are thirty months of age or younger, categorized by sex. If the qualifying beef
23 animal producer has no previous production, the baseline weight shall be established by the
24 authority;

25 (5) "Finished", the period from backgrounded to harvest;

26 (6) "Qualifying beef animal", any beef animal that is certified by the authority, that was
27 born in this state after August 28, 2008, that was raised and backgrounded or finished in this state
28 by the taxpayer, excluding any beef animal more than thirty months of age as verified by certified
29 written birth records;

30 (7) "Qualifying sale", the first time a qualifying beef animal is sold in this state after the
31 qualifying beef animal is backgrounded, and a subsequent sale if the weight of the qualifying
32 beef animal at the time of the subsequent sale is greater than the weight of the qualifying beef
33 animal at the time of the first qualifying sale of such beef animal;

34 (8) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
35 withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 147;

36 (9) "Taxpayer", any individual or entity who:

37 (a) Is subject to the tax imposed in chapter 143, excluding withholding tax imposed by
38 sections 143.191 to 143.265, or the tax imposed in chapter 147;

39 (b) In the case of an individual, is a resident of this state as verified by a 911 address or
40 in the absence of a 911 system, a physical address; and

41 (c) Owns or rents agricultural property and principal place of business is located in this
42 state.

43 3. For all taxable years beginning on or after January 1, 2009, [but ending on or before
44 December 31, 2016,] a taxpayer shall be allowed a tax credit for the first qualifying sale and for
45 a subsequent qualifying sale of all qualifying beef animals. The tax credit amount for the first
46 qualifying sale shall be ten cents per pound, shall be based on the backgrounded weight of all
47 qualifying beef animals at the time of the first qualifying sale, and shall be calculated as follows:
48 the qualifying sale weight minus the baseline weight multiplied by ten cents, as long as the
49 qualifying sale weight is equal to or greater than two hundred pounds above the baseline weight.
50 The tax credit amount for each subsequent qualifying sale shall be ten cents per pound, shall be
51 based on the backgrounded weight of all qualifying beef animals at the time of the subsequent
52 qualifying sale, and shall be calculated as follows: the qualifying sale weight minus the baseline
53 weight multiplied by ten cents, as long as the qualifying sale weight is equal to or greater than
54 two hundred pounds above the baseline weight. The authority may waive no more than
55 twenty-five percent of the two hundred pound weight gain requirement, but any such waiver shall
56 be based on a disaster declaration issued by the U. S. Department of Agriculture.

57 4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's
58 state tax liability for the taxable year for which the credit is claimed. No tax credit claimed under
59 this section shall be refundable. The tax credit shall be claimed in the taxable year in which the
60 qualifying sale of the qualifying beef occurred, but any amount of credit that the taxpayer is
61 prohibited by this section from claiming in a taxable year may be carried forward to any of the
62 taxpayer's five subsequent taxable years and carried backward to any of the taxpayer's three
63 previous taxable years. The amount of tax credits that may be issued to all eligible applicants
64 claiming tax credits authorized in this section in a fiscal year shall not exceed three million
65 dollars. Tax credits shall be issued on an as-received application basis until the fiscal year limit
66 is reached. Any credits not issued in any fiscal year shall expire and shall not be issued in any
67 subsequent years.

68 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the
69 authority an application for the tax credit on a form provided by the authority and any application

70 fee imposed by the authority. The application shall be filed with the authority at the end of each
71 calendar year in which a qualified sale was made and for which a tax credit is claimed under this
72 section. The application shall include any certified documentation and information required by
73 the authority. All required information obtained by the authority shall be confidential and not
74 disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer and
75 the qualified sale meet all criteria required by this section and approval is granted by the
76 authority, the authority shall issue a tax credit certificate in the appropriate amount. Tax credit
77 certificates issued under this section may be assigned, transferred, sold, or otherwise conveyed,
78 and the new owner of the tax credit certificate shall have the same rights in the tax credit as the
79 original taxpayer. Whenever a tax credit certificate is assigned, transferred, sold or otherwise
80 conveyed, a notarized endorsement shall be filed with the authority specifying the name and
81 address of the new owner of the tax credit certificate or the value of the tax credit.

82 6. Any information provided under this section shall be confidential information, to be
83 shared with no one except state and federal animal health officials, except as provided in
84 subsection 5 of this section.

85 7. The authority may promulgate rules to implement the provisions of this section. Any
86 rule or portion of a rule, as that term is defined in section 536.010, that is created under the
87 authority delegated in this section shall become effective only if it complies with and is subject
88 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
89 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
90 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
91 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
92 or adopted after August 28, 2007, shall be invalid and void.

93 8. **Notwithstanding any provision of law to the contrary, no tax credits provided**
94 **under this section shall be authorized on or after August 28, 2014. The provisions of this**
95 **subsection shall not be construed to limit or in any way impair the authority's ability to**
96 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's ability to redeem such**
97 **tax credits.**

98 9. This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298.

135.700. 1. For all tax years beginning on or after January 1, 1999, **but ending on or**
2 **before December 31, 2011**, a grape grower or wine producer shall be allowed a tax credit
3 against the state tax liability incurred pursuant to chapter 143, exclusive of the provisions relating
4 to the withholding of tax as provided in sections 143.191 to 143.265, in an amount equal to
5 twenty-five percent of the purchase price of all new equipment and materials used directly in the
6 growing of grapes or the production of wine in the state. Each grower or producer shall apply
7 to the department of economic development and specify the total amount of such new equipment

8 and materials purchased during the calendar year. The department of economic development
9 shall certify to the department of revenue the amount of such tax credit to which a grape grower
10 or wine producer is entitled pursuant to this section. The provisions of this section
11 notwithstanding, a grower or producer may only apply for and receive the credit authorized by
12 this section for five tax periods. **For all tax years beginning on or after January 1, 2012, no**
13 **more than two hundred thousand dollars in tax credits provided under this section may**
14 **be authorized annually.**

15 **2. Notwithstanding any provision of law to the contrary, no tax credits provided**
16 **under this section shall be authorized on or after August 28, 2014. The provisions of this**
17 **subsection shall not be construed to limit or in any way impair the department's ability to**
18 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's ability to redeem such**
19 **tax credits.**

135.815. 1. Prior to authorization of any tax credit application, an administering agency
2 shall verify through the department of revenue that the tax credit applicant does not owe any
3 delinquent income, sales, or use taxes, or interest or penalties on such taxes, and through the
4 department of insurance, financial institutions and professional registration that the applicant
5 does not owe any delinquent insurance taxes. Such delinquency shall not affect the authorization
6 of the application for such tax credits, except that the amount of credits issued shall be reduced
7 by the applicant's tax delinquency. If the department of revenue or the department of insurance,
8 financial institutions and professional registration concludes that a taxpayer is delinquent after
9 June fifteenth but before July first of any year, and the application of tax credits to such
10 delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be
11 granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall
12 be tolled. After applying all available credits towards a tax delinquency, the administering
13 agency shall notify the appropriate department, and that department shall update the amount of
14 outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all
15 insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the
16 applicant, subject to the restrictions of other provisions of law.

17 2. Any applicant of a tax credit program contained in the definition of the term "all tax
18 credit programs" who purposely and directly employs unauthorized aliens shall forfeit any tax
19 credits issued to such applicant which have not been redeemed, and shall repay the amount of
20 any tax credits redeemed by such applicant during the period of time such unauthorized alien was
21 employed by the applicant. As used in this subsection, the term "unauthorized alien" shall mean
22 an alien who does not have the legal right or authorization under federal law to work in the
23 United States, as defined under Section 8 U.S.C. 1324a(h)(3).

24 **3. Any administering agency may, by rule, provide for the recapture of tax credits**
25 **for noncompliance with program requirements.**

135.825. 1. The administering agencies for all tax credit programs shall, in cooperation
2 with the department of revenue, implement a system for tracking the amount of tax credits
3 authorized, issued, and redeemed. Any such agency may promulgate rules for the
4 implementation of this section.

5 2. The provisions of **subsection 1** of this section shall not apply to any credit that is
6 issued and redeemed simultaneously.

7 3. **The committee on legislative research shall conduct a review of any tax credit**
8 **program, in the manner provided under the provisions of sections 23.250 to 23.298, by**
9 **September first of the calendar year prior to the year in which tax credit authorizations**
10 **or issuances will be prohibited for such tax credit program.**

11 4. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
12 under the authority delegated in this section shall become effective only if it complies with and
13 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
14 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
15 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule
16 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule
17 proposed or adopted after August 28, 2004, shall be invalid and void.

135.950. The following terms, whenever used in sections 135.950 to [135.970] **135.973**
2 mean:

3 (1) "Average wage", the new payroll divided by the number of new jobs;

4 (2) "Blighted area", an area which, by reason of the predominance of defective or
5 inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements,
6 improper subdivision or obsolete platting, or the existence of conditions which endanger life or
7 property by fire and other causes, or any combination of such factors, retards the provision of
8 housing accommodations or constitutes an economic or social liability or a menace to the public
9 health, safety, morals, or welfare in its present condition and use. The term "blighted area" shall
10 also include any area which produces or generates or has the potential to produce or generate
11 electrical energy from a renewable energy resource, and which, by reason of obsolescence,
12 decadence, blight, dilapidation, deteriorating or inadequate site improvements, substandard
13 conditions, the predominance [or] of defective or inadequate street layout, unsanitary or unsafe
14 conditions, improper subdivision or obsolete platting, or the existence of conditions which
15 endanger the life or property by fire or other means, or any combination of such factors, is
16 underutilized, unutilized, or diminishes the economic usefulness of the land, improvements, or

17 lock and dam site within such area for the production, generation, conversion, and conveyance
18 of electrical energy from a renewable energy resource;

19 (3) "Board", an enhanced enterprise zone board established pursuant to section 135.957;

20 (4) "Commencement of commercial operations" shall be deemed to occur during the first
21 taxable year for which the new business facility is first put into use by the taxpayer in the
22 enhanced business enterprise in which the taxpayer intends to use the new business facility;

23 (5) "County average wage", the average wages in each county as determined by the
24 department for the most recently completed full calendar year. However, if the computed county
25 average wage is above the statewide average wage, the statewide average wage shall be deemed
26 the county average wage for such county for the purpose of determining eligibility. The
27 department shall publish the county average wage for each county at least annually.
28 Notwithstanding the provisions of this subdivision to the contrary, for any taxpayer that in
29 conjunction with their project is relocating employees from a Missouri county with a higher
30 county average wage, such taxpayer shall obtain the endorsement of the governing body of the
31 community from which jobs are being relocated or the county average wage for their project shall
32 be the county average wage for the county from which the employees are being relocated;

33 (6) "Department", the department of economic development;

34 (7) "Director", the director of the department of economic development;

35 (8) "Employee", a person employed by the enhanced business enterprise that is scheduled
36 to work an average of at least one thousand hours per year, and such person at all times has
37 health insurance offered to him or her, which is partially paid for by the employer;

38 (9) "Enhanced business enterprise", an industry or one of a cluster of industries that is
39 either:

40 (a) Identified by the department as critical to the state's economic security and growth;
41 or

42 (b) Will have an impact on industry cluster development, as identified by the governing
43 authority in its application for designation of an enhanced enterprise zone and approved by the
44 department; but excluding gambling establishments (NAICS industry group 7132), retail trade
45 (NAICS sectors 44 and 45), educational services (NAICS sector 61), religious organizations
46 (NAICS industry group 8131), public administration (NAICS sector 92), and food and drinking
47 places (NAICS subsector 722), however, notwithstanding provisions of this section to the
48 contrary, headquarters or administrative offices of an otherwise excluded business may qualify
49 for benefits if the offices serve a multistate territory. In the event a national, state, or regional
50 headquarters operation is not the predominant activity of a project facility, the new jobs and
51 investment of such headquarters operation is considered eligible for benefits under this section

52 if the other requirements are satisfied. Service industries may be eligible only if a majority of
53 its annual revenues will be derived from out of the state;

54 (10) "Existing business facility", any facility in this state which was employed by the
55 taxpayer claiming the credit in the operation of an enhanced business enterprise immediately
56 prior to an expansion, acquisition, addition, or replacement;

57 (11) "Facility", any building used as an enhanced business enterprise located within an
58 enhanced enterprise zone, including the land on which the facility is located and all machinery,
59 equipment, and other real and depreciable tangible personal property acquired for use at and
60 located at or within such facility and used in connection with the operation of such facility;

61 (12) "Facility base employment", the greater of the number of employees located at the
62 facility on the date of the notice of intent, or for the twelve-month period prior to the date of the
63 notice of intent, the average number of employees located at the facility, or in the event the
64 project facility has not been in operation for a full twelve-month period, the average number of
65 employees for the number of months the facility has been in operation prior to the date of the
66 notice of intent;

67 (13) "Facility base payroll", the total amount of taxable wages paid by the enhanced
68 business enterprise to employees of the enhanced business enterprise located at the facility in the
69 twelve months prior to the notice of intent, not including the payroll of owners of the enhanced
70 business enterprise unless the enhanced business enterprise is participating in an employee stock
71 ownership plan. For the purposes of calculating the benefits under this program, the amount of
72 base payroll shall increase each year based on the consumer price index or other comparable
73 measure, as determined by the department;

74 (14) "Governing authority", the body holding primary legislative authority over a county
75 or incorporated municipality;

76 (15) "Megaproject", any manufacturing or assembling facility, approved by the
77 department for construction and operation within an enhanced enterprise zone, which satisfies
78 the following:

79 (a) The new capital investment is projected to exceed three hundred million dollars over
80 a period of eight years from the date of approval by the department;

81 (b) The number of new jobs is projected to exceed one thousand over a period of eight
82 years beginning on the date of approval by the department;

83 (c) The average wage of new jobs to be created shall exceed the county average wage;

84 (d) The taxpayer shall offer health insurance to all new jobs and pay at least eighty
85 percent of such insurance premiums; and

86 (e) An acceptable plan of repayment, to the state, of the tax credits provided for the
87 megaproject has been provided by the taxpayer;

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

92 (17) "New business facility", a facility that does not produce or generate electrical energy
93 from a renewable energy resource and satisfies the following requirements:

94 (a) Such facility is employed by the taxpayer in the operation of an enhanced business
95 enterprise. Such facility shall not be considered a new business facility in the hands of the
96 taxpayer if the taxpayer's only activity with respect to such facility is to lease it to another person
97 or persons. If the taxpayer employs only a portion of such facility in the operation of an
98 enhanced business enterprise, and leases another portion of such facility to another person or
99 persons or does not otherwise use such other portions in the operation of an enhanced business
100 enterprise, the portion employed by the taxpayer in the operation of an enhanced business
101 enterprise shall be considered a new business facility, if the requirements of paragraphs (b), (c),
102 and (d) of this subdivision are satisfied;

103 (b) Such facility is acquired by, or leased to, the taxpayer after December 31, 2004. A
104 facility shall be deemed to have been acquired by, or leased to, the taxpayer after December 31,
105 2004, if the transfer of title to the taxpayer, the transfer of possession pursuant to a binding
106 contract to transfer title to the taxpayer, or the commencement of the term of the lease to the
107 taxpayer occurs after December 31, 2004;

108 (c) If such facility was acquired by the taxpayer from another taxpayer and such facility
109 was employed immediately prior to the acquisition by another taxpayer in the operation of an
110 enhanced business enterprise, the operation of the same or a substantially similar enhanced
111 business enterprise is not continued by the taxpayer at such facility; and

112 (d) Such facility is not a replacement business facility, as defined in subdivision (27) of
113 this section;

114 (18) "New business facility employee", an employee of the taxpayer in the operation of
115 a new business facility during the taxable year for which the credit allowed by section 135.967
116 is claimed, except that truck drivers and rail and barge vehicle operators and other operators of
117 rolling stock for hire shall not constitute new business facility employees;

118 (19) "New business facility investment", the value of real and depreciable tangible
119 personal property, acquired by the taxpayer as part of the new business facility, which is used by
120 the taxpayer in the operation of the new business facility, during the taxable year for which the
121 credit allowed by 135.967 is claimed, except that trucks, truck-trailers, truck semitrailers, rail
122 vehicles, barge vehicles, aircraft and other rolling stock for hire, track, switches, barges, bridges,

123 tunnels, and rail yards and spurs shall not constitute new business facility investments. The total
124 value of such property during such taxable year shall be:

125 (a) Its original cost if owned by the taxpayer; or

126 (b) Eight times the net annual rental rate, if leased by the taxpayer. The net annual rental
127 rate shall be the annual rental rate paid by the taxpayer less any annual rental rate received by the
128 taxpayer from subrentals. The new business facility investment shall be determined by dividing
129 by twelve the sum of the total value of such property on the last business day of each calendar
130 month of the taxable year. If the new business facility is in operation for less than an entire
131 taxable year, the new business facility investment shall be determined by dividing the sum of the
132 total value of such property on the last business day of each full calendar month during the
133 portion of such taxable year during which the new business facility was in operation by the
134 number of full calendar months during such period;

135 (20) "New job", the number of employees located at the facility that exceeds the facility
136 base employment less any decrease in the number of the employees at related facilities below the
137 related facility base employment. No job that was created prior to the date of the notice of intent
138 shall be deemed a new job;

139 (21) "Notice of intent", a form developed by the department which is completed by the
140 enhanced business enterprise and submitted to the department which states the enhanced
141 business enterprise's intent to hire new jobs and request benefits under such program;

142 (22) "Related facility", a facility operated by the enhanced business enterprise or a
143 related company in this state that is directly related to the operation of the project facility;

144 (23) "Related facility base employment", the greater of:

145 (a) The number of employees located at all related facilities on the date of the notice of
146 intent; or

147 (b) For the twelve-month period prior to the date of the notice of intent, the average
148 number of employees located at all related facilities of the enhanced business enterprise or a
149 related company located in this state;

150 (24) "Related taxpayer":

151 (a) A corporation, partnership, trust, or association controlled by the taxpayer;

152 (b) An individual, corporation, partnership, trust, or association in control of the
153 taxpayer; or

154 (c) A corporation, partnership, trust or association controlled by an individual,
155 corporation, partnership, trust or association in control of the taxpayer. "Control of a
156 corporation" shall mean ownership, directly or indirectly, of stock possessing at least fifty
157 percent of the total combined voting power of all classes of stock entitled to vote, "control of a
158 partnership or association" shall mean ownership of at least fifty percent of the capital or profits

159 interest in such partnership or association, and "control of a trust" shall mean ownership, directly
160 or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such
161 trust; ownership shall be determined as provided in Section 318 of the Internal Revenue Code
162 of 1986, as amended;

163 (25) "Renewable energy generation zone", an area which has been found, by a resolution
164 or ordinance adopted by the governing authority having jurisdiction of such area, to be a blighted
165 area and which contains land, improvements, or a lock and dam site which is unutilized or
166 underutilized for the production, generation, conversion, and conveyance of electrical energy
167 from a renewable energy resource;

168 (26) "Renewable energy resource", shall include:

- 169 (a) Wind;
- 170 (b) Solar thermal sources or photovoltaic cells and panels;
- 171 (c) Dedicated crops grown for energy production;
- 172 (d) Cellulosic agricultural residues;
- 173 (e) Plant residues;
- 174 (f) Methane from landfills, agricultural operations, or wastewater treatment;
- 175 (g) Thermal depolymerization or pyrolysis for converting waste material to energy;
- 176 (h) Clean and untreated wood such as pallets;
- 177 (i) Hydroelectric power, which shall include electrical energy produced or generated by
178 hydroelectric power generating equipment, as such term is defined in section 137.010;
- 179 (j) Fuel cells using hydrogen produced by one or more of the renewable resources
180 provided in paragraphs (a) to (i) of this subdivision; or
- 181 (k) Any other sources of energy, not including nuclear energy, that are certified as
182 renewable by rule by the department of natural resources;

183 (27) "Replacement business facility", a facility otherwise described in subdivision (17)
184 of this section, hereafter referred to in this subdivision as "new facility", which replaces another
185 facility, hereafter referred to in this subdivision as "old facility", located within the state, which
186 the taxpayer or a related taxpayer previously operated but discontinued operating on or before
187 the close of the first taxable year for which the credit allowed by this section is claimed. A new
188 facility shall be deemed to replace an old facility if the following conditions are met:

189 (a) The old facility was operated by the taxpayer or a related taxpayer during the
190 taxpayer's or related taxpayer's taxable period immediately preceding the taxable year in which
191 commencement of commercial operations occurs at the new facility; and

192 (b) The old facility was employed by the taxpayer or a related taxpayer in the operation
193 of an enhanced business enterprise and the taxpayer continues the operation of the same or
194 substantially similar enhanced business enterprise at the new facility. Notwithstanding the

195 preceding provisions of this subdivision, a facility shall not be considered a replacement business
196 facility if the taxpayer's new business facility investment, as computed in subdivision (19) of this
197 section, in the new facility during the tax period for which the credits allowed in section 135.967
198 are claimed exceed one million dollars and if the total number of employees at the new facility
199 exceeds the total number of employees at the old facility by at least two;

200 (28) "Same or substantially similar enhanced business enterprise", an enhanced business
201 enterprise in which the nature of the products produced or sold, or activities conducted, are
202 similar in character and use or are produced, sold, performed, or conducted in the same or similar
203 manner as in another enhanced business enterprise.

135.973. 1. After January 1, 2007, all enterprise zones designated before January 1,
2 2006, shall be eligible to receive the tax benefits under sections 135.950 to 135.970.

3 **2. Notwithstanding any provision of law to the contrary, no tax credits provided**
4 **under sections 135.950 to 135.973 shall be authorized on or after August 28, 2017. The**
5 **provisions of this subsection shall not be construed to limit or in any way impair the**
6 **department's ability to issue tax credits authorized prior to August 28, 2017, or a**
7 **taxpayer's ability to redeem such tax credits.**

135.1150. 1. This section shall be known and may be cited as the "Residential
2 Treatment Agency Tax Credit Act".

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

4 (1) "Certificate", a tax credit certificate issued under this section;

5 (2) "Department", the Missouri department of social services;

6 (3) "Eligible donation", donations received from a taxpayer by an agency that are used
7 solely to provide direct care services to children who are residents of this state. Eligible
8 donations may include cash, publicly traded stocks and bonds, and real estate that will be valued
9 and documented according to rules promulgated by the department of social services. For
10 purposes of this section, "direct care services" include but are not limited to increasing the
11 quality of care and service for children through improved employee compensation and training;

12 (4) "Qualified residential treatment agency" or "agency", a residential care facility that
13 is licensed under section 210.484, accredited by the Council on Accreditation (COA), the Joint
14 Commission on Accreditation of Healthcare Organizations (JCAHO), or the Commission on
15 Accreditation of Rehabilitation Facilities (CARF), and is under contract with the Missouri
16 department of social services to provide treatment services for children who are residents or
17 wards of residents of this state, and that receives eligible donations. Any agency that operates
18 more than one facility or at more than one location shall be eligible for the tax credit under this
19 section only for any eligible donation made to facilities or locations of the agency which are
20 licensed and accredited;

21 (5) "Taxpayer", [any of the following individuals or entities who make an eligible
22 donation to an agency:

23 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S corporation
24 doing business in the state of Missouri and subject to the state income tax imposed in chapter
25 143;

26 (b) A corporation subject to the annual corporation franchise tax imposed in chapter 147;

27 (c) An insurance company paying an annual tax on its gross premium receipts in this
28 state;

29 (d) Any other financial institution paying taxes to the state of Missouri or any political
30 subdivision of this state under chapter 148;

31 (e) An individual subject to the state income tax imposed in chapter 143;

32 (f) Any charitable organization which is exempt from federal income tax and whose
33 Missouri unrelated business taxable income, if any, would be subject to the state income tax
34 imposed under chapter 143] **an individual, a firm, a partner in a firm, sole proprietorship,**
35 **partner in a limited or general partnership, member of a limited liability company,**
36 **corporation as defined under section 143.441 or 143.471, a shareholder in an S corporation**
37 **doing business in this state and subject to the state income tax imposed by chapter 143,**
38 **excluding withholding tax imposed by sections 143.191 to 143.265, or a charitable**
39 **organization, trust, or public or private foundation which is exempt from federal income**
40 **tax and whose Missouri unrelated business taxable income, if any, would be subject to state**
41 **income tax imposed under chapter 143.**

42 3. For all taxable years beginning on or after January 1, 2007, any taxpayer shall be
43 allowed a credit against the taxes otherwise due under chapter 147, 148, or 143, excluding
44 withholding tax imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of
45 the amount of an eligible donation, subject to the restrictions in this section. The amount of the
46 tax credit claimed shall not exceed the amount of the taxpayer's state income tax liability in the
47 tax year for which the credit is claimed. Any amount of credit that the taxpayer is prohibited by
48 this section from claiming in a tax year shall not be refundable, but may be carried forward to
49 any of the taxpayer's four subsequent taxable years.

50 4. To claim the credit authorized in this section, an agency may submit to the department
51 an application for the tax credit authorized by this section on behalf of taxpayers. The
52 department shall verify that the agency has submitted the following items accurately and
53 completely:

54 (1) A valid application in the form and format required by the department;

55 (2) A statement attesting to the eligible donation received, which shall include the name
56 and taxpayer identification number of the individual making the eligible donation, the amount
57 of the eligible donation, and the date the eligible donation was received by the agency; and

58 (3) Payment from the agency equal to the value of the tax credit for which application
59 is made. If the agency applying for the tax credit meets all criteria required by this subsection,
60 the department shall issue a certificate in the appropriate amount.

61 5. An agency may apply for tax credits in an aggregate amount that does not exceed
62 [forty percent of] the payments made by the department to the agency in the preceding twelve
63 months.

64 6. Tax credits issued under this section may be assigned, transferred, sold, or otherwise
65 conveyed, and the new owner of the tax credit shall have the same rights in the credit as the
66 taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise conveyed, a
67 notarized endorsement shall be filed with the department specifying the name and address of the
68 new owner of the tax credit or the value of the credit.

69 7. The department shall promulgate rules to implement the provisions of this section.
70 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
71 authority delegated in this section shall become effective only if it complies with and is subject
72 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
73 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant
74 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are
75 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed
76 or adopted after August 28, 2006, shall be invalid and void.

77 8. [Under section 23.253 of the Missouri sunset act:

78 (1) The provisions of the new program authorized under this section shall automatically
79 sunset six years after August 28, 2006, unless reauthorized by an act of the general assembly; and

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

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

85 **Pursuant to section 23.253 of the Missouri sunset act, the provisions of the program**
86 **authorized under this section are hereby reauthorized and shall automatically sunset on**
87 **August 28, 2015.**

135.1180. 1. This section shall be known and may be cited as the "Developmental
2 Disability Care Provider Tax Credit Program".

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

4 (1) "Certificate", a tax credit certificate issued under this section;

5 (2) "Department", the Missouri department of social services;

6 (3) "Eligible donation", donations received, by a provider, from a taxpayer that are
7 used solely to provide direct care services to persons with developmental disabilities who
8 are residents of this state. Eligible donations may include cash, publicly traded stocks and
9 bonds, and real estate that will be valued and documented according to rules promulgated
10 by the department of social services. For purposes of this section, "direct care services"
11 include, but are not limited to, increasing the quality of care and service for persons with
12 developmental disabilities through improved employee compensation and training;

13 (4) "Qualified developmental disability care provider" or "provider", a care
14 provider that provides assistance to persons with developmental disabilities, and is under
15 contract with the Missouri department of social services or department of mental health
16 to provide treatment services for such persons, and that receives eligible donations. Any
17 provider that operates more than one facility or at more than one location shall be eligible
18 for the tax credit under this section only for any eligible donation made to facilities or
19 locations of the provider which are licensed and accredited;

20 (5) "Taxpayer", any of the following individuals or entities who make an eligible
21 donation to a provider:

22 (a) A person, firm, partner in a firm, corporation, or a shareholder in an S
23 corporation doing business in the state of Missouri and subject to the state income tax
24 imposed in chapter 143;

25 (b) A corporation subject to the annual corporation franchise tax imposed in
26 chapter 147;

27 (c) An insurance company paying an annual tax on its gross premium receipts in
28 this state;

29 (d) Any other financial institution paying taxes to the state of Missouri or any
30 political subdivision of this state under chapter 148;

31 (e) An individual subject to the state income tax imposed in chapter 143;

32 (f) Any charitable organization which is exempt from federal income tax and whose
33 Missouri unrelated business taxable income, if any, would be subject to the state income
34 tax imposed under chapter 143.

35 3. For all taxable years beginning on or after January 1, 2011, any taxpayer shall
36 be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148
37 excluding withholding tax imposed by sections 143.191 to 143.265 in an amount equal to
38 fifty percent of the amount of an eligible donation, subject to the restrictions in this section.
39 The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state

40 income tax liability in the tax year for which the credit is claimed. Any amount of credit
41 that the taxpayer is prohibited by this section from claiming in a tax year shall not be
42 refundable, but may be carried forward to any of the taxpayer's four subsequent taxable
43 years.

44 4. To claim the credit authorized in this section, a provider shall submit to the
45 department an application for the tax credit authorized by this section on behalf of
46 taxpayers. The department shall verify that the provider has submitted the following items
47 accurately and completely:

48 (1) A valid application in the form and format required by the department;

49 (2) A statement attesting to the eligible donation received, which shall include the
50 name and taxpayer identification number of the individual making the eligible donation,
51 the amount of the eligible donation, and the date the eligible donation was received by the
52 provider; and

53 (3) Payment from the provider equal to the value of the tax credit for which
54 application is made.

55

56 If the provider applying for the tax credit meets all criteria required by this subsection, the
57 department shall issue a certificate in the appropriate amount.

58 5. Tax credits issued under this section may be assigned, transferred, sold, or
59 otherwise conveyed, and the new owner of the tax credit shall have the same rights in the
60 credit as the taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise
61 conveyed, a notarized endorsement shall be filed with the department specifying the name
62 and address of the new owner of the tax credit or the value of the credit.

63 6. The department shall promulgate rules to implement the provisions of this
64 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is
65 created under the authority delegated in this section shall become effective only if it
66 complies with and is subject to all of the provisions of chapter 536, and, if applicable,
67 section 536.028. This section and chapter 536, are nonseverable and if any of the powers
68 vested with the general assembly pursuant to chapter 536, to review, to delay the effective
69 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
70 grant of rulemaking authority and any rule proposed or adopted after the effective date
71 of this act, shall be invalid and void.

72 7. Under section 23.253 of the Missouri sunset act:

73 (1) The provisions of the new program authorized under this section shall
74 automatically sunset four years after the effective date of this act, unless reauthorized by
75 an act of the general assembly; and

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

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

 135.1500. 1. Sections 135.1500 to 135.1521, shall be known and may be cited as the
2 "Aerotropolis Trade Incentive and Tax Credit Act".

3 2. As used in sections 135.1500 to 135.1521, unless the context clearly requires
4 otherwise, the following terms shall mean:

5 (1) "Air export tax credit", the tax credit against the taxes imposed under chapters
6 143, 147, and 148, except for sections 143.191 to 143.265, to be issued by the department
7 to a claiming freight forwarder for the shipment of air cargo on a qualifying outbound
8 flight;

9 (2) "Airport", an airport which is owned and operated by a city not within a
10 county;

11 (3) "Cargo activity", all of the inbound cargo activity and outbound cargo activity
12 into and from an eligible facility;

13 (4) "Certificate of compliance", a certificate submitted with any application for a
14 tax credit or tax incentive specified in section 135.1513, that shall certify that all requisite
15 requirements for the issuance of such tax credits and tax incentives have been satisfied for
16 such eligible facility and shall provide evidence of such satisfaction;

17 (5) "Certificate of occupancy", the certificate or permit issued by a municipality
18 that permits the commercial use or occupancy of a building or structure;

19 (6) "Chargeable kilo", the shipment of a kilo of freight, as measured by the greater
20 of:

21 (a) Actual weight; or

22 (b) A dimensional weight, as determined by the conversion factors promulgated by
23 the International Air Transport Association, on a qualifying outbound flight or a
24 qualifying inbound flight;

25 (7) "Claiming freight forwarder", the freight forwarder designated as the "agent"
26 on the airway bill for the qualifying outbound flight for which such air export tax credit
27 is sought;

28 (8) "Department", the Missouri department of economic development;

29 (9) "Direct all cargo aircraft flight", a flight that flies directly to its destination
30 without stopping, except to receive fuel and maintenance;

31 (10) "Economic incentive laws", any provision of Missouri law under which
32 economic incentives are provided to redevelopers of a parcel or parcels to redevelop the
33 land, such as tax abatement or payments in lieu of taxes, or redevelopment plans or
34 redevelopment projects approved or adopted which include the use of economic incentives
35 to redevelop the land;

36 (11) "Eligible costs", the following costs associated with the development and
37 construction of an eligible facility:

38 (a) Costs and expenses of construction of the eligible facility, including fixtures and
39 equipment; and

40 (b) Demolition costs of vacant structures.

41

42 Eligible costs shall not include costs of site improvements or costs of environmental
43 remediation;

44 (12) "Eligible facility", a qualifying gateway facility, qualifying cold-chain facility,
45 or qualifying assembly and manufacturing facility;

46 (13) "Eligibility period", the time period, not to exceed seven fiscal years, during
47 which an owner of an eligible facility may receive benefits under section 135.1513. Such
48 time period shall begin to run twelve months after the date on which the certificate of
49 occupancy is issued for each eligible facility, and shall continue for the next subsequent
50 seven fiscal years;

51 (14) "Fiscal year", the twelve consecutive month time period beginning on the date,
52 which is twelve months after the date on which the certificate of occupancy is issued for an
53 eligible facility, and ending on the last day of the twelfth month thereafter, with each
54 subsequent fiscal year beginning on the anniversary of the date, which is twelve months
55 after the date of the issuance of such certificate of occupancy, and ending on the last day
56 of the twelfth month thereafter;

57 (15) "Freight forwarder", a person that assumes responsibility in the ordinary
58 course of its business for the transportation of cargo from the place of receipt to the place
59 of destination, including the utilization of a qualifying outbound flight;

60 (16) "Full-time employee", an employee who is located at an eligible facility and is
61 scheduled to work an average of at least thirty-five hours per week for a twelve-month
62 period;

63 (17) "Gateway zone", an area within this state designated under the provisions of
64 sections 135.1500 to 135.1521, which shall be within:

65 (a) A site of at least one hundred contiguous acres located within fifty miles of an
66 airport; provided, however, such one hundred acres need not be contiguous if the acreage

67 is located within a larger designated urban renewal area or redevelopment area under
68 economic incentive laws;

69 (b) An area within the boundaries of an airport; or

70 (c) Any area owned or managed by the port authority of a county or a city not
71 within a county;

72 (18) "Inbound cargo activity", the receipt of materials, components, goods, and
73 products at an eligible facility from another destination through any mode of multimodal
74 commerce. The term "inbound cargo activity" shall not include road transportation from
75 the airport to the eligible facility;

76 (19) "Level one air cargo activity", where:

77 (a) At least twenty percent of the total outbound cargo activity of an eligible facility
78 consists of chargeable kilos shipped from such facility, on a qualifying outbound flight by
79 the owner of, or any tenant in, such facility; or

80 (b) At least twenty percent of the total inbound cargo activity of an eligible facility
81 consists of chargeable kilos shipped on a qualifying inbound flight to the owner of, or any
82 tenant in, an eligible facility, whether or not the inbound shipment is stored at any time
83 within such facility; or

84 (c) At least twenty percent of the total cargo activity of an eligible facility consists
85 of:

86 a. Chargeable kilos shipped from such facility, on a qualifying outbound flight by
87 the owner of, or any tenant in, such facility; and

88 b. Chargeable kilos shipped on a qualifying inbound flight to the owner of, or any
89 tenant in, an eligible facility, whether or not the inbound shipment is stored at any time
90 within such facility;

91 (20) "Level two air cargo activity", where:

92 (a) At least ten percent of the total outbound cargo activity of an eligible facility
93 consists of chargeable kilos shipped from such facility, on a qualifying outbound flight by
94 the owner of, or any tenant in, such facility; or

95 (b) At least ten percent of the total inbound cargo activity of an eligible facility
96 consists of chargeable kilos shipped on a qualifying inbound flight to the owner of, or any
97 tenant in, an eligible facility, whether or not the inbound shipment is stored at any time
98 within such facility; or

99 (c) At least ten percent of the total cargo activity of an eligible facility consists of:

100 a. Chargeable kilos shipped from such facility, on a qualifying outbound flight by
101 the owner of, or any tenant in, such facility; and

102 **b. Chargeable kilos shipped on a qualifying inbound flight to the owner of, or any**
103 **tenant in, an eligible facility, whether or not the inbound shipment is stored at any time**
104 **within such facility;**

105 **(21) "Multimodal commerce", modes of commerce for the shipment of materials,**
106 **components, goods, or products, including road transportation, railroad transportation,**
107 **water transportation, or aircraft transportation;**

108 **(22) "Municipality", any city, town, village, or county;**

109 **(23) "New building", a new structure or building for which a certificate of**
110 **occupancy was issued on or after July 1, 2011 for commercial activity, including fixtures**
111 **and equipment;**

112 **(24) "New job", a person who was not employed at the eligible facility as a full-time**
113 **employee on or prior to the date of the issuance of the certificate of occupancy for the**
114 **eligible facility. No job that was created prior to the date of the issuance of the certificate**
115 **of occupancy for the eligible facility shall be deemed a new job. An employee that spends**
116 **less than fifty percent of the employee's work time at the eligible facility is still considered**
117 **to be located at an eligible facility if the employee receives his or her directions and control**
118 **from that facility, is on the facility's payroll, and one hundred percent of the employee's**
119 **income from such employment is Missouri income;**

120 **(25) "Outbound cargo activity", the shipment of materials, components, goods, and**
121 **products from an eligible facility to another destination through any mode of multimodal**
122 **commerce. The term "outbound cargo activity" shall not include road transportation to**
123 **the airport from the eligible facility;**

124 **(26) "Perishable freight", agricultural products, including seeds, garden products,**
125 **live animals, and processed meat products such as pork and beef;**

126 **(27) "Qualifying applicant", an owner of, or tenant in, an eligible facility;**

127 **(28) "Qualifying assembly and manufacturing facility", a new building located**
128 **within a gateway zone that is equipped for manufacturing or assembly and in which the**
129 **receipt of production materials or components or the shipment of finished goods or**
130 **products, or both, involves at least two modes of multimodal commerce;**

131 **(29) "Qualifying cargo activity", meeting or exceeding the requirements for level**
132 **one air cargo activity or level two air cargo activity;**

133 **(30) "Qualifying cold-chain facility", a new building located within a gateway zone**
134 **which has within it equipment for maintaining necessary temperatures for the processing,**
135 **packaging, or distribution of temperature-sensitive products, provided that at least eighty**
136 **percent of the usable square footage of such facility is refrigerated;**

(31) "Qualifying gateway facility", a new building located within a gateway zone in which qualifying cargo activity occurs, provided that no more than twenty percent of the usable space within the qualifying gateway facility is devoted to office or retail use;

(32) "Qualifying inbound flight", an all cargo aircraft flight originating from an international destination to the airport;

(33) "Qualifying outbound flight", a direct all cargo aircraft flight from the airport to an international destination; and

(34) "Tenant in an eligible facility", a tenant or subtenant who is operating within an eligible facility and is a tenant or subtenant of the owners of an eligible facility, or a licensee who is operating within an eligible facility and is a licensee of such owner, tenant, or subtenant.

135.1503. 1. Any executive officer of a county or the mayor of any city not within a county desiring to designate a gateway zone shall cause the governing body of such county or city not within a county to hold a public hearing for the purpose of obtaining the opinion and suggestions of those persons who will be affected by such designation. The county or the city not within a county shall publish notice of such hearing in a newspaper of general circulation in the area to be affected by such designation at least twenty days prior to the date of the hearing but not more than thirty days prior to such hearing. Such notice shall state the time, location, date, and purpose of the hearing.

2. Following conclusion of the public hearing required by this section, the executive officer of any county or the mayor of any city not within a county shall notify the department in writing of the designation of the gateway zone. Such notification shall include evidence that the requisite public hearing has been conducted, a legal description of the area of the gateway zone, the street location, if available, the acreage of the gateway zone, a survey of the gateway zone, a plan for the utilization and marketing of the gateway zone, and confirmation that zoning has been obtained for the gateway zone or any portion thereof which zoning is consistent with the uses of property as contemplated under sections 135.1500 to 135.1521.

3. The department shall have a period of sixty calendar days to verify that such gateway zone satisfies the requirements under section 135.1500. If the department does not notify the executive officer of the county, or the mayor of any city not within a county, designating the gateway zone, of its verification that the requirements are satisfied, or the department does not notify such executive officer or such mayor of its denial and provide a detailed description of the reason for the denial of such verification within such sixty day time period, then the requirements under section 135.1500 shall be deemed to have been satisfied.

26 **4. If the department provides such executive officer or mayor with a detailed**
27 **description of a reason for its denial within such sixty day time period, such executive**
28 **officer or mayor may submit a revised notification. Any such revised notification shall be**
29 **subject to the provisions of subsection 3 of this section.**

135.1505. 1. There shall be an annual special assessment levied on any eligible
2 **facility, which receives benefits under sections 135.1500 to 135.1521, at the rate of twenty**
3 **cents per rentable square foot of such facility; provided however, any special assessments**
4 **levied on such eligible facilities located within the boundaries of the airport shall be**
5 **remitted to the airport. The county collector of revenue of the county in which a gateway**
6 **zone is located, or the collector of revenue for the city in which a gateway zone is located**
7 **if the gateway zone is located in a city not within a county, shall annually levy the special**
8 **assessments in the same manner as real property taxes are collected.**

9 **2. On or before the first day of February of each year and after deducting the**
10 **reasonable and actual cost of such collection not to exceed one percent of the total amount**
11 **collected, the county or city collector of revenue, who has collected the special assessments,**
12 **shall remit to the entities identified in subsection 3 of this section the percentages of special**
13 **assessments set forth in such subsection. Such county or city collector of revenue shall**
14 **collect the special assessments prior to the fifteenth day of January of each year. Upon**
15 **receipt of such money, the entities, identified in subsection 3 of this section, shall execute**
16 **a receipt therefor, which the entities shall forward or deliver to the county or city collector**
17 **of revenue.**

18 **3. After the payment of any fees related to the collection of the special assessments**
19 **and the remittance of any special assessments identified for remittance under subsection**
20 **1 of this section to the airport, the remaining revenues collected from the special**
21 **assessments shall be utilized as follows:**

22 **(a) Fifty percent of such revenues shall be annually transferred to the airport. The**
23 **proceeds of the net special assessments shall be placed in a special fund for marketing and**
24 **promotion of the airport and shall not be comingled with any other funds of the airport;**

25 **(b) The remaining fifty percent of such revenues shall be annually transferred to**
26 **a tax exempt regional or county economic development association or associations, selected**
27 **by the executive officer of any county, or the mayor of a city not within a county, which**
28 **contains a gateway zone for the marketing and promotion of the gateway zone. Such**
29 **county or city shall enter into an agreement or agreements with such tax exempt economic**
30 **development association or associations for the marketing and promotion of the gateway**
31 **zone and shall review and approve the annual budget of such association or associations**
32 **for such marketing and promotion. Such tax exempt regional or county economic**

33 development association or associations shall not comingle any of such revenues with any
34 other funds of the association or associations.

35 4. The airport and such tax exempt regional or county economic development
36 association or associations shall be subject to periodic audits by the state auditor to be paid
37 in accordance with section 29.230. The airport shall report, and such executive officer or
38 mayor shall cause the tax exempt regional or county economic development association
39 performing such marketing and promotion to report, to the department the status of the
40 gateway zone and the use of revenues generated through the levying of special assessments
41 under this section.

135.1507. 1. For all taxable years beginning on or after January 1, 2011, a claiming
2 freight forwarder shall be entitled to an air export tax credit for the shipment of cargo on
3 a qualifying outbound flight in an amount equal to thirty cents per chargeable kilo.

4 2. For all taxable years beginning on or after January 1, 2011, a claiming freight
5 forwarder shall be entitled to an air export tax credit for the shipment of perishable freight
6 on a qualifying outbound flight in an amount equal to thirty-five cents per chargeable kilo.

7 3. No claiming freight forwarder shall receive air export tax credits under both
8 subsections 1 and 2 of this section for a single shipment on a qualifying outbound flight.

9 4. The department shall index the amount of the air export tax credits to adjust
10 each year depending upon fluctuations in the cost of fuel for over-the-road transportation.

135.1509. 1. To receive benefits provided under section 135.1507, a claiming freight
2 forwarder shall file an application with the department within one hundred twenty
3 calendar days of the date that the shipment for which air export tax credits are being
4 sought was transported on the qualifying outbound flight. The documentation to be
5 presented by the claiming freight forwarder in such an application shall consist of the
6 master airway bill for the shipment on the qualifying outbound flight for which the
7 claiming freight forwarder is seeking air export tax credits. All master airway bills shall
8 specify an origin located within the United States of America for the shipments to qualify
9 for air export tax credits. The department shall establish procedures to allow claiming
10 freight forwarders that file applications for air export tax credits to receive such tax credits
11 within ten business days of the date of the filing of the application for air export tax credits
12 relating to the qualifying outbound flight. No application shall be approved for any
13 continuing direct all cargo aircraft flights from the airport to an international destination
14 conducted by a carrier, which conducted such flights on a scheduled basis prior to May 1,
15 2011, and which continuing flights after May 1, 2011, would otherwise have constituted
16 qualifying outbound flights.

17 **2. If the annual cap on the issuance of air export tax credits provided under section**
18 **135.1511, is met in a given year, then the amount of such tax credits which have been**
19 **authorized, but remain unissued, shall be carried forward and issued in the subsequent**
20 **year.**

21 **3. No tax credits provided under this section shall be authorized after August 28,**
22 **2019. Any tax credits authorized on or before August 28, 2019, but not issued prior to such**
23 **date may be issued until all such authorized tax credits have been issued.**

135.1511. The total aggregate amount for air export tax credits authorized under
2 **section 135.1507 shall not exceed sixty million dollars. The amount of the air export tax**
3 **credits issued under section 135.1507 shall not exceed:**

4 **(1) Three million six hundred thousand dollars for the taxable year beginning on**
5 **or after January 1, 2011, but ending on or before December 31, 2011;**

6 **(2) Four million eight hundred thousand dollars for the taxable year beginning on**
7 **or after January 1, 2012, but ending on or before December 31, 2012; and**

8 **(3) The greater of one million two hundred thousand dollars per weekly qualifying**
9 **outbound flight or three million six hundred thousand dollars for all taxable years**
10 **beginning on or after January 1, 2013.**

11

12 **The department shall annually determine the number of weekly qualifying outbound**
13 **flights, which shall be the average number of such flights per week during the month of**
14 **September of the previous year.**

135.1513. 1. For all taxable years beginning on or after January 1, 2013, qualifying
2 **applicants shall be entitled to the following benefits:**

3 **(1) The owner of any eligible facility with level one air cargo activity shall be**
4 **entitled, during the eligibility period, to receive tax credits against the taxes imposed under**
5 **chapters 143, 147, and 148, except for sections 143.191 to 143.265, equal to six percent of**
6 **the eligible costs for such facility for each year that such facility meets or exceeds level one**
7 **air cargo activity volumes, provided that the owner can demonstrate that at least ten new**
8 **jobs are projected to be created at the facility by no later than the end of the eligibility**
9 **period. The total amount of tax credits issued for any such facility shall not exceed thirty**
10 **percent of such facility's eligible costs. No tax credits provided under this subdivision shall**
11 **be issued prior to January 1, 2013;**

12 **(2) The owner of any qualifying gateway facility with level two air cargo activity,**
13 **a qualifying assembly and manufacturing facility, or a qualifying cold-chain facility shall**
14 **be entitled, during the eligibility period, to receive tax credits against the taxes imposed**
15 **under chapters 143, 147, and 148, except for sections 143.191 to 143.265, equal to four**

16 percent of the eligible costs for such facility for each year that such facility satisfies the
17 requirements of sections 135.1500 to 135.1521, provided that the owner can demonstrate
18 that at least ten new jobs are projected to be created at the facility by no later than the end
19 of the eligibility period. The total amount of tax credits issued for such facility shall not
20 exceed twenty percent of such facility's eligible costs. No tax credits provided under this
21 subdivision shall be issued prior to January 1, 2013; and

22 (3) Any tenant of an eligible facility and any individuals employed by such tenants
23 shall be exempt from the earnings tax imposed by a city not within a county pursuant to
24 sections 92.110 to 92.200 for each fiscal year during the eligibility period if such facility
25 satisfies the requirements of sections 135.1500 to 135.1521.

26 2. If an eligible facility receives a certificate of occupancy prior to the sunset of the
27 program, the owners of an eligible facility may apply for benefits provided under this
28 section for the term of the eligibility period notwithstanding the sunset of the program
29 prior to the end of the term of the eligibility period for such facility.

135.1515. 1. In order for an owner of an eligible facility to receive benefits
2 provided under section 135.1513 for any fiscal year during the eligibility period, the eligible
3 facility shall satisfy all applicable requirements provided under sections 135.1500 to
4 135.1521 for each such fiscal year by December thirty-first of the calendar year in which
5 an application is filed under subsection 2 of this section.

6 2. Owners of an eligible facility seeking benefits provided under section 135.1513
7 shall file applications for such benefits, accompanied by a certificate of compliance, on or
8 before December thirty-first of each year. If such facility, relating to which such owners
9 are applying for such tax credits satisfies the applicable requirements provided under
10 sections 135.1500 to 135.1521, the department shall grant such benefits on or before July
11 fifteenth of the next calendar year following such time period.

12 3. If the annual cap for any of such tax credits provided under section 135.1517 is
13 met in a year, then the amount of such tax credits authorized, but unissued, shall be carried
14 forward and issued in the subsequent year.

15 4. No tax credits provided under this section shall be authorized after August 28,
16 2020. Any tax credits authorized on or before August 28, 2020, but not issued prior to such
17 date may be issued until all such authorized tax credits have been issued.

18 5. No owner of an eligible facility shall be entitled to receive benefits provided
19 under section 135.1513 unless a certificate of occupancy has been issued for the eligible
20 facility prior to August 28, 2020. An owner of an eligible facility for which a certificate of
21 occupancy has been issued prior to August 28, 2020, may be granted benefits under this
22 section.

135.1517. The total aggregate amount for all of the tax credits authorized under subdivisions (1) and (2) of subsection 1 of section 135.1513 shall not exceed three hundred million dollars. The annual amount of the tax credits issued under subdivisions (1) and (2) of subsection 1 of section 135.1513 shall not exceed:

(1) Two million dollars for the taxable year beginning on or after January 1, 2013, and ending on or before December 31, 2013;

(2) Fifteen million dollars for the taxable year beginning on or after January 1, 2014, and ending on or before December 31, 2014;

(3) Sixteen million dollars for the taxable year beginning on or after January 1, 2015, and ending on or before December 31, 2015;

(4) Twenty million dollars for all taxable years beginning on or after January 1, 2016, but ending on or before December 31, 2019;

(5) Thirty million dollars for all taxable years beginning on or after January 1, 2020, but ending on or before December 31, 2024;

(6) Twenty-three million dollars for the taxable year beginning on or after January 1, 2025, but ending on or before December 31, 2025; and

(7) Seven million dollars for the taxable years beginning on or after January 1, 2026, and ending on or before December 31, 2027.

135.1519. If the amount of any tax credit authorized under sections 135.1500 to 135.1521 exceeds the total tax liability for the year in which the applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be carried forward for credit against the taxes imposed under chapters 143, 147, and 148, except sections 143.191 to 143.265, for the succeeding six years, or until the full credit is used, whichever occurs first. Tax credits authorized under the provisions of sections 135.1500 to 135.1521 may be transferred, sold, or otherwise assigned. Tax credits granted to a partnership, a limited liability company taxed as a partnership, or multiple owners of property shall be passed through to the partners, members, or owners respectively pro rata or under an executed agreement among the partners, members, or owners documenting an alternate distribution method.

135.1521. 1. The department may promulgate rules to implement the provisions of sections 135.1500 to 135.1521. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and to annul a rule are subsequently held

8 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted
9 after the effective date of this act, shall be invalid and void.

10 2. The provisions of the new programs authorized under sections 135.1500 to
11 135.1521 shall automatically sunset sixteen years after the effective date of this act, unless
12 reauthorized by an act of the general assembly. If such program is reauthorized, the
13 program authorized under this section shall automatically sunset six years after the
14 effective date of the reauthorization of this section. This section shall terminate on
15 September first of the calendar year immediately following the calendar year in which the
16 programs authorized under sections 135.1500 to 135.1521 sunset.

140.910. 1. In addition to any other remedy provided by law for the collection of
2 delinquent taxes due the state of Missouri, if the director has filed a certificate of lien in the
3 circuit court as provided by section 143.902, 144.380, or 144.690, the director or his or her
4 designee may issue an order directing any person, after the payment of attorney fees and
5 expenses associated with creating the proceeds belonging to, due to, or to become due to
6 the taxpayer, to withhold and pay over to the department assets belonging to, due, or to
7 become due the taxpayer. The director or his or her designee shall not issue the
8 administrative garnishment if the taxpayer has entered into a written agreement with the
9 department for an alternative payment arrangement and the taxpayer is in compliance
10 with the agreement.

11 2. An order entered under this section shall be served on the person or other legal
12 entity either by regular mail or by certified mail, return receipt requested, or may be issued
13 through electronic means, and shall be binding on the employer or other payor two weeks
14 after mailing or electronic issuance of such service. The person or other entity in
15 possession of assets belonging to, due, or to become due the taxpayer may deduct an
16 additional sum not to exceed six dollars per month as reimbursement for costs, except that
17 the total amount withheld shall not exceed the limitations contained in the federal
18 Consumer Credit Protection Act, 15 U.S.C. Section 1673, as amended.

19 3. A copy of the order shall be mailed to the taxpayer at the taxpayer's last known
20 address. The notice shall advise the taxpayer that the administrative garnishment has
21 commenced and the procedures to contest such garnishment on the grounds that such
22 garnishment is improper due to a mistake of fact by requesting a hearing within thirty
23 days from mailing or electronic issuance of the notice. At such a hearing the certified
24 records of the department shall constitute prima facie evidence that the director's order
25 is valid and enforceable. If a prima facie case is established, the obligor may only assert
26 as a defense mistake as to the identity of the taxpayer, mistake as to payments made, or
27 existence of an alternative payment agreement for which no default has occurred. The

28 taxpayer shall have the burden of proof on such issues. The taxpayer may obtain relief
29 from the garnishment by paying the amount owed.

30 4. An employer or other payor shall withhold from the earnings or other income
31 of each taxpayer the amount specified in the order. The employer or other payor shall
32 transmit the payments as directed in the order within ten business days of the date the
33 earnings, money due, or other income was payable to the taxpayer. For purposes of this
34 section, "business day" means a day that state offices are open for regular business. The
35 employer or other payor shall, along with the amounts transmitted, provide the date the
36 amount was withheld from the taxpayer.

37 5. An order issued under subsection 1 of this section shall be a continuing order and
38 shall remain in effect and be binding upon any employer or other payor upon whom it is
39 directed until a further order of the director. The director shall notify an employer or
40 other payor upon whom such an order has been directed whenever the deficiency is paid
41 in full.

42 6. If the order is served on a person other than an employer or other payor, it shall
43 be a lien against any money belonging to the taxpayer that is in the possession of the person
44 on the date of service. The person other than an employer or other payor shall pay over
45 any assets within ten business days of the service date of the order. A financial institution
46 ordered to surrender an account shall be entitled to collect its normally scheduled account
47 activity surcharges to maintain the account during the period of time the account is
48 garnished. For purposes of this section, the interest of the taxpayer in any joint financial
49 accounts shall be presumed to be equal to all other joint owners.

50 7. An order issued under subsection 1 of this section shall have priority over any
51 other legal process under state law against the same income or other asset, except that
52 where the other legal process is an order issued under section 452.350, 454.505, or 454.507,
53 the withholding for child support shall have priority.

54 8. No person who complies with an order entered under this section shall be liable
55 to the taxpayer, or to any other person claiming rights derived from the taxpayer, for
56 wrongful withholding. A person who fails or refuses to withhold or pay the amounts as
57 ordered under this section shall be liable to the state in a sum equal to the value of the
58 wages or property not surrendered, but not to exceed the amount of tax deficiency. The
59 director is hereby authorized to bring an action in circuit court to determine the liability
60 of a person for failure to withhold or pay the amounts as ordered. If a court finds that a
61 violation has occurred, the court may fine the person in an amount not to exceed five
62 hundred dollars. The court may also enter a judgment against the person or other legal

63 entity for the amounts to be withheld or paid, court costs, and reasonable attorney's
64 surcharges.

65 9. The remedy provided by this section shall be available where the state or any of
66 its political subdivisions is the employer or other payor of the taxpayer in the same manner
67 and to the same extent as where the employer or other payor is a private party.

68 10. An employer shall not discharge, or refuse to hire or otherwise discipline, an
69 employee as a result of an order to withhold and pay over certain money authorized by this
70 section. If any such employee is discharged within thirty days of the date upon which an
71 order to withhold and pay over certain money is to take effect, there shall arise a
72 rebuttable presumption that such discharge was a result of such order. This presumption
73 shall be overcome only by clear, cogent and convincing evidence produced by the employer
74 that the employee was not terminated because of the order to withhold and pay over
75 certain money. The director or his or her designee is hereby authorized to bring an action
76 in circuit court to determine whether the discharge constitutes a violation of this
77 subsection. If the court finds that a violation has occurred, the court may enter an order
78 against the employer requiring reinstatement of the employee and may fine the employer
79 in an amount not to exceed five hundred dollars. Further, the court may enter judgment
80 against the employer for the back wages, costs, attorney's surcharges, and for the amount
81 of taxes that should have been withheld and paid over during the period of time the
82 employee was wrongfully discharged.

83 11. If a taxpayer for whom an order to withhold has been issued under subsection
84 1 of this section terminates the taxpayer's employment, the employer shall, within ten days
85 of the termination, notify the department of the termination, shall provide to the
86 department the last known address of the taxpayer, if known to the employer, and shall
87 provide to the department the name and address of the taxpayer's new employer, if known.
88 The director or his or her designee may issue an order to the new employer as provided in
89 subsection 1 of this section.

90 12. For purposes of this section, "assets" include, but are not limited to, currency,
91 any financial account or other liquid asset, and any income or other periodic form of
92 payment due to a taxpayer regardless of source, including, but not limited to, wages,
93 salaries, commissions, bonuses, workers' compensation benefits, disability benefits,
94 payments pursuant to a pension or a retirement program, and interest.

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

2 (1) "Essential", an activity necessary and indispensable to the process of
3 manufacturing, without which the actual process of manufacturing could not take place;

4 (2) "Manufacturing, processing, compounding, mining, or producing", testing,
5 installing, calibrating, maintaining, repairing, restoring, and all other activities of the
6 manufacturer, processor, compounder, miner, or producer essential to manufacturing,
7 processing, compounding, mining, or producing;

8 (3) "Processing", any mode of treatment, act, or series of acts performed upon materials
9 to transform or reduce them to a different state or thing, including treatment necessary to
10 maintain or preserve such processing by the producer at the production facility;

11 [(2)] (4) "Recovered materials", those materials which have been diverted or removed
12 from the solid waste stream for sale, use, reuse, or recycling, whether or not they require
13 subsequent separation and processing.

14 2. In addition to all other exemptions granted under this chapter, there is hereby
15 specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to
16 144.761, and from the computation of the tax levied, assessed, or payable under sections 144.010
17 to 144.525 and 144.600 to 144.761, electrical energy and gas, whether natural, artificial, or
18 propane, water, coal, and energy sources, chemicals, machinery, equipment, and materials used
19 or consumed in the manufacturing, processing, compounding, mining, or producing of any
20 product, or used or consumed in the processing of recovered materials, or used in research and
21 development related to manufacturing, processing, compounding, mining, or producing any
22 product. **The exemptions granted in this subsection include chemicals, machinery,**
23 **equipment, and other materials essential to the processes of repairing and maintaining**
24 **manufacturing equipment. Activities deemed nonessential and thus not exempt under this**
25 **section shall include, but are not limited to, transportation, delivery, human resources**
26 **activities, accounting, and other activities that are not part of the manufacturing process.**
27 The exemptions granted in this subsection shall not apply to local sales taxes as defined in
28 section 32.085 and the provisions of this subsection shall be in addition to any state and local
29 sales tax exemption provided in section 144.030.

30 3. In addition to all other exemptions granted under this chapter, there is hereby
31 specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to
32 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from
33 the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and
34 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085,
35 all utilities, machinery, and equipment used or consumed directly in television or radio
36 broadcasting and all sales and purchases of tangible personal property, utilities, services, or any
37 other transaction that would otherwise be subject to the state or local sales or use tax when such
38 sales are made to or purchases are made by a contractor for use in fulfillment of any obligation
39 under a defense contract with the United States government, and all sales and leases of tangible

40 personal property by any county, city, incorporated town, or village, provided such sale or lease
41 is authorized under chapter 100, and such transaction is certified for sales tax exemption by the
42 department of economic development, and tangible personal property used for railroad
43 infrastructure brought into this state for processing, fabrication, or other modification for use
44 outside the state in the regular course of business.

45 4. In addition to all other exemptions granted under this chapter, there is hereby
46 specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to
47 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from
48 the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and
49 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085,
50 all sales and purchases of tangible personal property, utilities, services, or any other transaction
51 that would otherwise be subject to the state or local sales or use tax when such sales are made
52 to or purchases are made by a private partner for use in completing a project under sections
53 227.600 to 227.669.

**144.810. 1. As used in this section, unless the context clearly indicates otherwise,
2 the following terms mean:**

3 **(1) "Commencement of commercial operations", shall be deemed to occur during**
4 **the first calendar year for which the data storage center is first available for use by the**
5 **operating taxpayer, or first capable of being used by the operating taxpayer, as a data**
6 **storage center;**

7 **(2) "Constructing taxpayer", where more than one taxpayer is responsible for a**
8 **project, a taxpayer responsible for the construction of the facility, as opposed to a taxpayer**
9 **responsible for the equipping and ongoing operations of the facility;**

10 **(3) "County average wage", the average wages in each county as determined by the**
11 **department for the most recently completed full calendar year. However, if the computed**
12 **county average wage is above the statewide average wage, the statewide average wage shall**
13 **be deemed the county average wage for such county for the purpose of determining**
14 **eligibility;**

15 **(4) "Data storage center" or "facility", a facility constructed, extended, improved,**
16 **or operating under this section, provided that such business facility is engaged primarily**
17 **in:**

18 **(a) Data processing, hosting, and related services (NAICS 518210); or**

19 **(b) Internet publishing and broadcasting and web search portals (NAICS 519130),**
20 **at the business facility;**

21 **(5) "Existing facility", a data storage center in this state as it existed prior to**
22 **August 28, 2011, as determined by the department;**

23 (6) "Expanding facility" or "expanding data storage center", an existing facility
24 or replacement facility that expands its operations in this state on or after the effective date
25 of this act, and has net new investment related to the expansion of operations in this state
26 of at least five million dollars during a period of up to twelve consecutive months and
27 results in the creation of at least five new jobs during a period of up to twenty-four
28 consecutive months from the date of conditional approval for an exemption under this
29 section, if the average wage of the new jobs equals or exceeds one hundred and fifty
30 percent of the county average wage. An expanding facility shall continue to be an
31 expanding facility regardless of a subsequent change in or addition of operating taxpayers
32 or constructing taxpayers;

33 (7) "Expanding facility project" or "expanding data storage center project", the
34 construction, extension, improvement, equipping, and operation of an expanding facility;

35 (8) "Investment" shall include the value of real and depreciable personal property,
36 acquired as part of the new or expanding facility project which is used in the operation of
37 the facility following conditional approval of an exemption under this section;

38 (9) "NAICS", the 2007 edition of the North American Industry Classification
39 System as prepared by the Executive Office of the President, Office of Management and
40 Budget. Any NAICS sector, subsector, industry group, or industry identified in this section
41 shall include its corresponding classification in previous and subsequent federal industry
42 classification systems;

43 (10) "New facility" or "new data storage center", a facility in this state meeting the
44 following requirements:

45 (a) The facility is acquired by, or leased to, an operating taxpayer on or after the
46 effective date of this act. A facility shall be deemed to have been acquired by, or leased to,
47 an operating taxpayer on or after the effective date of this act, if the transfer of title to an
48 operating taxpayer, the transfer of possession under a binding contract to transfer title to
49 an operating taxpayer, or the commencement of the term of the lease to an operating
50 taxpayer occurs on or after the effective date of this act, or, if the facility is constructed,
51 erected, or installed by or on behalf of an operating taxpayer, such construction, erection,
52 or installation is commenced on or after the effective date of this act;

53 (b) If such facility was acquired by an operating or constructing taxpayer from
54 another person or persons on or after the effective date of this act, and such facility was
55 employed prior to the effective date of this act, by any other person or persons in the
56 operation of a data storage center the facility shall not be considered a new facility;

57 (c) Such facility is not an expanding or replacement facility, as defined in this
58 section;

59 (d) The new facility project investment is at least thirty-seven million dollars during
60 a period of up to thirty-six consecutive months from the date of the conditional approval
61 for an exemption under this section. Where more than one taxpayer is responsible for a
62 project, the investment requirement may be met by an operating taxpayer, a constructing
63 taxpayer, or a combination of constructing taxpayers and operating taxpayers;

64 (e) At least thirty new jobs are created at the new facility during a period of up to
65 thirty six consecutive months from the date of conditional approval for an exemption under
66 this section if the average wage of the new jobs equals or exceeds one hundred fifty percent
67 of the county average wage; and

68 (f) A new facility shall continue to be a new facility regardless of a subsequent
69 change in or addition of operating taxpayers or constructing taxpayers;

70 (11) "New data storage center project" or "new facility project", the construction,
71 extension, improvement, equipping, and operation of a new facility;

72 (12) "New job", in the case of a new data center project, the total number of
73 full-time employees located at a new data storage center for a period of up to thirty-six
74 consecutive months from the date of conditional approval for an exemption under this
75 section. In the case of an expanding data storage center project, the total number of
76 full-time employees located at the expanding data storage center that exceeds the greater
77 of the number of full-time employees located at the project facility on the date of the
78 submission of a project plan under this section or for the twelve-month period prior to the
79 date of the submission of a project plan, the average number of full-time employees located
80 at the expanding data storage center facility. In the event the expanding data storage
81 center facility has not been in operation for a full twelve-month period at the time of the
82 submission of a project plan, the average number of full-time employees for the number
83 of months the expanding data storage center facility has been in operation prior to the date
84 of the submission of the project plan;

85 (13) "Operating taxpayer", where more than one taxpayer is responsible for a
86 project, a taxpayer responsible for the equipping and ongoing operations of the facility, as
87 opposed to a taxpayer responsible for the purchasing or construction of the facility;

88 (14) "Project taxpayers", each constructing taxpayer and each operating taxpayer
89 for a data storage center project;

90 (15) "Replacement facility", a facility in this state otherwise described in
91 subdivision (7) of this subsection, but which replaces another facility located within the
92 state, which the taxpayer or a related taxpayer previously operated but discontinued
93 operating within one year prior to the commencement of commercial operations at the new
94 facility;

95 **(16) "Taxpayer", the purchaser of tangible personal property or a service that is**
96 **subject to state or local sales or use tax and from whom state or local sales or use tax is**
97 **owed. Taxpayer shall not mean the seller charged by law with collecting the sales tax from**
98 **the purchaser.**

99 **2. Beginning on the effective date of this act, in addition to the exemptions granted**
100 **under chapter 144, project taxpayers for a new data storage center project shall be entitled,**
101 **for a project period not to exceed fifteen years from the date of conditional approval under**
102 **this section and subject to the requirements of subsection 3 of this section, to an exemption**
103 **of one hundred percent of the state and local sales and use taxes defined, levied, or**
104 **calculated under section 32.085, sections 144.010 to 144.525, sections 144.600 to 144.761,**
105 **or section 238.235, limited to the net fiscal benefit of the state calculated over a ten year**
106 **period, on:**

107 **(1) All electrical energy, gas, water, and other utilities including telecommunication**
108 **and internet services used in a new data storage center;**

109 **(2) All machinery, equipment, and computers used in any new data storage center;**
110 **and**

111 **(3) All sales at retail of tangible personal property and materials for the purpose**
112 **of constructing any new data storage center.**

113
114 **The amount of any exemption provided under this subsection shall not exceed the**
115 **projected net fiscal benefit to the state over a period of ten years, as determined by the**
116 **department of economic development using the Regional Economic Modeling, Inc. dataset**
117 **or comparable data.**

118 **3. Any data storage center project seeking a tax exemption under subsection 2 of**
119 **this section shall submit a project plan to the department of economic development, which**
120 **shall identify each known constructing taxpayer and known operating taxpayer for the**
121 **project and include any additional information the department of economic development**
122 **may require to determine eligibility for the exemption. The department of economic**
123 **development shall review the project plan and determine whether the project is eligible for**
124 **the exemption under subsection 2 of this section, conditional upon subsequent verification**
125 **by the department that the project meets the requirements in subsection 1 of this section**
126 **for a new facility. The department of economic development shall convey such conditional**
127 **approval to the department of revenue and the identified project taxpayers. After a**
128 **conditionally approved new facility has met the requirements in subsection 1 of this section**
129 **for a new facility and the execution of the agreement specified in subsection 6 of this**
130 **section, the project taxpayers shall provide proof of the same to the department of**

economic development. Upon verification of such proof, the department of economic development shall certify the new facility to the department of revenue as being eligible for the exemption dating retroactively to the first day of the thirty-six month period. The department of revenue, upon receipt of adequate proof of the amount of sales taxes paid since the first day of the thirty-six month period, shall issue a refund of taxes paid but eligible for exemption under subsection 2 of this section to each operating taxpayer and each constructing taxpayer and issue a certificate of exemption to each new project taxpayer for ongoing exemptions under subsection 2 of this section.

4. Beginning on the effective date of this act, in addition to the exemptions granted under chapter 144, upon approval by the department of economic development, project taxpayers for expanding data center projects may, for a period not to exceed ten years, be specifically exempted from state and local sales and use taxes defined, levied, or calculated under section 32.085, sections 144.010 to 144.525, sections 144.600 to 144.761, or section 238.235 on:

(1) All electrical energy, gas, water, and other utilities including telecommunication and internet services used in an expanding data storage center which, on an annual basis, exceeds the amount of electrical energy, gas, water, and other utilities including telecommunication and internet services used in the existing facility or the replaced facility prior to the expansion, provided that any substantial renovation, as defined in section 8.800, at an expanding facility shall meet applicable provisions of the International Energy Conservation Code 2009 or most recent version thereof. For purposes of this subdivision only, "amount" shall be measured in kilowatt hours, gallons, cubic feet, or other measures applicable to a utility service as opposed to in dollars, to account for increases in utility rates;

(2) All machinery, equipment, and computers used in any expanding data storage center, the cost of which, on an annual basis, exceeds the average of the previous three years' expenditures on machinery, equipment, and computers at the existing facility or the replaced facility prior to the expansion. Existing facilities or replaced facilities in existence for less than three years shall have the average expenditures calculated based upon the applicable time of existence; and

(3) All sales at retail of tangible personal property and materials for the purpose of constructing, repairing, or remodeling any expanding data storage center.

The amount of any exemption provided under this subsection shall not exceed the projected net fiscal benefit to the state over a period of ten years, as determined by the department of economic development.

167 **5. Any data storage center project seeking a tax exemption under subsection 4 of**
168 **this section shall submit a project plan to the department of economic development, which**
169 **shall identify each known constructing taxpayer and each known operating taxpayer for**
170 **the project and include any additional information the department of economic**
171 **development may reasonably require to determine eligibility for the exemption. The**
172 **department of economic development shall review the project plan and determine whether**
173 **the project is eligible for the exemption under subsection 4 of this section, conditional upon**
174 **subsequent verification by the department that the project meets the requirements in**
175 **subsection 1 of this section for an expanding facility project and the execution of the**
176 **agreement specified in subsection 6 of this section. The department of economic**
177 **development shall convey such conditional approval to the department of revenue and the**
178 **identified project taxpayers. After a conditional approved facility has met the**
179 **requirements in subsection 1 of this section, the project taxpayers shall provide proof of**
180 **the same to the department of economic development. Upon verification of such proof, the**
181 **department of economic development shall certify the project to the department of revenue**
182 **as being eligible for the exemption dating retroactively to the first day of the thirty-six**
183 **month period. The department of revenue, upon receipt of adequate proof of the amount**
184 **of sales taxes paid since the first day of the thirty-six month period, shall issue a refund of**
185 **taxes paid but eligible for exemption under subsection 4 of this section to any applicable**
186 **project taxpayer and issue a certificate of exemption to any applicable project taxpayer for**
187 **ongoing exemptions under subsection 4 of this section.**

188 **6. (1) The exemptions in subsections 2 and 4 of this section shall be tied to the new**
189 **or expanding facility project. A certificate of exemption in the hands of a taxpayer that is**
190 **no longer an operating or constructing taxpayer of the new or expanding facility project**
191 **shall be invalid as of the date the taxpayer was no longer an operating or constructing**
192 **taxpayer of the new or expanding facility project. New certificates of exemption shall be**
193 **issued to successor constructing taxpayers and operating taxpayers at such new or**
194 **expanding facility projects. The right to the exemption by successor taxpayers shall exist**
195 **without regard to subsequent levels of investment in the new or expanding facility by**
196 **successor taxpayers.**

197 **(2) As a condition of receiving an exemption under subsection 2 or 4 of this section,**
198 **the project taxpayers shall enter into an agreement with the department of economic**
199 **development providing for repayment penalties in the event the data storage center project**
200 **fails to comply with any of the requirements of this section.**

(3) The department of revenue shall credit any amounts remitted by the project taxpayers under this subsection to the fund to which the sales and use taxes exempted would have otherwise been credited.

7. The department of economic development and the department of revenue shall cooperate in conducting random audits to ensure that the intent of this section is followed.

8. Notwithstanding any other provision of law to the contrary, no recipient of an exemption pursuant to this section shall be eligible for benefits under any business recruitment tax credit, as defined in section 135.800.

9. The department of economic development and the department of revenue shall jointly prescribe such rules and regulations necessary to carry out the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after the effective date of this act, shall be invalid and void.

196.1109. All moneys that are appropriated by the general assembly from the life sciences research trust fund shall be appropriated to the life sciences research board to increase the capacity for quality of life sciences research at public and private not-for-profit institutions in the state of Missouri and to thereby:

(1) Improve the quantity and quality of life sciences research at public and private not-for-profit institutions, including but not limited to basic research (including the discovery of new knowledge), translational research (including translating knowledge into a usable form), and clinical research (including the literal application of a therapy or intervention to determine its efficacy), including but not limited to health research in human development and aging, cancer, endocrine, cardiovascular, neurological, pulmonary, and infectious disease, and plant sciences, including but not limited to nutrition and food safety; and

(2) Enhance technology transfer and technology commercialization derived from research at public and private not-for-profit institutions within the centers for excellence. For purposes of sections 196.1100 to 196.1130, "technology transfer and technology commercialization" includes stages of the regular business cycle occurring after research and development of a life science technology, including but not limited to reduction to practice, proof of concept, and achieving federal Food and Drug Administration, United States Department of Agriculture, or other regulatory requirements in addition to the definition in section 348.251.

19 Funds received by the board may be used for purposes authorized in sections 196.1100 to
20 196.1130 and shall be subject to the restrictions of sections 196.1100 to 196.1130, including but
21 not limited to the costs of personnel, supplies, equipment, and renovation or construction of
22 physical facilities; provided that in any single fiscal year no more than [ten] **thirty** percent of the
23 moneys appropriated shall be used for the construction of physical facilities and further provided
24 that in any fiscal year **up to** eighty percent of the moneys shall be appropriated to build research
25 capacity at public and private not-for-profit institutions and **at least** twenty percent **and no more**
26 **than fifty percent** of the moneys shall be appropriated for grants to public or private
27 not-for-profit institutions to promote life science technology transfer and technology
28 commercialization. Of the moneys appropriated to build research capacity, twenty percent of the
29 moneys shall be appropriated to promote the development of research of tobacco-related
30 illnesses.

196.1115. 1. The moneys appropriated to the life sciences research board that are not
2 distributed by the board in any fiscal year to a center for excellence or a center for excellence
3 endorsed program pursuant to section 196.1112, if any, shall be held in reserve by the board or
4 shall be awarded on the basis of peer review panel recommendations for capacity building
5 initiatives proposed by public and private not-for-profit academic, research, or health care
6 institutions or organizations, or individuals engaged in competitive research in targeted fields
7 consistent with the provisions of sections 196.1100 to 196.1130.

8 2. The life sciences research board may, in view of the limitations expressed in section
9 196.1130:

10 (1) Award and enter into grants or contracts relating to increasing Missouri's research
11 capacity at public or private not-for-profit institutions;

12 (2) Make provision for peer review panels to recommend and review research projects;

13 (3) Contract for [administrative and] support services;

14 (4) Lease or acquire facilities and equipment;

15 (5) Employ administrative staff; and

16 (6) Receive, retain, hold, invest, disburse or administer any moneys that it receives from
17 appropriations or from any other source.

18 3. **The Missouri technology corporation, established under section 348.251, shall**
19 **serve as the administrative agent for the life sciences research board.**

20 4. The life sciences research board shall utilize as much of the moneys as reasonably
21 possible for building capacity at public and private not-for-profit institutions to do research rather
22 than for administrative expenses. The board shall not in any fiscal year expend more than two
23 percent of the total moneys appropriated to it and of the moneys that it has in reserve or has
24 received from other sources for its own administrative expenses **for appropriations over twenty**

25 **million dollars; three percent for appropriations less than twenty million dollars but more**
26 **than fifteen million dollars; four percent for appropriations less than fifteen million dollars**
27 **but more than ten million dollars; five percent for appropriations less than ten million**
28 **dollars;** provided, however, that the general assembly by appropriation from the life sciences
29 research trust fund may authorize a limited amount of additional moneys to be expended for
30 administrative costs.

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, excluding withholding tax imposed by sections 143.191 to 143.265, and
4 chapter 147, 148 or 153 provided, however, that any money withdrawn for an unapproved use
5 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.

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, excluding withholding tax imposed by sections 143.191 to 143.265, and chapter 147, 148
13 or 153, pursuant to sections 208.750 to 208.775. **For all taxable years ending on or before**
14 **December 31, 2011,** contributions up to fifty thousand dollars per program contributor are
15 eligible for the tax credit which shall not exceed fifty percent of the contribution amount. **For**
16 **all taxable years beginning on or after January 1, 2012, program contributors shall be**
17 **eligible for the tax credit which shall not exceed fifty percent of the amount of**
18 **contributions made, if such contributions are equal to or less than one thousand dollars.**
19 **In addition to the fifty percent credit allowed for contributions equal to or less than one**
20 **thousand dollars provided under this subsection, program contributors that make**
21 **contributions in excess of one thousand dollars, shall be eligible for a credit equal to**
22 **thirty-five percent of such excess. Tax credits provided under this section may be**
23 **transferred, sold, or assigned.**

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

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

35 **7. Notwithstanding any provision of law to the contrary, no tax credits provided**
36 **under this section shall be authorized on or after August 28, 2015. The provisions of this**
37 **subsection shall not be construed to limit or in any way impair the department's ability to**
38 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such**
39 **tax credits.**

 215.020. 1. There is hereby created and established as a governmental instrumentality
2 of the state of Missouri the "Missouri Housing Development Commission" which shall constitute
3 a body corporate and politic.

4 2. The commission shall consist of the governor, lieutenant governor, the state treasurer,
5 the state attorney general, and six members to be selected by the governor, with the advice and
6 consent of the senate. The persons to be selected by the governor, **president pro tem of the**
7 **senate, or speaker of the house of representatives** shall be individuals knowledgeable in the
8 areas of housing, finance or construction. Not more than four of the members appointed by the
9 governor shall be from the same political party. The members of the commission appointed by
10 the governor shall serve the following terms: Two shall serve two years, two shall serve three
11 years, and two shall serve four years, respectively. Thereafter, each appointment shall be for a
12 term of four years. If for any reason a vacancy occurs, the governor, with the advice and consent
13 of the senate, shall appoint a new member to fill the unexpired term. Members are eligible for
14 reappointment.

15 3. Six members of the commission shall constitute a quorum. No vacancy in the
16 membership of the commission shall impair the right of a quorum to exercise all the rights and
17 perform all the duties of the commission. No action shall be taken by the commission except
18 upon the affirmative vote of at least six of the members of the commission.

19 4. Each member of the commission appointed by the governor [is] , **president pro tem**
20 **of the senate, or speaker of the house of representatives shall be** entitled to compensation of
21 fifty dollars per diem plus his reasonable and necessary expenses actually incurred in discharging
22 his duties under sections 215.010 to 215.250.

23 **5. Notwithstanding provisions of this section to the contrary, after the effective date**
24 **of this act, no elected official shall serve as a member of the commission and the**
25 **commission shall consist of six members. The president pro tem of the senate shall appoint**
26 **one member to serve for a two year term to fill one of the vacancies existing as of the**
27 **effective date of this act. The speaker of the house of representatives shall appoint one**

28 member to serve for a four year term to fill the remaining vacancy existing as of the
29 effective date of this act. Upon the subsequent expiration of the term of any member of the
30 commission appointed prior to the effective date of this act:

31 (1) The first vacancy created shall be filled by a person, selected by the speaker of
32 the house of representatives, who shall serve for a four year term; and

33 (2) The second vacancy created shall be filled by a person, selected by the president
34 pro tem of the senate, who shall serve a two year term.

35

36 Any subsequent vacancy, created by the expiration of the term of a member of the
37 commission, shall be filled by a person, selected by the office which made the appointment
38 for such member, who shall serve a four year term. If a vacancy occurs for any reason
39 other than the expiration of a term, the office which made the appointment for such
40 member shall appoint a new member to fill the unexpired term. Any appointment to the
41 commission made by the governor shall be subject to the advice and consent of the senate.

42 6. Notwithstanding provisions of subsection 3 of this section to the contrary, after
43 the effective date of this act, four members of the commission shall constitute a quorum.
44 No vacancy in the membership of the commission shall impair the right of a quorum to
45 exercise all the rights and perform all the duties of the commission. No action shall be
46 taken by the commission except upon the affirmative vote of at least four of the members
47 of the commission. One member of the commission shall be selected annually to serve as
48 the chairperson of the commission. The initial selection of such chairperson shall be made
49 by speaker of the house of representatives, and thereafter such selection shall alternative
50 between the president pro tem of the senate and the speaker of the house of
51 representatives.

52 7. There is hereby created in the state treasury the "Missouri Housing Development
53 Commission Operating Budget Fund", which shall consist of money transferred by the
54 commission under sections 215.030 to 215.034. The state treasurer shall be custodian of
55 the fund and may approve disbursements from the fund in accordance with sections 30.170
56 and 30.180. Upon appropriation, money in the fund shall be used solely for the operating
57 expenses and cost of administration of programs administered by the commission.
58 Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining
59 in the fund at the end of the biennium shall not revert to the credit of the general revenue
60 fund. The state treasurer shall invest moneys in the fund in the same manner as other
61 funds are invested. Any interest and moneys earned on such investments shall be credited
62 to the fund.

215.030. 1. The commission is hereby granted, has and may exercise all powers
2 necessary or appropriate to carry out and effectuate its purpose, including but not limited to the
3 following:

4 (1) To make, purchase or participate in the purchase of uninsured, partially insured or
5 fully insured loans, including mortgages insured or otherwise guaranteed by the federal
6 government, or mortgages insured or otherwise guaranteed by other insurers of mortgages to
7 approved mortgagors to finance the building, rehabilitation or purchase of residential housing
8 designed and planned to be available for rental or sale to low-income or moderate-income
9 persons or families, as well as to finance the building, rehabilitation or purchase of residential
10 housing in distressed communities as defined in section 135.530 planned to be available for
11 rental or sale to persons or families of any income level, or which will be occupied and owned
12 by low-income or moderate-income persons, persons of any income level in distressed
13 communities or families upon such terms as designated in sections 215.010, 215.030, 215.060,
14 215.070, 215.090 and 215.160; or to purchase or participate in the purchase of any other
15 securities which are secured, directly or indirectly, by any such loan;

16 (2) Insure any loan, the funds of which are to be used for the purposes of sections
17 215.010 to 215.250 and the borrower of which agrees to the restrictions placed on such projects
18 by the commission;

19 (3) To make or participate in the making of uninsured or federally insured construction
20 loans to approve mortgagors of residential housing for occupancy by persons and families of low
21 to moderate income or occupancy by persons and families of any income level in distressed
22 communities as defined in section 135.530. Such loans shall be made only upon determination
23 by the commission that construction loans are not otherwise available, wholly or in part, from
24 private lenders upon reasonably equivalent terms and conditions. No commitment for a loan,
25 except a "commitment in principle", shall be made unless all plans for development have been
26 completed and submitted to the commission;

27 (4) To make temporary loans, with or without interest, but with such security for
28 repayment as the commission deems reasonably necessary and practicable, to defray
29 development costs to approved mortgagors of residential housing for occupancy by persons and
30 families of low and moderate income;

31 (5) Adopt bylaws for the regulation of its affairs and the conduct of its business and
32 define, from time to time, the terms "low-income" and "moderate-income" so as to best carry out
33 the purposes of sections 215.010 to 215.250 for the people intended hereby to be assisted. The
34 definition may vary from one part of the state to another depending on economic factors in each
35 section;

36 (6) To accept appropriations, gifts, grants, bequests, and devises and to utilize or dispose
37 of the same to carry out its purpose;

38 (7) To make and execute contracts, releases, compromises, and other instruments
39 necessary or convenient for the exercise of its powers, or to carry out its purpose;

40 (8) To collect reasonable fees and charges in connection with making and servicing its
41 loans, notes, bonds, obligations, commitments, and other evidences of indebtedness, and in
42 connection with providing technical, consultative and project assistant services. Such fees and
43 charges shall be limited to the amounts required to pay the costs of the commission, including
44 operating and administrative expenses, and reasonable allowances for losses which may be
45 incurred;

46 (9) To invest any funds not required for immediate disbursement in obligations of the
47 state of Missouri or of the United States government or any instrumentality thereof, the principal
48 and interest of which are guaranteed by the state of Missouri, or the United States government
49 or any instrumentality thereof, or bank certificates of deposit, or, in the case of funds pledged to
50 note or bond issues of the commission, in such investments as the commission may determine;
51 provided that on the date of issuance such note or bond issues are rated by Standard & Poor's
52 Corporation not lower than "AA" in the case of long-term obligations or "SP-1+" in the case of
53 short-term obligations or rated by Moody's Investors Service, Inc., not lower than "Aa" in the
54 case of long-term obligations or Moody's Investment Grade I in the case of short-term
55 obligations, or the equivalent ratings by such rating agencies in the event the ratings described
56 in this section are changed;

57 (10) To sue and be sued;

58 (11) To have a seal and alter the same at will;

59 (12) To make, and from time to time, amend and repeal bylaws, rules and regulations
60 not inconsistent with the provisions of sections 215.010 to 215.250;

61 (13) To acquire, hold and dispose of personal property for its purposes;

62 (14) To enter into agreements or other transactions with any federal or state agency, any
63 person and any domestic or foreign partnership, corporation, association or organization;

64 (15) To acquire real property, or an interest therein, in its own name, to sell, transfer and
65 convey any such property to a buyer, to lease such property to a tenant to manage and operate
66 such property, to enter into management contracts with respect to such property and to mortgage
67 such property;

68 (16) To sell, at public or private sale, any mortgage, negotiable instrument or obligation
69 securing a construction, land development, mortgage or temporary loan;

70 (17) To procure insurance against any loss in connection with its property in such
71 amounts, and from such insurers, as may be necessary or desirable;

72 (18) To consent, whenever it deems it necessary or desirable in the fulfillment of its
73 purpose, to the modification of the rate of interest, time of payment or any installment of
74 principal or interest, or any other terms, of any mortgage loan, mortgage loan commitment,
75 construction loan, temporary loan, contract or agreement of any kind to which the commission
76 is a party;

77 (19) To make and publish rules and regulations respecting its lending, insurance of loans,
78 federally insured construction lending and temporary lending to defray development costs and
79 any such other rules and regulations as are necessary to effectuate its purpose;

80 (20) To borrow money to carry out and effectuate its purpose and to issue its negotiable
81 bonds or notes as evidence of any such borrowing in such principal amounts and upon such terms
82 as shall be necessary to provide sufficient funds for achieving its purpose, and to secure such
83 bonds or notes by the pledge of revenues, mortgages or notes of others;

84 (21) To issue renewal notes, to issue bonds to pay notes, and whenever it deems
85 refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be
86 refunded have or have not matured;

87 (22) To apply the proceeds from the sale of renewal notes or refunding bonds to the
88 purchase, redemption, or payment of the notes or bonds to be refunded;

89 (23) To provide technical services to assist in the planning, processing, design,
90 construction or rehabilitation of residential housing for occupancy by persons and families of low
91 and moderate income, persons and families in distressed communities as defined in section
92 135.530 of any income level or land development for residential housing for occupancy by
93 persons and families of low and moderate income or persons and families in distressed
94 communities of any income level;

95 (24) To provide consultative project assistance services for residential housing for
96 occupancy by persons and families of low and moderate income or persons and families of any
97 income level in distressed communities as defined in section 135.530 and for land development
98 for residential housing for occupancy by persons and families of low and moderate income, or
99 for persons and families of any income level in distressed communities and for the residents
100 thereof with respect to management, training and social services;

101 (25) To promote research and development in scientific methods of constructing low cost
102 residential housing of high durability; [and]

103 (26) To make, purchase or participate in the purchase of uninsured, partially insured or
104 fully insured loans and home improvement loans to sponsors to finance the weatherization of
105 single and multifamily dwellings, and shall issue its negotiable bonds or notes for such purpose;

106 **and**

107 **(27) To transfer moneys from any fund administered by the commission to the**
108 **Missouri housing development commission operating budget fund for appropriation, by**
109 **the general assembly, to offset operating expenses and administrative costs of the**
110 **commission, provided such transfer is not otherwise inconsistent with applicable state or**
111 **federal law.**

112 **2. The operating budget of the commission shall be subject to annual**
113 **appropriations. Except as provided under subdivision (27) of subsection 1 of this section,**
114 **the commission shall not use any moneys within a fund administered by the commission**
115 **to offset or pay operating expenses or administrative costs of the commission.**

116 **3.** Any rule or portion of a rule, as that term is defined in section 536.010, that is
117 promulgated under the authority of this chapter, shall become effective only if the agency has
118 fully complied with all of the requirements of chapter 536 including but not limited to, section
119 536.028 if applicable, after January 1, 1999. All rulemaking authority delegated prior to January
120 1, 1999, is of no force and effect and repealed as of January 1, 1999, however nothing in this act
121 shall be interpreted to repeal or affect the validity of any rule adopted and promulgated prior to
122 January 1, 1999. If the provisions of section 536.028 apply, the provisions of this section are
123 nonseverable and if any of the powers vested with the general assembly pursuant to section
124 536.028 to review, to delay the effective date, or to disapprove and annul a rule or portion of a
125 rule are held unconstitutional or invalid, the purported grant of rulemaking authority and any rule
126 so proposed and contained in the order of rulemaking shall be invalid and void, except that
127 nothing in this act shall affect the validity of any rule adopted and promulgated prior to January
128 1, 1999.

215.033. 1. The Missouri housing development commission is hereby granted all
2 powers necessary to create a nonprofit corporation to promote one or more housing equity funds
3 to serve the state of Missouri. The nonprofit corporation shall be known as the "Missouri Equity
4 Fund Support Corporation".

5 The purpose of the housing equity fund is to receive annual capital investments from investors
6 and to invest those funds in the construction or renovation of affordable housing units for
7 low-income families throughout the state of Missouri. The nonprofit corporation shall not be
8 deemed to be a political subdivision of the state and shall not be subject to the requirements of
9 chapter 610.

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

11 (1) "Developer", any entity responsible for a tax credit development;

12 (2) "Housing equity fund", the fund or funds established to receive and invest moneys
13 invested by the investors in tax credit developments;

14 (3) "Investors", individuals, profit-making private corporations, partnerships or other
15 entities which invest money in the housing equity fund and who generally pay Missouri income
16 taxes;

17 (4) "Nonprofit corporation", the "Missouri Equity Fund Support Corporation";

18 (5) "Tax credit development", a development which constructs or rehabilitates affordable
19 housing in the state of Missouri which is eligible for state and federal low-income housing tax
20 credits, or federal rehabilitation tax credits.

21 3. The nonprofit corporation shall establish and operate, or assist and advise in the
22 establishment and operation of the housing equity fund which receives investments from
23 investors and invest such funds in tax credit developments.

24 4. The nonprofit corporation shall have the following powers:

25 (1) To contract with corporations and partnerships operating or intending to operate a
26 housing equity fund, to provide to them in exchange for reasonable compensation the following
27 services:

28 (a) Legal counsel and representation;

29 (b) Technical assistance;

30 (c) Administrative assistance;

31 (d) Marketing of the housing equity fund to potential investors;

32 (e) Investment underwriting assistance;

33 (2) To sue and be sued;

34 (3) To engage in and contract for any and all types of services, actions or endeavors, not
35 contrary to the law, necessary to the successful and efficient operation and continuation of the
36 business and purposes for which it is created;

37 (4) To purchase, receive, lease or otherwise acquire, own, hold, improve, use, sell,
38 convey, exchange, transfer and otherwise dispose of real and personal property, or any interest
39 therein, or other assets wherever situated; and

40 (5) To incur liabilities and borrow money at rates of interest up to the market rate.

41 5. The governor shall appoint a board of directors to oversee the nonprofit corporation.
42 The board shall consist of a total of sixteen members, who have demonstrated knowledge of
43 housing and related issues. Such board shall include the following:

44 (1) A representative of real estate brokers and agents;

45 (2) A representative of residential appraisers;

46 (3) A representative of affordable housing advocates, which include homeless service
47 providers, not-for-profit social service organizations and not-for-profit housing providers;

48 (4) A representative of the home construction industry;

49 (5) A representative of banking and savings and loan institutions;

50 (6) Five representatives of investors who have made capital investments in housing
51 equity funds which have entered, or can reasonably be expected to enter, into service contracts
52 with the nonprofit corporation, or representatives of the investment partners of such investors.
53 If unable to select suitable members in this category, the governor may instead select additional
54 representatives from subdivisions (1) to (5) of this subsection;

55 (7) By virtue of the office, the treasurer shall be a member of the board;

56 (8) By virtue of the office, the lieutenant governor shall be a member of the board;

57 (9) By virtue of the office, the governor shall be a member of the board;

58 (10) By virtue of the office, the secretary of state shall be a member of the board;

59 (11) By virtue of the office, the director of the department of economic development
60 shall be a member of the board; and

61 (12) By virtue of the office, the director of the Missouri housing development
62 commission shall be a member of the board.

63 6. Except for members serving by virtue of the office, the members' term of office shall
64 be four years and until their successors are appointed, except that of the members first appointed,
65 four shall be appointed for a term of two years, three shall be appointed for a term of three years,
66 and three shall be appointed for a term of four years. Vacancies on the board shall be filled in
67 the same manner as the original appointments, except that, if the vacancy occurs during an
68 unexpired term, the appointment shall be for only the unexpired portion of that term.

69 7. Board members of the nonprofit corporation shall not be compensated for their
70 services while serving on the board; however, board members may receive reimbursement for
71 their actual and necessary expenses incurred in the performance of their duties.

72 8. The board shall elect chair and other such officers as it deems necessary for the
73 conduct of its business. If so required by the board, an officer shall give bond, in such form and
74 amounts and with such sureties as the board may provide, for the faithful discharge of such
75 officer's duties, but the premiums for any such bond shall be borne by the nonprofit corporation.

76

77 9. The board shall employ all necessary personnel, fix their compensation, and provide
78 suitable quarters and equipment for the operation of the housing equity fund.

79 10. The Missouri housing development commission may provide the necessary start-up
80 costs for the nonprofit corporation by grant or loan and may, **subject to appropriation from the**
81 **Missouri housing development commission operating budget fund established under**
82 **section 215.020**, provide subsequent operating funds as it determines.

83 11. The nonprofit corporation shall publish an annual report which shall include, but not
84 be limited to, a description of its efforts in establishing and maintaining the operation of the
85 housing equity fund, the types of projects invested in and fund expenditures made by the housing

86 equity fund. Copies of such annual reports shall be submitted to the governor, the members of
87 the general assembly and the Missouri housing development commission on or before February
88 fifteenth of each year.

215.034. 1. The "Missouri Housing Trust Fund" is hereby established in the state
2 treasury. At the conclusion of each fiscal year, the state treasurer shall allocate all moneys in the
3 Missouri housing trust fund to the Missouri housing development commission for disbursement
4 and investment as directed in this section. Moneys deposited in the fund shall include the
5 designated funds received from the user fee established in section 59.319, money transferred
6 from the Missouri housing development commission and any other amounts which may be
7 received from grants, gifts, bequests, the state or federal government, or any other source.
8 Moneys in the fund shall be used solely for the purposes established by sections 215.034 to
9 215.039.

10 2. **The Missouri housing development commission may annually transfer moneys,**
11 **in an amount equal to** all administrative costs of this program incurred by the Missouri housing
12 development commission [shall be paid], from this fund[, which costs annually] **to the Missouri**
13 **housing development commission operating budget fund, provided that such transfer shall**
14 **not exceed two percent of the net annual revenues received into the fund established under this**
15 **section.**

16 3. In administering the Missouri housing trust fund, the Missouri housing development
17 commission shall commit or expend the money annually deposited into the fund and all interest
18 earned on the fund. All money annually deposited in and interest earned on the housing trust
19 fund shall be expended solely for the purposes established in sections 215.034 to 215.039.

20 4. The unexpended balance existing in the fund at the end of any biennium year shall be
21 exempt from the provisions of section 33.080 relating to the transfer of unexpended balances to
22 the general revenue fund.

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 a
6 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 thirty
10 years;

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

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

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

18 (8) **"Total costs and expenses of rehabilitation", all costs and expenses related to**
19 **the rehabilitation of eligible property that is a certified historic structure or a structure in**
20 **a certified historic district including, but not limited to, qualified rehabilitation**
21 **expenditures as defined in Section 47(c)(2)(A) of the Internal Revenue Code of 1986, as**
22 **amended, and any related regulations promulgated under such section. Such costs and**
23 **expenses shall include, but not be limited to, rehabilitation work in progress and accrued**
24 **developer fees. Provided however, that accrued developer fees shall only be considered**
25 **"total costs and expenses of rehabilitation" if an agreement or other contractual document**
26 **provides for the payment of such fees within no more than six years of completion of the**
27 **rehabilitation.**

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

13 2. During the period beginning on January 1, 2010, but ending on or after June 30, 2010,
14 the department of economic development shall not approve applications for tax credits under the
15 provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed seventy
16 million dollars, increased by any amount of tax credits for which approval shall be rescinded
17 under the provisions of section 253.559. For each fiscal year beginning on or after July 1, 2010,
18 **but ending on or before June 30, 2011**, the department of economic development shall not
19 approve applications for tax credits under the provisions of subsections 3 and 8 of section
20 253.559 which, in the aggregate, exceed one hundred forty million dollars, increased by any

21 amount of tax credits for which approval shall be rescinded under the provisions of section
22 253.559. The limitations provided under this subsection shall not apply to applications approved
23 under the provisions of subsection 3 of section 253.559 for projects to receive less than two
24 hundred seventy-five thousand dollars in tax credits.

25 3. For all applications for tax credits approved on or after January 1, 2010, **but before**
26 **June 30, 2011**, no more than two hundred fifty thousand dollars in tax credits may be issued for
27 eligible costs and expenses incurred in the rehabilitation of an eligible property which is a
28 nonincome producing single-family, owner-occupied residential property and is either a certified
29 historic structure or a structure in a certified historic district.

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

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

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

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

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

44 **5. For each fiscal year beginning on or after July 1, 2011, the department of**
45 **economic development shall not approve applications for tax credits under the provisions**
46 **of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed eighty million**
47 **dollars, increased by any amount of tax credits for which approval shall be rescinded**
48 **under the provisions of section 253.559. The limitations provided under this subsection**
49 **shall not apply to applications approved under the provisions of subsection 3 of section**
50 **253.559 for projects to receive less than two hundred seventy-five thousand dollars in tax**
51 **credits.**

52 **6. For all applications for tax credits approved on or after July 1, 2011, no more**
53 **than one hundred and twenty-five thousand dollars in tax credits may be issued for eligible**
54 **costs and expenses incurred in the rehabilitation of an eligible property which is a**
55 **nonincome producing single-family, owner-occupied residential property and is either a**
56 **certified historic structure or a structure in a certified historic district.**

57 7. In lieu of the limitations on tax credit authorization provided under the
58 provisions of subsections 5 and 6 of this section, the limitations on tax credit authorization
59 provided under the provisions of subsections 2 and 3 of this section shall apply to:

60 (1) Any application submitted by a taxpayer, which has received approval from the
61 department prior to July 1, 2011; or

62 (2) Any application for tax credits provided under this section for a project, which
63 on or before July 1, 2011:

64 (a) Received an approved Part I from the Secretary of the United States
65 Department of Interior and has incurred costs and expenses for an eligible property which
66 exceed the lesser of fifteen percent of the total project costs or three million dollars; or

67 (b) Has received certification, by the state historic preservation officer, that the
68 rehabilitation plan meets the standards consistent with the standards of the Secretary of
69 the United States Department of the Interior, and the rehabilitation costs and expenses
70 associated with such rehabilitation would, upon completion, be expected to exceed fifty
71 percent of the total basis in the property.

72 8. For each fiscal year beginning on or after July 1, 2011, the department of
73 economic development shall not approve applications for projects to receive less than two
74 hundred seventy-five thousand dollars in tax credits which, in the aggregate, exceed ten
75 million dollars, increased by any amount of tax credits for which approval shall be
76 rescinded under the provisions of section 253.559. The limitations on tax credit
77 authorization provided under the provisions of this subsection, shall not apply to:

78 (1) Any application submitted by a taxpayer, which has received approval from the
79 department prior to July 1, 2011; or

80 (2) Any application for tax credits provided under this section for a project, which
81 on or before July 1, 2011:

82 (a) Received an approved Part I from the Secretary of the United States
83 Department of Interior and has incurred costs and expenses for an eligible property which
84 exceed five percent of the total project costs; or

85 (b) Has received certification, by the state historic preservation officer, that the
86 rehabilitation plan meets the standards consistent with the standards of the Secretary of
87 the United States Department of the Interior, and the rehabilitation costs and expenses
88 associated with such rehabilitation would, upon completion, be expected to exceed fifty
89 percent of the total basis in the property.

253.557. 1. If the amount of such credit exceeds the total tax liability for the year in
2 which the rehabilitated property is placed in service, the amount that exceeds the state tax
3 liability may be carried back to any of the three preceding years and carried forward for credit

4 against the taxes imposed pursuant to chapter 143 and chapter 148, except for sections 143.191
5 to 143.265 for the succeeding ten years, or until the full credit is used, whichever occurs first.
6 **For all tax credits authorized under the provisions of sections 253.545 to 253.559 on or**
7 **after July 1, 2011, if the total amount of such credit exceeds the total tax liability for the**
8 **year in which the rehabilitated property is placed in service, the amount that exceeds the**
9 **state tax liability may be carried back to the preceding year and carried forward for credit**
10 **against the taxes imposed pursuant to chapters 143 and 148, except for sections 143.191 to**
11 **143.265 for the succeeding five years, or until the full credit is used, whichever occurs first.**
12 Not-for-profit entities, including but not limited to corporations organized as not-for-profit
13 corporations pursuant to chapter 355 shall be ineligible for the tax credits authorized under
14 sections 253.545 [through 253.561] to 253.559. **Any taxpayer that receives state tax credits**
15 **under the provisions of sections 135.350 to 135.363 for a project that is not financed**
16 **through tax exempt bonds issuance shall be ineligible for the state tax credits authorized**
17 **under sections 253.545 to 253.559 for the same project.** Taxpayers eligible for such tax
18 credits may transfer, sell or assign the credits **to any other taxpayer including, but not limited**
19 **to, a not-for-profit entity.** Credits granted to a partnership, a limited liability company taxed
20 as a partnership or multiple owners of property shall be passed through to the partners, members
21 or owners **including, but not limited to, any not-for-profit entity that is a partner, member,**
22 **or owner,** respectively pro rata or pursuant to an executed agreement among [the] **such** partners,
23 members or owners documenting an alternate distribution method.
24 2. The assignee of the tax credits, hereinafter the assignee for purposes of this
25 subsection, may use acquired credits to offset up to one hundred percent of the tax liabilities
26 otherwise imposed pursuant to chapter 143 and chapter 148, except for sections 143.191 to
27 143.265. The assignor shall perfect such transfer by notifying the department of economic
28 development in writing within thirty calendar days following the effective date of the transfer
29 and shall provide any information as may be required by the department of economic
30 development to administer and carry out the provisions of this section.

253.559. 1. To obtain approval for tax credits allowed under sections 253.545 to
2 253.559, a taxpayer shall submit an application for tax credits to the department of economic
3 development. Each application for approval, including any applications received for
4 supplemental allocations of tax credits as provided under subsection 8 of this section, shall be
5 prioritized for review and approval, in the order of the date on which the application was
6 postmarked, with the oldest postmarked date receiving priority. Applications postmarked on the
7 same day shall go through a lottery process to determine the order in which such applications
8 shall be reviewed.

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

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

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

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

23 (4) Proof that the property is an eligible property and a certified historic structure or a
24 structure in a certified historic district; and

25 (5) Any other information which the department of economic development may
26 reasonably require to review the project for approval. Only the property for which a property
27 address is provided in the application shall be reviewed for approval. Once selected for review,
28 a taxpayer shall not be permitted to request the review of another property for approval in the
29 place of the property contained in such application. Any disapproved application shall be
30 removed from the review process. If an application is removed from the review process, the
31 department of economic development shall notify the taxpayer in writing of the decision to
32 remove such application. Disapproved applications shall lose priority in the review process. A
33 disapproved application, which is removed from the review process, may be resubmitted, but
34 shall be deemed to be a new submission for purposes of the priority procedures described in this
35 section.

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

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

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

49 (2) Where the ownership of the project is changed due to a foreclosure, deed in lieu of
50 a foreclosure or voluntary conveyance, or a transfer in bankruptcy. **Upon any such change in**
51 **ownership, the taxpayer contained in such application shall notify the department of such**
52 **change.**

53 5. In the event that the department of economic development grants approval for tax
54 credits equal to the **applicable** total amount available under subsection 2, **5, or 8** of section
55 253.550, or sufficient that when totaled with all other approvals, the **applicable** amount available
56 under subsection 2, **5, or 8** of section 253.550 is exhausted, all taxpayers with applications then
57 awaiting approval or thereafter submitted for approval shall be notified by the department of
58 economic development that no additional approvals shall be granted during the fiscal year and
59 shall be notified of the priority given to such taxpayer's application then awaiting approval. Such
60 applications shall be kept on file by the department of economic development and shall be
61 considered for approval for tax credits in the order established in this section in the event that
62 additional credits become available due to the rescission of approvals or when a new fiscal year's
63 allocation of credits becomes available for approval.

64 6. All taxpayers with applications receiving approval on or after the effective date of this
65 act shall commence rehabilitation within two years of the date of issuance of the letter from the
66 department of economic development granting the approval for tax credits. "Commencement
67 of rehabilitation" shall mean that as of the date in which actual physical work, contemplated by
68 the architectural plans submitted with the application, has begun, the taxpayer has incurred no
69 less than ten percent of the estimated costs of rehabilitation provided in the application.
70 Taxpayers with approval of a project shall submit evidence of compliance with the provisions
71 of this subsection. If the department of economic development determines that a taxpayer has
72 failed to comply with the requirements provided under this section, the approval for the amount
73 of tax credits for such taxpayer shall be rescinded and such amount of tax credits shall then be
74 included in the **applicable** total amount of tax credits, provided under subsection 2, **5, or 8** of
75 section 253.550, from which approvals may be granted. Any taxpayer whose approval shall be
76 subject to rescission shall be notified of such from the department of economic development and,
77 upon receipt of such notice, may submit a new application for the project.

78 7. To claim the credit authorized under sections 253.550 to 253.559, a taxpayer with
79 approval shall apply for final approval and issuance of tax credits from the department of

80 economic development [which,] . **Such application for final approval and issuance of tax**
81 **credits shall include a cost and expense certification, prepared by a licensed certified public**
82 **accountant that is not an affiliate of the applicant, certifying the total costs and expenses**
83 **of rehabilitation and the total amount of tax credits for which such taxpayer is eligible**
84 **under sections 253.550 to 253.559. Cost and expense certifications required under this**
85 **section shall separately state any accrued developer fees. No later than forty-five calendar**
86 **days following receipt of a taxpayer's application for final approval and issuance of tax**
87 **credits, the department of economic development shall determine, in consultation with the**
88 department of natural resources, [shall determine the final amount of eligible rehabilitation costs
89 and expenses and] whether the completed rehabilitation meets the standards of the Secretary of
90 the United States Department of the Interior for rehabilitation as determined by the state historic
91 preservation officer of the Missouri department of natural resources. **If the completed**
92 **rehabilitation meets such standards, the department of economic development shall, within**
93 **forty-five calendar days following the receipt of the taxpayer's application for final**
94 **approval and tax credit issuance, inform such taxpayer of its initial determination by letter**
95 **and issue such taxpayer an initial tax credit issuance. A taxpayer receiving an initial tax**
96 **credit issuance shall receive tax credit certificates in an amount equal the lesser of seventy-**
97 **five percent of the total amount of tax credits for which the taxpayer is eligible under**
98 **sections 253.550 to 253.559, as certified in the cost and expense certification, or the amount**
99 **of tax credits approved for such project under subsection 3 of this section. Within one**
100 **hundred and fifty calendar days following receipt of a taxpayer's application for final**
101 **approval and tax credit issuance, the department shall determine the final amount of**
102 **eligible rehabilitation costs and expenses. For a taxpayer receiving an initial tax credit**
103 **issuance, no later than one hundred and fifty calendar days following receipt of such**
104 **taxpayer's application for final approval and tax credit issuance, the department shall**
105 **notify such taxpayer of its final determination by letter and issue such taxpayer tax credit**
106 **certificates in an amount equal to the lesser of the remaining amount of tax credits for**
107 **which such taxpayer is eligible to receive under sections 253.550 to 253.559, as determined**
108 **by the department, or the remaining amount of tax credits for which such taxpayer was**
109 **approved under subsection 3 of this section, but not issued under the initial tax credit**
110 **issuance. If the department of economic development determines that the amount of tax**
111 **credits issued to a taxpayer in the initial tax credit issuance is in excess of the total amount**
112 **of tax credits such taxpayer is eligible to receive under sections 253.550 to 253.559, the**
113 **department shall notify such taxpayer and such taxpayer shall repay the state an amount**
114 **equal to such excess.** For financial institutions credits authorized pursuant to sections 253.550
115 to [253.561] **253.559** shall be deemed to be economic development credits for purposes of

section 148.064. The approval of all applications and the issuing of certificates of eligible credits to taxpayers shall be performed by the department of economic development. [The department of economic development shall inform a taxpayer of final approval by letter and shall issue, to the taxpayer, tax credit certificates.] The taxpayer shall attach the certificate to all Missouri income tax returns on which the credit is claimed. **Taxpayers which receive tax credit certificates under sections 253.550 to 253.559, attributable to accrued developer fees shall, within six years of completion of rehabilitation, submit an additional cost and expense certification verifying the total amount of developer fees actually accrued and paid. To the extent the amount of developer fees contained in a taxpayer's cost and expense certification included with such taxpayers application for final approval and tax credit issuance exceeds the amount of developer fees actually accrued and paid, as evidenced by the additional cost and expense certification, such taxpayer shall repay to the state an amount equal to twenty-five percent of such excess.**

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

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

10. (1) Taxpayers or duly authorized representatives may appeal any official decision, including all preliminary or final approvals and denials of approvals, made by the department or the department of natural resources with regard to an application submitted under sections 253.550 to 253.559 to an independent third-party appeals officer designated by the department. Such appeals under this section shall constitute an administrative review of the decision appealed from and shall not be conducted as an adjudicative proceeding.

(2) Appeals shall be submitted to the designated appeals officer in writing within thirty days of receipt by the taxpayer or the taxpayer's duly authorized representative of the decision that is the subject of the appeal, and shall include all information the appellant wishes the appeals officer to consider in deciding the appeal.

152 (3) Upon receipt of an appeal, the appeals officer shall notify the department or the
153 department of natural resources that an appeal is pending, identify the decision being
154 appealed, and forward a copy of the information submitted by the appellant. The
155 department or the department of natural resources may submit a written response to the
156 appeal.

157 (4) The appellant shall be entitled to one meeting with the appeals officer to discuss
158 the appeal, but the appeals officer may schedule additional meetings at the officer's
159 discretion. The department or the department of natural resources may appear at all
160 meetings.

161 (5) The appeals officer shall consider the record of the decision in question, any
162 further written submissions by the appellant and the department or the department of
163 natural resources, and other available information, and shall deliver a written decision to
164 all parties as promptly as circumstances permit.

165 11. Notwithstanding any provision of law to the contrary, no tax credits provided
166 under sections 253.545 to 253.559 shall be authorized on or after August 28, 2018. The
167 provisions of this subsection shall not be construed to limit or in any way impair the
168 department's ability to issue tax credits authorized prior to August 28, 2018, or a
169 taxpayer's ability to redeem such tax credits.

170 12. By no later than January 1, 2012, the department shall propose rules to
171 implement the provisions of sections 253.550 to 253.559. Prior to proposing such rules, the
172 department shall conduct a stakeholder process designed to solicit input from interested
173 parties. Any rule or portion of a rule, as that term is defined in section 536.010, that is
174 created under the authority delegated herein shall become effective only if it complies with
175 and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.
176 This section and chapter 536 are nonseverable and if any of the powers vested with the
177 general assembly pursuant to chapter 536 to review, to delay the effective date, or to
178 disapprove and annul a rule are subsequently held unconstitutional, then the grant of
179 rulemaking authority and any rule proposed or adopted after the effective date of this act,
180 shall be invalid and void.

 348.250. Sections 348.250 to 348.275 shall be known and may be cited as the
2 "Missouri Science and Innovation Reinvestment Act".

 348.251. 1. As used in sections 348.251 to 348.266, the following terms mean:

2 (1) "Applicable percentage", six percent for the fiscal year beginning July 1, 2012,
3 and the next fourteen consecutive fiscal years; five percent for the immediately subsequent
4 five fiscal years; and four percent for the immediately subsequent five fiscal years;

- 5 (2) "Applied research", any activity that seeks to utilize, synthesize, or apply
6 existing knowledge, information, or resources to the resolution of a specific problem,
7 question, or issue of science and innovation, including but not limited to translational
8 research;
- 9 (3) "Base year", fiscal year ending June 30, 2010;
- 10 (4) "Base year gross wages", gross wages paid by science and innovation companies
11 to science and innovation employees during fiscal year ending June 30, 2010;
- 12 (5) "Basic research", any original investigation for the advancement of scientific
13 or technical knowledge of science and innovation;
- 14 (6) "Commercialization", any of the full spectrum of activities required for a new
15 technology, product, or process to be developed from the basic research or conceptual stage
16 through applied research or development to the marketplace, including without limitation,
17 the steps leading up to and including licensing, sales, and service;
- 18 (7) "Corporation", the Missouri technology corporation established under this
19 section;
- 20 (8) "Fields of applicable expertise", any of the following fields: science and
21 innovation research, development, or commercialization, including basic research and
22 applied research; corporate finance, venture capital, and private equity related to science
23 and innovation; the business and management of science and innovation companies;
24 education related to science and innovation; or civic or corporate leadership in areas
25 related to science and innovation;
- 26 (9) "Inherent conflict of interest", a fundamental or systematic conflict of interest
27 that prevents a person from serving as a disinterested director of the corporation and from
28 routinely performing his or her duties as a director of the corporation;
- 29 (10) "NAICS industry groups" or "NAICS codes", the North American Industry
30 Classification System developed under the auspices of the United States Office of
31 Management and Budget and adopted in 1997, as may be amended, revised, or replaced
32 by similar classification systems for similar uses from time to time;
- 33 (11) "Science and innovation", the use of compositions and methods in research,
34 development, and manufacturing processes for such diverse areas as
35 agriculture-biotechnology, animal health, biochemistry, bioinformatics, energy,
36 environment, forestry, homeland security, information technology, medical devices,
37 medical diagnostics, medical instruments, medical therapeutics, microbiology,
38 nanotechnology, pharmaceuticals, plant biology, and veterinary medicine, including future
39 developments in such areas;

(12) "Science and innovation company", a corporation, limited liability company, S corporation, partnership, registered limited liability partnership, foundation, association, nonprofit entity, sole proprietorship, business trust, person, group, or other entity that is:

(a) Engaged in the research, development, commercialization, or business of science and innovation in the state, including, without limitation, research, development, or production directed toward developing or providing science and innovation products, processes, or services for specific commercial or public purposes, including hospitals, nonprofit research institutions, incubators, accelerators, and universities currently located or involved in the research, development, commercialization, or business of science and innovation in the state; or

(b) Identified by the following NAICS industry groups or NAICS codes or any amended or successor code sections covering such areas of research, development, and commercial endeavors: 3251; 3253; 3254; 3391; 51121; 54138; 54171; 62231; 111191; 111421; 111920; 111998; 311119; 311211; 311221; 311222; 311223; 325193; 325199; 325221; 325222; 325611; 325612; 325613; 325311; 325312; 325314; 325320; 325411; 325412; 325414; 333298; 334510; 334516; 334517; 339111; 339112; 339113; 339114; 339115; 339116; 424910; 541710; 621511; and 621512.

Each of the above listed four-digit and five-digit codes shall include all six-digit codes in such four-digit and five-digit industry; however, each six-digit code shall stand alone and not indicate the inclusion of other omitted six-digit codes that also are subsets of the pertinent four-digit or five-digit industry to which the included six-digit code belongs;

(13) "Science and innovation employee", any employee, officer, or director of a science and innovation company who is a state income taxpayer and any employee of a university who is associated with or supports the research, development, commercialization, or business of science and technology in the state and is obligated to pay state income tax to the state;

(14) "Technology application", the introduction and adaptation of refined management practices in fields such as scheduling, inventory management, marketing, product development, and training in order to improve the quality, productivity and profitability of an existing firm. Technology application shall be considered a component of business modernization;

[(2) "Technology commercialization", the process of moving investment-grade technology from a business, university or laboratory into the marketplace for application;

(3)] (15) "Technology development", strategically focused research directed at developing investment-grade technologies which are important for market competitiveness.

75 2. The governor may, on behalf of the state and in accordance with chapter 355, establish
76 a private not-for-profit corporation named the "Missouri Technology Corporation", to carry out
77 the provisions of sections 348.251 to 348.266. As used in sections [348.251 to 348.266] **348.250**
78 **to 348.275** the word "corporation" means the Missouri technology corporation authorized by this
79 section. Before certification by the governor, the corporation shall conduct a public hearing for
80 the purpose of giving all interested parties an opportunity to review and comment [upon] **on** the
81 articles of incorporation, bylaws and [method] **methods** of operation of the corporation. Notice
82 of the hearing shall be given at least fourteen days prior to the hearing.

 348.256. 1. The articles of incorporation [and] , bylaws, **and methods of operation** of
2 the Missouri technology corporation shall [provide that:] **be consistent with the provisions of**
3 **sections 348.250 to 348.275.**

4 [(1)] 2. The purposes of the corporation are to contribute to the strengthening of the
5 economy of the state through the development of science and [technology,] **innovation**; to
6 promote the modernization of Missouri businesses by supporting the transfer of science,
7 technology and quality improvement methods to the workplace[, and] ; to enhance the
8 productivity and modernization of Missouri businesses by providing leadership in the
9 establishment of methods of technology application, technology commercialization and
10 technology development; **to make Missouri businesses, institutions, and universities more**
11 **competitive and increase their likelihood of success; to support and enhance local and**
12 **regional strategies and initiatives that capitalize on the unique science and innovation**
13 **assets across the state; to make Missouri a highly desirable state in which to conduct,**
14 **facilitate, support, fund, and perform science and innovation research, development, and**
15 **commercialization; to facilitate and effect the creation, attraction, retention, growth, and**
16 **enhancement of both existing and new science and innovation companies in the state; to**
17 **make Missouri a national and international leader in economic activity based on science**
18 **and innovation; to enhance workforce development; to create and retain quality jobs; to**
19 **advance scientific knowledge; and to improve the quality of life for the citizens of the state**
20 **of Missouri in both urban and rural communities.**

21 [(2)] 3. The board of directors of the corporation [is] **shall be** composed of fifteen
22 persons. The governor shall annually appoint one of its members, who must be from the private
23 sector, as [chairman] **chairperson**. The board shall consist of the following members:

24 [(a)] (1) The director of the department of economic development, or the director's
25 designee;

26 [(b)] (2) The president of the University of Missouri system, or the president's designee;

27 [(c)] (3) A member of the state senate, appointed by the president pro tem of the senate;

28 [(d)] (4) A member of the house of representatives, appointed by the speaker of the
29 house;

30 [(e)] (5) Eleven members appointed by the governor, [two of which shall be from the
31 public sector and nine members from the private sector who shall include, but shall not be
32 limited to, individuals who represent technology-based businesses and industrial interests;

33 (f)] **with the advice and consent of the senate, who are recognized for outstanding**
34 **knowledge, leadership, and expertise in one or more of the fields of applicable expertise.**

35 Each of the directors of the corporation who is appointed by the governor shall serve for a term
36 of four years and until a successor is duly appointed[; except that, of the directors serving on the
37 corporation as of August 28, 1995, three directors shall be designated by the governor to serve
38 a term of four years, three directors shall be designated to serve a term of three years, three
39 directors shall be designated to serve a term of two years, and two directors shall be designated
40 to serve a term of one year. Each director shall continue to serve until a successor is duly
41 appointed by the governor;

42 (3) The corporation may receive money from any source, may borrow money, may enter
43 into contracts, and may expend money for any activities appropriate to its purpose;

44 (4) The corporation may appoint staff and do all other things necessary or incidental to
45 carrying out the functions listed in section 348.261;

46 (5)] .

47 **4.** Any changes in the articles of incorporation or bylaws must be approved by the
48 governor[;] .

49 [(6) The corporation shall submit an annual report to the governor and to the Missouri
50 general assembly. The report shall be due on the first day of November for each year and shall
51 include detailed information on the structure, operation and financial status of the corporation.
52 The corporation shall conduct an annual public hearing to receive comments from interested
53 parties regarding the report, and notice of the hearing shall be given at least fourteen days prior
54 to the hearing; and

55 (7)] **5. At the discretion of the state auditor,** the corporation is subject to an [annual]
56 audit [by the state auditor] and [that] the corporation shall bear the full cost of the audit.

57 **6. Each of the directors of the corporation provided for in subdivisions (1) and (2)**
58 **of subsection 3 of this section shall remain a director until the designating individual**
59 **specified in such subdivisions designates a replacement by sending a written**
60 **communication to the governor and the chairperson of the board of the corporation;**
61 **provided however, that if the director of economic development or the president of the**
62 **University of Missouri system designates himself or herself to the corporation board, such**
63 **person's service as a corporation director shall cease immediately when that person no**

64 longer serves as the director of economic development or as the president of the University
65 of Missouri system. Each of the directors of the corporation provided for in subdivisions
66 (3) and (4) of subsection 3 of this section shall remain a director until the appointing
67 member of the general assembly specified in such subdivisions appoints a replacement by
68 sending a written communication to the governor and the chairperson of the corporation
69 board; provided however, that if the speaker of the house or the president pro tem of the
70 senate appoints himself or herself to the corporation board, such person's service as a
71 corporation director shall cease immediately when that person no longer serves as the
72 speaker of the house or the president pro tem of the senate.

73 7. Each of the eleven members of the board appointed by the governor shall:

74 (1) Hold office for the term of appointment and until the governor duly appoints
75 his or her successor; provided that if a vacancy is created by the death, permanent
76 disability, resignation, or removal of a director, such vacancy shall become immediately
77 effective;

78 (2) Be eligible for reappointment, but members of the board shall not be eligible to
79 serve more than two consecutive four-year terms and shall not be reappointed to the board
80 until they have not served on the board for a period of at least four interim years;

81 (3) Not have a known inherent conflict of interest at the time of appointment; and

82 (4) Not have served in an elected office or a cabinet position in state government
83 for a period of two years prior to appointment, unless otherwise provided in this section.

84 8. Any member of the board may be removed by affirmative vote of eleven
85 members of the board for malfeasance or misfeasance in office, regularly failing to attend
86 meetings, failure to comply with the corporation's conflicts of interest policy, conviction
87 of a felony, or for any cause that renders the member incapable of or unfit to discharge the
88 duties of a director of the corporation.

89 9. The board shall meet at least four times per year and at such other times as it
90 deems appropriate, or upon call by the president or the chairperson, or upon written
91 request of a majority of the directors of the board. Unless otherwise restricted by Missouri
92 law, the directors may participate in a meeting of the board by means of telephone
93 conference or other electronic communications equipment whereby all persons
94 participating in the meeting can communicate clearly with each other, and participation
95 in a meeting in such manner will constitute presence in person at such meeting.

96 10. A majority of the total voting membership of the board shall constitute a
97 quorum for meetings. The board may act by a majority of those at any meeting where a
98 quorum is present, except upon such issues as the board may determine shall require a vote
99 of more members of the board for approval or as required by law. All resolutions and

orders of the board shall be recorded and authenticated by the signature of the secretary or any assistant secretary of the board.

11. Members of the board shall serve without compensation. Members of the board attending meetings of the board, or attending committee or advisory meetings thereof, shall be paid mileage and all other applicable expenses, provided that such expenses are reasonable, consistent with policies established from time to time by the board, and not otherwise inconsistent with law.

12. The board may adopt, repeal, and amend such articles of incorporation, bylaws, and methods of operation that are not contrary to law or inconsistent with sections 348.250 to 348.275, as it deems expedient for its own governance and for the governance and management of the corporation and its committees and advisory boards; provided that any changes in the articles of incorporation or bylaws approved by the board must also be approved by the governor.

13. A president shall direct and supervise the administrative affairs and the general management of the corporation. The president shall be a person of national prominence that has expertise and credibility in one or more of the fields of applicable expertise with a demonstrated track record of success in leading a mission-driven organization. The president's salary and other terms and conditions of employment shall be set by the board. The board may negotiate and enter into an employment agreement with the president of the corporation, which may provide for compensation, allowances, benefits, and expenses. The president of the corporation shall not be eligible to serve as a member of the board until two years after the end of his or her employment with the corporation. The president of the corporation shall be bound by, and agree to obey, the corporation's conflicts of interest policy, including annually completing and submitting to the board a disclosure and compliance certificate in accordance with such conflicts of interest policy.

14. The corporation may employ such employees as it may require and upon such terms and conditions as it may establish that are consistent with state and federal law. The corporation may establish personnel, payroll, benefit, and other such systems as authorized by the board, and provide death and disability benefits. Corporation employees, including the president, shall be considered state employees for the purposes of membership in the Missouri state employees' retirement system and the Missouri consolidated health care plan. Compensation paid by the corporation shall constitute pay from a department for purposes of accruing benefits under the Missouri state employees' retirement system. The corporation may also adopt, in accordance with requirements of the federal Internal Revenue Code of 1986, as amended, a defined contribution plan sponsored by the corporation with respect to employees, including the president, employed by the

corporation. Nothing in sections 348.250 to 348.275 shall be construed as placing any officer or employee of the corporation or member of the board in the classified or the unclassified service of the state of Missouri under Missouri laws and regulations governing civil service. No employee of the corporation shall be eligible to serve as a member of the board until two years immediately following the end of his or her employment with the corporation. All employees of the corporation shall be bound by, and agree to obey, the corporation's conflicts of interest policy, including annually completing and submitting to the board a disclosure and compliance certificate in accordance with such conflicts of interest policy.

15. No later than the first day of January each year, the corporation shall submit an annual report to the governor and to the Missouri general assembly which the corporation may contract with a third party to prepare and which shall include:

(1) A complete and detailed description of the operating and financial conditions of the corporation during the prior fiscal year;

(2) Complete and detailed information about the distributions from the Missouri science and innovation reinvestment fund and from any income of the corporation;

(3) Information about the growth of science and innovation research and industry in the state;

(4) Information regarding financial or performance audits performed in such year, including any recommendations with reference to additional legislation or other action that may be necessary to carry out the purposes of the corporation; and

(5) Whether or not the corporation made any distribution during the prior fiscal year to a research project or other project for which a report shall be filed under subsection 4 of section 38(d) of article III of the Constitution of the State of Missouri. If such a distribution was made, the corporation shall disclose in the annual report the amount of the distribution, the recipient of the distribution, and the project description.

16. The corporation shall keep its books and records in accordance with generally accepted accounting procedures. Within four months following the end of each fiscal year, the corporation shall cause a firm of independent certified public accountants of national repute to conduct and deliver to the board an audit of the financial statements of the corporation and an opinion thereon, to be conducted in accordance with generally accepted audit standards, provided, however, that this section shall be inapplicable if the board of directors of the corporation determines that insufficient funds have been appropriated to pay for the costs of compliance with these requirements.

17. Within four months following the end of every odd numbered fiscal year, beginning with fiscal year 2016, the corporation shall cause an independent firm of

national reputations that have expertise in science and innovation research and industry to conduct and deliver to the board an evaluation of the performance of the corporation for the prior two fiscal years, including detailed recommendations for improving the performance of the corporation, provided, however, that this section shall be inapplicable if the board of directors of the corporation determines that insufficient funds have been appropriated to pay for the costs of compliance with these requirements.

18. The corporation shall provide the state auditor a copy of the financial and performance evaluations prepared under subsections 16 and 17 of this section.

19. The corporation shall have perpetual existence until an act of law expressly dissolves the corporation; provided that no such law shall take effect so long as the corporation has obligations or bonds outstanding unless adequate provision has been made for the payment or retirement of such debts or obligations. Upon any such dissolution of the corporation, all property, funds, and assets thereof shall be vested in the state.

20. Except as provided under section 348.266, the state hereby pledges to, and agrees with, recipients of corporation funding or beneficiaries of corporation programs under sections 348.250 to 348.275 that the state shall not limit or alter the rights vested in the corporation under sections 348.250 to 348.275 to fulfill the terms of any agreements made or obligations incurred by the corporation with or to such third parties, or in any way impair the rights and remedies of such third parties until the obligations of the corporation and the state are fully met and discharged in accordance with sections 348.250 to 348.275.

21. The corporation shall be exempt from:

(1) Any general ad valorem taxes upon any property of the corporation acquired and used for its public purposes;

(2) Any taxes or assessments upon any projects or upon any operations of the corporation or the income therefrom;

(3) Any taxes or assessments upon any project or any property or local obligation acquired or used by the corporation under the provisions of sections 348.250 to 348.275, or upon income therefrom.

Purchases by the corporation to be used for its public purposes shall not be subject to sales or use tax under chapter 144. The exemptions hereby granted shall not extend to persons or entities conducting business on the corporations' property for which payment of state and local taxes would otherwise be required.

22. No funds of the corporation shall be distributed to its employees or members of the board; except that, the corporation may make reasonable payments for expenses

208 incurred on its behalf relating to any of its lawful purposes and the corporation shall be
209 authorized and empowered to pay reasonable compensation for services rendered to, or
210 for, its benefit relating to any of its lawful purposes, including to pay its employees
211 reasonable compensation.

212 **23. The corporation shall adopt and maintain a conflicts of interest policy to protect**
213 **the corporation's interests by requiring disclosure by an interested party, appropriate**
214 **recusal by such person, and appropriate action by the interested party or the board where**
215 **a conflict of interest may exist or arise between the corporation and a director, officer,**
216 **employee, or agent of the corporation.**

348.257. 1. The board shall establish an executive committee of the corporation,
2 **to be composed of the chairperson, the vice-chairperson, and the secretary of the**
3 **corporation, and two additional directors. The chairperson of the corporation shall serve**
4 **as the chairperson of the executive committee.**

5 **2. The executive committee, in intervals between meetings of the board, may**
6 **transact any business of the board that has been expressly delegated to the executive**
7 **committee by the board. If so stipulated by the board, action delegated to the executive**
8 **committee may be subject to subsequent ratification by the board; provided, however that**
9 **until ratified or rejected by the board, any action delegated to, and taken by, the executive**
10 **committee between meetings of the board will be binding upon the corporation as if**
11 **ratified, and may be relied upon by third parties.**

12 **3. The board shall establish an audit committee of the corporation, to be composed**
13 **of the chairperson of the corporation and four additional directors. The secretary of the**
14 **corporation shall serve as the chairperson of the audit committee. The audit committee**
15 **shall be responsible for oversight of the administration of the conflicts of interest policy,**
16 **working with the president of the corporation to facilitate communications with the**
17 **corporation's contract auditors, and such other responsibilities delegated to it by the**
18 **board.**

19 **4. The board shall establish and maintain a research alliance of Missouri to be**
20 **comprised of the chief research officers, or their designee, of the state's leading research**
21 **universities and a representative of other leading not-for-profit research institutes**
22 **headquartered in Missouri. Members of the research alliance of Missouri shall be selected**
23 **for such terms of membership under such terms and condition as the board deems**
24 **necessary and appropriate to advance the purposes of sections 348.250 to 348.275 and as**
25 **comparable to other similar public sector bodies. The research alliance of Missouri shall**
26 **elect a chairperson on an annual basis. The research alliance of Missouri shall prepare**
27 **annual reports at the direction of the corporation that:**

28 **(1) Evaluate the specific areas of Missouri's research strengths and weaknesses and**
29 **outline current research priorities of the state;**

30 **(2) Evaluate the ability of each member to realign their research and development**
31 **resources, policies, and practices to seize emerging opportunities;**

32 **(3) Evaluate and summarize the best national and international practices for**
33 **technology commercialization of university research and describe efforts that each**
34 **university member has undertaken to implement best practices, including a description of**
35 **the specific outcomes university members have achieved in technology commercialization;**
36 **and**

37 **(4) Describe research collaborations by and between members and identify**
38 **collaboration best practices that can or should be instituted in Missouri.**

39 **5. The board may establish other committees, both permanent and temporary, as**
40 **it deems necessary. Such committees may include national strategic, scientific and/or**
41 **commercialization advisory boards comprised of individuals of national or international**
42 **prominence in science and innovation and/or the business and commercialization of science**
43 **and innovation.**

44 **6. The board may establish rules, policies, and procedures for the selection and**
45 **conduct of committees and advisory boards, and the research alliance of Missouri;**
46 **provided however, that the members of such committees and advisory boards agree to be**
47 **bound by a conflict of interest policy consistent with the highest ethical standards that is**
48 **suitable for such advisory roles and annually complete and certify to the board a disclosure**
49 **and compliance certificate in accordance with such conflicts of interest policy.**

 348.261. 1. The corporation[, after being certified by the governor as provided by
2 section 348.251, may] **shall have all of the powers necessary or convenient to carry out the**
3 **purposes and provisions of sections 348.250 to 348.275, including the powers as specified**
4 **therein, and without limitation, the power to:**

5 **(1) Establish a statewide business modernization network to assist Missouri businesses**
6 **in identifying ways to enhance productivity and market competitiveness;**

7 **(2) Identify scientific and technological problems and opportunities related to the**
8 **economy of Missouri and formulate proposals to overcome those problems or realize those**
9 **opportunities;**

10 **(3) Identify specific areas where scientific research and technological investigation will**
11 **contribute to the improvement of productivity of Missouri manufacturers and farmers;**

12 **(4) Determine specific areas in which financial investment in scientific and technological**
13 **research and development from private businesses located in Missouri could be enhanced or**
14 **increased if state resources were made available to assist in financing activities;**

15 (5) Assist in establishing cooperative associations of universities in Missouri and of
16 private enterprises for the purpose of coordinating research and development programs that will,
17 consistent with the primary educational function of the universities, aid in the creation of new
18 jobs in Missouri;

19 (6) Assist in financing the establishment and continued development of
20 technology-intensive businesses in Missouri;

21 (7) Advise universities of the research needs of Missouri business and improve the
22 exchange of scientific and technological information for the mutual benefit of universities and
23 private business;

24 (8) Coordinate programs established by universities to provide Missouri businesses with
25 scientific and technological information;

26 (9) Establish programs in scientific education which will support the accelerated
27 development of technology-intensive businesses in Missouri;

28 (10) Provide financial assistance through contracts, grants and loans to programs of
29 scientific and technological research and development;

30 (11) Determine how public universities can increase income derived from the sale or
31 licensure of products or processes having commercial value that are developed as a result of
32 university sponsored research programs;

33 (12) Contract with innovation centers, as established in section 348.271, small business
34 development corporations, as established in sections 620.1000 to 620.1007, centers for advanced
35 technology, as established in section 348.272, and other entities or organizations for the
36 provision of technology application, technology commercialization and technology development
37 services. [Such contracting procedures shall not be subject to the provisions of chapter 34; and]
38 ;

39 (13) Make direct seed capital or venture capital investments in Missouri business
40 investment funds or businesses [which] **that** demonstrate the promise of growth and job creation.
41 Investments from the corporation may be in the form of debt or equity in the respective
42 businesses.

43 **(14) Make and execute contracts, guarantees, or any other instruments and**
44 **agreements necessary or convenient for the exercise of its powers and functions;**

45 **(15) Contract for and to accept any gifts, grants, and loans of funds, property, or**
46 **any other aid in any form from the federal government, the state, any state agency, or any**
47 **other source, or any combination thereof, and to comply with the provisions of the terms**
48 **and conditions thereof;**

49 **(16) Procure such insurance, participate in such insurance plans, or provide such**
50 **self insurance or both as it deems necessary or convenient; provided however, the purchase**

51 of insurance, participation in an insurance plan, or creation of a self-insurance fund by the
52 corporation shall not be deemed as a waiver or relinquishment of any sovereign immunity
53 to which the corporation or its officers, directors, employees, or agents are otherwise
54 entitled;

55 (17) Partner with universities or other research institutions in Missouri to attract
56 and recruit world-class science and innovation talent to Missouri;

57 (18) Expend any and all funds from the Missouri science and innovation
58 reinvestment fund and all other assets and resources of the corporation for the exclusive
59 purpose of fulfilling any purpose, power, or duty of the corporation under sections 348.250
60 to 348.275, including but not limited to implementing the powers, purposes, and duties of
61 the corporation as enumerated in this section;

62 (19) Participate in joint ventures and collaborate with any taxpayer, governmental
63 body or agency, insurer, university, or college of the state, or any other entity to facilitate
64 any activities or programs consistent with the purpose and intent of sections 348.250 to
65 348.275; and

66 (20) In carrying out any activities authorized by sections 348.250 to 348.275, the
67 corporation provides appropriate assistance, including the making of investments, grants,
68 and loans, and providing time of employees, to any taxpayer, governmental body, or
69 agency, insurer, university, or college of the state, or any other entity, whether or not any
70 such taxpayer, governmental body or agency, insurer, university, or college of the state, or
71 any other entity, is owned or controlled in whole or in part, directly or indirectly, by the
72 corporation.

73 2. The corporation shall endeavor to maximize the amount of leveraging of nonstate
74 resources, including public and private, cash and in-kind, attained with its investments,
75 grants, loans, or other forms of support. In the case of investments, grants, loans, or other
76 forms of support that emphasize or are specifically intended to impact a particular
77 Missouri county, municipality, or other geographic subdivision of the state, or are
78 otherwise local in nature, the corporation shall give consideration and weight to local
79 matching funds and other matching resources, public and private.

80 3. Except as expressly provided in sections 348.250 to 348.275, all monies earned
81 or received by the corporation, including all funds derived from the commercialization of
82 science and innovation products, methods, services, and technology by the corporation, or
83 any affiliate or subsidiary thereof, or from the Missouri science and innovation
84 reinvestment fund, shall belong exclusively to and be subject to the exclusive control of the
85 corporation.

86 **4. The corporation shall have all the powers of a not-for-profit corporation**
87 **established under Missouri law.**

88 **5. The corporation shall assume all moneys, property, or other assets remaining**
89 **with the Missouri seed capital investment board, established in section 620.641. All**
90 **powers, duties, and functions performed by the Missouri seed capital investment board**
91 **shall be transferred to the Missouri technology corporation.**

92 **6. The corporation shall not be subject to the provisions of chapter 34.**

 348.262. In order to assist the corporation in achieving the objectives identified in
2 section 348.261, the department of economic development may contract with the corporation for
3 activities consistent with the corporation's purpose, as specified in [section 348.256] **sections**
4 **348.250 to 348.275.** When contracting with the corporation under the provisions of this section,
5 the department of economic development may directly enter into agreements with the
6 corporation and shall not be bound by the provisions of chapter 34.

 348.263. 1. [The Missouri business modernization and technology corporation shall
2 replace the corporation for science and technology. All moneys, property or any other assets
3 remaining with the corporation for science and technology after all obligations are satisfied on
4 August 28, 1993, shall be transferred to the Missouri business modernization and technology
5 corporation. All powers, duties and functions performed by the Missouri corporation of science
6 and technology on August 28, 1993, shall be transferred to the Missouri business modernization
7 and technology corporation.] **Except as otherwise provided in sections 348.250 to 348.275,**
8 **the corporation shall be subject to requirements applicable to governmental bodies and**
9 **records contained in sections 610.010 to 610.225.**

10 2. [The Missouri technology corporation shall replace the Missouri business
11 modernization and technology corporation. All moneys, property or any other assets remaining
12 with the Missouri business modernization and technology corporation after all obligations are
13 satisfied on August 28, 1994, shall be transferred to the Missouri technology corporation. All
14 powers, duties and functions performed by the Missouri business modernization and technology
15 corporation on August 28, 1994, shall be transferred to the Missouri technology corporation.]
16 **In addition to the exceptions available under sections 610.010 to 610.225, the records of the**
17 **corporation shall not be subject to the provisions of sections 610.010 to 610.225, when,**
18 **upon determination by the corporation, the disclosure of the information in the records**
19 **would be harmful to the competitive position of the corporation and such records contain:**

20 **(1) Proprietary information gathered by, or in the possession of, the corporation**
21 **from third parties pursuant to a promise of confidentiality;**

22 (2) Contract cost estimates prepared for confidential use in awarding contracts for
23 research, development, construction, renovation, commercialization, or the purchase of
24 goods or services;

25 (3) Data, records, or information of a proprietary nature produced or collected by,
26 or for, the corporation, its employees, officers, or members of its board;

27 (4) Third-party financial statements, records, and related data not publicly
28 available that may be shared with the corporation;

29 (5) Consulting or other reports paid for by the corporation to assist the corporation
30 in connection with its strategic planning and goals; or

31 (6) The determination of marketing and operational strategies where disclosure of
32 such strategies would be harmful to the competitive position of the corporation.

33 3. In addition to the exceptions available under sections 610.010 to 610.225, the
34 corporation, including the board, executive committee, audit committee, and research
35 alliance of Missouri, or other such committees or boards that the corporation may
36 authorize from time to time, may discuss, consider, and take action on any the following
37 in closed session, when upon determination by the corporation, including as appropriate
38 the board, executive committee, audit committee, and research alliance of Missouri, or
39 other such committees or boards that the corporation may authorize from time to time,
40 disclosure of such items would be harmful to the competitive position of the corporation:

41 (1) Plans that could affect the value of property, real or personal, owned, or
42 desirable for ownership by the corporation;

43 (2) The condition, acquisition, use, or disposition of real or personal property; or

44 (3) Contracts for applied research; basic research; science and innovation product
45 development, manufacturing, or commercialization; construction and renovation of science
46 and innovation facilities; or marketing or operational strategies.

 348.264. [1.] There is hereby established in the state treasury a special fund to be known
2 as the "Missouri [Technology Investment] **Science and Innovation Reinvestment Fund**", which
3 shall consist of all moneys which may be appropriated to it by the general assembly **based on**
4 **the applicable percentage of the amount by which science and innovation employees' gross**
5 **wages for the year exceeds the base year gross wages pursuant to section 348.265, other**
6 **funds appropriated to it by the general assembly**, and also any gifts, contributions, grants or
7 bequests received from federal, private or other sources. [Such moneys shall include federal
8 funds which may be received from the National Institute for Science and Technology, the Small
9 Business Administration and the Department of Defense through its Technology Reinvestment
10 Program.] Money in the Missouri [technology investment program] **science and innovation**
11 **reinvestment fund** shall be used to carry out the provisions of sections [348.251] **348.250** to

12 348.275. Moneys for business modernization programs, technology application programs,
13 technology commercialization programs and technology development programs established
14 pursuant to the provisions of sections [348.251] **348.250** to 348.275 shall be available from
15 appropriations made by the general assembly from the Missouri [technology investment] **science**
16 **and innovation reinvestment** fund. Any moneys remaining in the Missouri [technology
17 investment] **science and innovation reinvestment** fund at the end of any fiscal year shall not
18 lapse to the general revenue fund, as provided in section 33.080, but shall remain in the Missouri
19 [technology investment] **science and innovation reinvestment** fund.

20 [2. Notwithstanding the provisions of sections 173.500 to 173.565, the Missouri
21 technology investment fund shall be utilized to fund projects which would previously have been
22 funded through the higher education applied projects fund.]

348.265. 1. As soon as practicable after the effective date of this act, the director
2 **of the department of economic development, with the assistance of the director of the**
3 **department of revenue, shall establish the base year gross wages and report the amount of**
4 **the base year gross wages to the president and board of the corporation, the governor, and**
5 **the general assembly. Within one hundred eighty days after the end of each fiscal year**
6 **beginning with the fiscal year ending June 30, 2011, and for each subsequent fiscal year**
7 **prior to the end of the last funding year, the director of economic development, with the**
8 **assistance of the director of the department of revenue, shall determine and report to the**
9 **president and board of the corporation, governor, and general assembly the amount by**
10 **which aggregate science and innovation employees' gross wages for the fiscal year exceeds**
11 **the base year gross wages. The director of economic development and the director of the**
12 **department of revenue may consider any verifiable evidence, including but not limited to**
13 **the NAICS codes assigned or recorded by the United States Department of Labor for**
14 **companies with employees in the state, when determining which organizations should be**
15 **classified as science and innovation companies.**

16 **2. Notwithstanding section 23.250 to the contrary, for each of the twenty-five**
17 **funding years, beginning July 1, 2012, subject to appropriation, the director of revenue**
18 **shall transfer to the Missouri science and innovation reinvestment fund an amount not to**
19 **exceed an amount equal to the product of the applicable percentage multiplied by an**
20 **amount equal to the increase in aggregate science and innovation employees' gross wages**
21 **for the prior fiscal year, over the base year gross wages. The director of revenue may make**
22 **estimated payments to the Missouri science and innovation reinvestment fund more**
23 **frequently based on estimates provided by the director of revenue and reconciled annually.**

24 **3. Local political subdivisions may contribute to the Missouri science and**
25 **innovation reinvestment fund through a grant, contract, or loan by dedicating a portion**

26 of any sales tax or property tax increase resulting from increases in science and innovation
27 company economic activity occurring after the effective date of this act, or other such taxes
28 or fees as such local political subdivisions may establish.

29 4. Funding generated by the provisions of this section shall be expended by the
30 corporation to further its purposes as specified in section 348.256.

31 5. Upon enactment of this section, the corporation shall prepare a strategic plan for
32 the use of the funding to be generated by the provisions of this section, and may consult
33 with science and innovation partners, including, but not limited to the research alliance of
34 Missouri, as established in section 348.257; the life sciences research board established in
35 section 196.1103; and the innovation centers or centers for advanced technology, as
36 established in section 348.272. The corporation shall make a draft strategic plan available
37 for public comment prior to publication of the final strategic plan.

348.269. 1. Nothing contained in sections 348.250 to 348.275 shall be construed as
2 a restriction or limitation upon any powers that the corporation might otherwise have
3 under chapter 355, and the provisions of sections 348.250 to 348.275 are cumulative to such
4 powers.

5 2. Nothing in sections 348.250 to 348.275 shall be construed as allowing the board
6 to sell the corporation or substantially all of the assets of the corporation, or to merge the
7 corporation with another institution, without prior authorization by the general assembly.

8 3. Notwithstanding the provisions of section 23.253 to the contrary, the provisions
9 of sections 348.250 to 348.275 shall not sunset.

10 4. The provisions of sections 348.250 to 348.275 shall not terminate before the
11 satisfaction of all outstanding obligations, notes, and bonds provided for under sections
12 348.250 to 348.275.

13 5. If any provision of this act or the application thereof is held invalid, the invalidity
14 shall not affect other provisions or applications of the act that can be given effect without
15 the invalid provision or application, and to this end the provisions of this act are severable.
16 Insofar as the provisions of sections 348.250 to 348.275 are inconsistent with the provisions
17 of any other law, general, specific or local, the provisions of sections 348.250 to 348.275
18 shall be controlling.

348.271. 1. In order to foster the growth of Missouri's economy and to stimulate the
2 creation of new jobs in [technology-based] science and innovation-based industry for the state's
3 work force, the Missouri technology corporation, in accordance with the provisions of this
4 section and within the limits of appropriations therefor is authorized to contract with Missouri
5 not-for-profit corporations for the operation of innovation centers within the state. The primary
6 emphasis of some, if not of all innovation centers, shall be in the areas of [technology

7 commercialization, finance and business modernization. Innovation centers operated under the
8 provisions of this section shall provide assistance to individuals and business organizations
9 during the early stages of the development of new technology-based] **science and innovation-**
10 **based** business ventures. Such assistance may include the provision of facilities, equipment,
11 administrative and managerial support, planning assistance, and such other services and
12 programs that enhance the development of such ventures and such assistance may be provided
13 for fees or other consideration.

14 2. The innovation centers operated under this section shall counsel and assist the new
15 [technology-based] **science and innovation-based** business ventures in finding a suitable site
16 in the state of Missouri for location of the business upon its graduation from the innovation
17 program. Each innovation center shall annually submit a report of its activities to the department
18 of economic development and the Missouri technology corporation which shall include, but not
19 be limited to, the success rate of the businesses graduating from the center, the progress and
20 locations of businesses which have graduated from the center, the types of businesses which have
21 graduated from the center, and the number of jobs created by the businesses involved in the
22 center.

23 **3. Any contract signed between the corporation and any not-for-profit organization**
24 **to operate an innovation center in accordance with the provisions of this section shall**
25 **require that the not-for-profit organization must provide at least a one-hundred-percent**
26 **match for the funding received from the corporation pursuant to appropriation therefor.**

348.300. As used in sections 348.300 to 348.318, the following terms mean:

2 (1) "Commercial activity located in Missouri", any research, development, prototype
3 fabrication, and subsequent precommercialization activity, or any activity related thereto,
4 conducted in Missouri for the purpose of producing a service or a product or process for
5 manufacture, assembly or sale or developing a service based on such a product or process by any
6 person, corporation, partnership, joint venture, unincorporated association, trust or other
7 organization doing business in Missouri. Subsequent to January 1, 1999, a commercial activity
8 located in Missouri shall mean only such activity that is located within a distressed community,
9 as defined in section 135.530;

10 (2) "Follow-up capital", capital provided to a commercial activity located in Missouri
11 in which a qualified fund has previously invested seed capital or start-up capital and which does
12 not exceed ten times the amount of such seed and start-up capital;

13 (3) "Person", any individual, corporation, partnership, or other entity, including any
14 charitable corporation which is exempt from federal income tax and whose Missouri unrelated
15 business taxable income, if any, would be subject to the state income tax imposed under chapter
16 143;

- 17 (4) "Qualified contribution", cash contribution to a qualified fund;
- 18 (5) "Qualified economic development organization", any corporation organized under
19 the provisions of chapter 355 which has as of January 1, 1991, obtained a contract with the
20 department of economic development to operate an innovation center to promote, assist and
21 coordinate the research and development of new services, products or processes in the state of
22 Missouri; and the Missouri technology corporation organized pursuant to the provisions of
23 sections [348.253 to 348.266] **348.250 to 348.275**;
- 24 (6) "Qualified fund", any corporation, partnership, joint venture, unincorporated
25 association, trust or other organization which is established under the laws of Missouri after
26 December 31, 1985, which meets all of the following requirements established by this
27 subdivision. The fund shall have as its sole purpose and business the making of investments, of
28 which at least ninety percent of the dollars invested shall be qualified investments. The fund
29 shall enter into a contract with one or more qualified economic development organizations which
30 shall entitle the qualified economic development organizations to receive not less than ten
31 percent of all distributions of equity and dividends or other earnings of the fund. Such contracts
32 shall require the qualified fund to transfer to the Missouri technology corporation organized
33 pursuant to the provisions of sections [348.253 to 348.266] **348.250 to 348.275** this interest and
34 make corresponding distributions thereto in the event the qualified economic development
35 organization holding such interest is dissolved or ceases to do business for a period of one year
36 or more;
- 37 (7) "Qualified investment", any investment of seed capital, start-up capital, or follow-up
38 capital in any commercial activity located in Missouri;
- 39 (8) "Seed capital", capital provided to a commercial activity located in Missouri for
40 research, development and precommercialization activities to prove a concept for a new product
41 or process or service, and for activities related thereto;
- 42 (9) "Start-up capital", capital provided to a commercial activity located in Missouri for
43 use in preproduction product development or service development or initial marketing thereof,
44 and for activities related thereto;
- 45 (10) "State tax liability", any state tax liability incurred by a taxpayer under the
46 provisions of chapters 143, 147 and 148, exclusive of the provisions relating to the withholding
47 of tax as provided for in sections 143.191 to 143.265 and related provisions;
- 48 (11) "Uninvested capital", the amount of any distribution, other than of earnings, by a
49 qualified fund made within five years of the issuance of a certificate of tax credit as provided by
50 sections 348.300 to 348.318; or the portion of all qualified contributions to a qualified fund
51 which are not invested as qualified investments within five years of the issuance of a certificate

52 of tax credit as provided by sections 348.300 to 348.318 to the extent that the amount not so
53 invested exceeds ten percent of all such qualified contributions.

348.430. 1. The tax credit created in this section shall be known as the "Agricultural
2 Product Utilization Contributor Tax Credit".

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

4 (1) "Authority", the agriculture and small business development authority as provided
5 in this chapter;

6 (2) "Contributor", an individual, partnership, corporation, trust, limited liability
7 company, entity or person that contributes cash funds to the authority;

8 (3) "Development facility", a facility **located within a rural area** producing either a
9 good derived from an agricultural commodity or using a process to produce a good derived from
10 an agricultural product;

11 (4) "Eligible new generation cooperative", a nonprofit cooperative association formed
12 pursuant to chapter 274, or incorporated pursuant to chapter 357, for the purpose of operating
13 within this state a development facility or a renewable fuel production facility;

14 (5) "Eligible new generation processing entity", a partnership, corporation, cooperative,
15 or limited liability company organized or incorporated pursuant to the laws of this state
16 consisting of not less than twelve members, approved by the authority, for the purpose of owning
17 or operating within this state a development facility or a renewable fuel production facility in
18 which producer members:

19 (a) Hold a majority of the governance or voting rights of the entity and any governing
20 committee;

21 (b) Control the hiring and firing of management; and

22 (c) Deliver agricultural commodities or products to the entity for processing, unless
23 processing is required by multiple entities;

24 (6) "Renewable fuel production facility", a facility **located within a rural area**
25 producing an energy source which is derived from a renewable, domestically grown, organic
26 compound capable of powering machinery, including an engine or power plant, and any
27 by-product derived from such energy source;

28 (7) "**Rural area**", a county in Missouri which according to the most recent federal
29 decennial census:

30 (a) **Has a population of not more than seventy-five thousand inhabitants; or**

31 (b) **Does not contain an individual city with a population greater than fifty**
32 **thousand inhabitants.**

33 3. For all tax years beginning on or after January 1, 1999, a contributor who contributes
34 funds to the authority may receive a credit against the tax or estimated quarterly tax otherwise

35 due pursuant to chapter 143, other than taxes withheld pursuant to sections 143.191 to 143.265,
36 chapter [148 chapter] 147 or 148, in an amount of up to one hundred percent of such
37 contribution. Tax credits claimed in a taxable year may be done so on a quarterly basis and
38 applied to the estimated quarterly tax pursuant to this subsection. If a quarterly tax credit claim
39 or series of claims contributes to causing an overpayment of taxes for a taxable year, such
40 overpayment shall not be refunded but shall be applied to the next taxable year. The awarding
41 of such credit shall be at the approval of the authority, based on the least amount of credits
42 necessary to provide incentive for the contributions. A contributor that receives tax credits for
43 a contribution to the authority shall receive no other consideration or compensation for such
44 contribution, other than a federal tax deduction, if applicable, and goodwill.

45 4. A contributor shall submit to the authority an application for the tax credit authorized
46 by this section on a form provided by the authority. If the contributor meets all criteria
47 prescribed by this section and the authority, the authority shall issue a tax credit certificate in the
48 appropriate amount. Tax credits issued pursuant to this section may be claimed in the taxable
49 year in which the contributor contributes funds to the authority. For all fiscal years beginning
50 on or after July 1, 2004, tax credits allowed pursuant to this section may be carried back to any
51 of the contributor's three prior tax years and may be carried forward to any of the contributor's
52 five subsequent taxable years. Tax credits issued pursuant to this section may be assigned,
53 transferred or sold and the new owner of the tax credit shall have the same rights in the credit as
54 the contributor. Whenever a certificate of tax credit is assigned, transferred, sold or otherwise
55 conveyed, a notarized endorsement shall be filed with the authority specifying the name and
56 address of the new owner of the tax credit or the value of the credit.

57 5. The funds derived from contributions in this section shall be used for financial
58 assistance or technical assistance for the purposes provided in section 348.407 to rural
59 agricultural business concepts as approved by the authority. The authority may provide or
60 facilitate loans, equity investments, or guaranteed loans for rural agricultural business concepts,
61 but limited to two million dollars per project or the net state economic impact, whichever is less.
62 Loans, equity investments or guaranteed loans may only be provided to feasible projects, and for
63 an amount that is the least amount necessary to cause the project to occur, as determined by the
64 authority. The authority may structure the loans, equity investments or guaranteed loans in a way
65 that facilitates the project, but also provides for a compensatory return on investment or loan
66 payment to the authority, based on the risk of the project.

67 6. In any given year, at least ten percent of the funds granted to rural agricultural business
68 concepts shall be awarded to grant requests of twenty-five thousand dollars or less. No single
69 rural agricultural business concept shall receive more than two hundred thousand dollars in grant

70 awards from the authority. Agricultural businesses owned by minority members or women shall
71 be given consideration in the allocation of funds.

72 **7. Notwithstanding any provision of law to the contrary, no tax credits provided**
73 **under this section shall be authorized on or after August 28, 2014. The provisions of this**
74 **subsection shall not be construed to limit or in any way impair the authority's ability to**
75 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's ability to redeem such**
76 **tax credits.**

348.432. 1. The tax credit created in this section shall be known as the "New Generation
2 Cooperative Incentive Tax Credit".

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

4 (1) "Authority", the agriculture and small business development authority as provided
5 in this chapter;

6 (2) "Development facility", a facility **located within a rural area** producing either a
7 good derived from an agricultural commodity or using a process to produce a good derived from
8 an agricultural product;

9 (3) "Eligible new generation cooperative", a nonprofit cooperative association formed
10 pursuant to chapter 274 or incorporated pursuant to chapter 357 for the purpose of operating
11 within this state a development facility or a renewable fuel production facility and approved by
12 the authority;

13 (4) "Eligible new generation processing entity", a partnership, corporation, cooperative,
14 or limited liability company organized or incorporated pursuant to the laws of this state
15 consisting of not less than twelve members, approved by the authority, for the purpose of owning
16 or operating within this state a development facility or a renewable fuel production facility in
17 which producer members:

18 (a) Hold a majority of the governance or voting rights of the entity and any governing
19 committee;

20 (b) Control the hiring and firing of management; and

21 (c) Deliver agricultural commodities or products to the entity for processing, unless
22 processing is required by multiple entities;

23 (5) "Employee-qualified capital project", an eligible new generation cooperative with
24 capital costs greater than fifteen million dollars which will employ at least sixty employees;

25 (6) "Large capital project", an eligible new generation cooperative with capital costs
26 greater than one million dollars;

27 (7) "Producer member", a person, partnership, corporation, trust or limited liability
28 company whose main purpose is agricultural production that invests cash funds to an eligible
29 new generation cooperative or eligible new generation processing entity;

30 (8) "Renewable fuel production facility", a facility **located within a rural area**
31 producing an energy source which is derived from a renewable, domestically grown, organic
32 compound capable of powering machinery, including an engine or power plant, and any
33 by-product derived from such energy source;

34 (9) **"Rural area", a county in Missouri, which according to the most recent federal**
35 **decennial census:**

36 (a) **Has a population of not more than seventy-five thousand inhabitants; or**

37 (b) **Does not contain an individual city with a population greater than fifty**
38 **thousand inhabitants;**

39 (10) "Small capital project", an eligible new generation cooperative with capital costs
40 of no more than one million dollars.

41 3. Beginning tax year 1999, and ending December 31, 2002, any producer member who
42 invests cash funds in an eligible new generation cooperative or eligible new generation
43 processing entity may receive a credit against the tax or estimated quarterly tax otherwise due
44 pursuant to chapter 143, other than taxes withheld pursuant to sections 143.191 to 143.265 or
45 chapter 148, chapter 147, in an amount equal to the lesser of fifty percent of such producer
46 member's investment or fifteen thousand dollars.

47 4. For all tax years beginning on or after January 1, 2003, any producer member who
48 invests cash funds in an eligible new generation cooperative or eligible new generation
49 processing entity may receive a credit against the tax or estimated quarterly tax otherwise due
50 pursuant to chapter 143, other than taxes withheld pursuant to sections 143.191 to 143.265,
51 chapter 147 or chapter 148, in an amount equal to the lesser of fifty percent of such producer
52 member's investment or fifteen thousand dollars. Tax credits claimed in a taxable year may be
53 done so on a quarterly basis and applied to the estimated quarterly tax pursuant to subsection 3
54 of this section. If a quarterly tax credit claim or series of claims contributes to causing an
55 overpayment of taxes for a taxable year, such overpayment shall not be refunded but shall be
56 applied to the next taxable year.

57 5. A producer member shall submit to the authority an application for the tax credit
58 authorized by this section on a form provided by the authority. If the producer member meets
59 all criteria prescribed by this section and is approved by the authority, the authority shall issue
60 a tax credit certificate in the appropriate amount. Tax credits issued pursuant to this section may
61 be carried back to any of the producer member's three prior taxable years and carried forward to
62 any of the producer member's five subsequent taxable years regardless of the type of tax liability
63 to which such credits are applied as authorized pursuant to subsection 3 of this section. Tax
64 credits issued pursuant to this section may be assigned, transferred, sold or otherwise conveyed
65 and the new owner of the tax credit shall have the same rights in the credit as the producer

66 member. Whenever a certificate of tax credit is assigned, transferred, sold or otherwise
67 conveyed, a notarized endorsement shall be filed with the authority specifying the name and
68 address of the new owner of the tax credit or the value of the credit.

69 6. Ten percent of the tax credits authorized pursuant to this section initially shall be
70 offered in any fiscal year to small capital projects. If any portion of the ten percent of tax credits
71 offered to small capital costs projects is unused in any calendar year, then the unused portion of
72 tax credits may be offered to employee-qualified capital projects and large capital projects. If
73 the authority receives more applications for tax credits for small capital projects than tax credits
74 are authorized therefor, then the authority, by rule, shall determine the method of distribution of
75 tax credits authorized for small capital projects.

76 7. Ninety percent of the tax credits authorized pursuant to this section initially shall be
77 offered in any fiscal year to employee-qualified capital projects and large capital projects. If any
78 portion of the ninety percent of tax credits offered to employee-qualified capital projects and
79 large capital costs projects is unused in any fiscal year, then the unused portion of tax credits may
80 be offered to small capital projects. The maximum tax credit allowed per employee-qualified
81 capital project is three million dollars and the maximum tax credit allowed per large capital
82 project is one million five hundred thousand dollars. If the authority approves the maximum tax
83 credit allowed for any employee-qualified capital project or any large capital project, then the
84 authority, by rule, shall determine the method of distribution of such maximum tax credit. In
85 addition, if the authority receives more tax credit applications for employee-qualified capital
86 projects and large capital projects than the amount of tax credits authorized therefor, then the
87 authority, by rule, shall determine the method of distribution of tax credits authorized for
88 employee-qualified capital projects and large capital projects.

89 **8. Notwithstanding any provision of law to the contrary, no tax credits provided**
90 **under this section shall be authorized on or after August 28, 2014. The provisions of this**
91 **subsection shall not be construed to limit or in any way impair the authority's ability to**
92 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's ability to redeem such**
93 **tax credits.**

348.434. 1. The aggregate of tax credits issued per fiscal year pursuant to sections
2 348.430 and 348.432 shall not exceed six million dollars.

3 2. Upon July 2, 1999, and ending June 30, 2000, tax credits shall be issued pursuant to
4 section 348.430, except that, the authority shall allocate no more than three million dollars to
5 fund section 348.432 in fiscal year 2000. Beginning in fiscal year 2001 and each subsequent
6 year, tax credits shall be issued pursuant to section 348.432.

7 3. Beginning the first day of May of each fiscal year [following implementation of
8 section 348.432] **ending on or before June 30, 2011**, the authority may determine the extent of

9 tax credits, pursuant to section 348.432, that will be utilized in each fiscal year. If the authority
10 determines that:

11 (1) Less than six million dollars for a fiscal year is to be utilized in tax credits pursuant
12 to section 348.432; and

13 (2) The assets available to the authority, pursuant to section 348.430, do not exceed
14 twelve million dollars; then, the authority may offer the remaining authorized tax credits be
15 issued pursuant to section 348.430.

16 **4. For all fiscal years beginning on or after July 1, 2011, the authority shall allocate**
17 **tax credits for authorization under the provisions of sections 348.430 and 348.432 in a**
18 **manner sufficient to provide the greatest state benefit while providing the least amount of**
19 **tax credits necessary.**

348.500. 1. This section shall be known and may be cited as the "Family Farms Act".

2 2. [As used in this section, "small farmer" means a farmer who is a Missouri resident and
3 who has less than two hundred fifty thousand dollars in gross sales per year.

4 3. The agricultural and small business development authority shall establish a family
5 farm breeding livestock loan program for small farmers for the purchase of beef cattle, dairy
6 cattle, sheep and goats, and swine only.

7 4. To participate in the loan program, a small farmer shall first obtain approval for a
8 family farm livestock loan from a lender as defined in section 348.015. Each small farmer shall
9 be eligible for only one family farm livestock loan per family and for only one type of livestock.

10 5. The maximum amount of the family farm livestock loan for each type of livestock
11 shall be as follows:

12 (1) Seventy-five thousand dollars for beef cattle;

13 (2) Seventy-five thousand dollars for dairy cattle;

14 (3) Thirty-five thousand dollars for swine; and

15 (4) Thirty thousand dollars for sheep and goats.

16 6. Eligible borrowers under the program:

17 (1) Shall use the proceeds of the family farm loan to acquire breeding livestock;

18 (2) Shall not finance more than ninety percent of the anticipated cost of the purchase of
19 such livestock through the family farm livestock loan; and

20 (3) Shall not be charged interest by the lender, as defined in section 348.015, for the first
21 year of the qualified family farm livestock loan.

22 7. Upon approval of the family farm livestock loan by a lender under subsection 4 of this
23 section, the loan shall be submitted for approval by the agricultural and small business
24 development authority. The authority shall promulgate rules establishing eligibility under this
25 section, taking into consideration:

- 26 (1) The eligible borrower's ability to repay the family farm livestock loan;
27 (2) The general economic conditions of the area in which the farm is located;
28 (3) The prospect of a financial return for the small farmer for the type of livestock for
29 which the family farm livestock loan is sought; and
30 (4) Such other factors as the authority may establish.

31 8. For eligible borrowers participating in the program, the authority shall be responsible
32 for reviewing the purchase price of any livestock to be purchased by an eligible borrower under
33 the program to determine whether the price to be paid is appropriate for the type of livestock
34 purchased. The authority may impose a one-time loan review fee of one percent which shall be
35 collected by the lender at the time of the loan and paid to the authority.

36 9. Nothing in this section shall preclude a small farmer from participating in any other
37 agricultural program.

38 10. Any rule or portion of a rule, as that term is defined in section 536.010, that is
39 created under the authority delegated in this section shall become effective only if it complies
40 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.
41 This section and chapter 536 are nonseverable and if any of the powers vested with the general
42 assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and
43 annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and
44 any rule proposed or adopted after August 28, 2006, shall be invalid and void.] **For purposes**
45 **of this section, the following terms shall mean:**

46 (1) **"Authority", the Missouri agricultural and small business development**
47 **authority;**

48 (2) **"Breeding livestock", beef, dairy cattle, swine, sheep, and goats;**

49 (3) **"Eligible purchase", the lesser of the purchase price of breeding livestock paid**
50 **by a small farmer or:**

51 (a) **Seventy-five thousand dollars for beef cattle;**

52 (b) **Seventy-five thousand dollars for dairy cattle;**

53 (c) **Thirty-five thousand dollars for swine; and**

54 (d) **Thirty thousand dollars for sheep and goats;**

55 (4) **"Small farmer", a farmer who is a Missouri resident and who has less than two**
56 **hundred fifty thousand dollars in gross sales per year;**

57 (5) **"State tax liability", any state tax liability incurred by a taxpayer under the**
58 **provisions of chapters 143, 147, and 148, exclusive of the provisions relating to the**
59 **withholding of tax as provided for in sections 143.191 to 143.265 and related provisions.**

60 3. For all taxable years beginning on or after January 1, 2012, a small farmer shall
61 be entitled to receive a tax credit equal to seven percent of an eligible purchase. The tax

62 credit shall be evidenced by a tax credit certificate issued by the agricultural and small
63 business development authority and may be used to satisfy the state tax liability of the
64 owner of such certificate that becomes due in the tax year in which the eligible purchase
65 is made. No small farmer may receive a tax credit under this section unless such person
66 presents a tax credit certificate to the department of revenue for payment of such state tax
67 liability. The total amount of all tax credits that may be issued to small farmers claiming
68 tax credits authorized in this section in a fiscal year shall not exceed three hundred
69 thousand dollars.

70 4. The agricultural and small business development authority shall be responsible
71 for the administration and issuance of the certificate of tax credits authorized by this
72 section. The authority shall issue a certificate of tax credit at the request of any small
73 farmer. Each request shall include a true copy of the receipt for the eligible purchase, the
74 name of the small farmer who is to receive a certificate of tax credit, the type of state tax
75 liability against which the tax credit is to be used, and the amount of the certificate of tax
76 credit to be issued to the small farmer based on the eligible purchase.

77 5. The Missouri department of revenue shall accept a certificate of tax credit in lieu
78 of other payment in such amount as is equal to the lesser of the amount of the tax or the
79 remaining unused amount of the credit as indicated on the certificate of tax credit, and
80 shall indicate on the certificate of tax credit the amount of tax thereby paid and the date
81 of such payment.

82 6. The following provisions shall apply to tax credits authorized under this section:

83 (1) Tax credits claimed in a taxable year may be claimed on a quarterly basis and
84 applied to the estimated quarterly tax of the small farmer;

85 (2) Any amount of tax credit which exceeds the tax due, including any estimated
86 quarterly taxes paid by the small farmer under subdivision (1) of this subsection which
87 results in an overpayment of taxes for a taxable year, shall not be refunded but may be
88 carried over to any subsequent taxable year, not to exceed a total of three years;

89 (3) Notwithstanding any provision of law to the contrary, a small farmer may
90 assign, transfer, or sell tax credits authorized under this section, with the new owner of the
91 tax credit receiving the same rights in the tax credit as the small farmer. For any tax
92 credits assigned, transferred, sold, or otherwise conveyed, a notarized endorsement shall
93 be filed by the small farmer with the authority specifying the name and address of the new
94 owner of the tax credit and the value of such tax credit.

95 7. Notwithstanding any provision of law to the contrary, no tax credits provided
96 under this section shall be authorized on or after August 28, 2014. The provisions of this
97 subsection shall not be construed to limit or in any way impair the authority's ability to

98 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's ability to redeem such**
99 **tax credits.**

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 and sections 135.200 to 135.257. The tax credits
7 allowed pursuant to this subsection shall be used to offset the tax imposed by chapter 143,
8 excluding withholding tax imposed by sections 143.191 to 143.265, or the tax otherwise imposed
9 by chapter 147, or the tax otherwise imposed by chapter 148. **Notwithstanding any provisions**
10 **of law to the contrary, the department shall not authorize tax credits and exemptions**
11 **pursuant to this subsection after the effective date of this act.** For purposes of this
12 subsection:

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

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

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

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

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

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

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 which is
92 used at and in connection with the eligible project. "New qualified investment" shall not include
93 small tools, supplies and inventory. "Small tools" means tools that are portable and can be hand
94 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

hazardous substance contamination and releases, including, but not limited to, the costs of performing operation and maintenance of the remediation equipment at the property beyond the year in which the systems and equipment are built and installed at the eligible project and the costs of performing the voluntary remediation activities over a period not in excess of four tax years following the taxpayer's tax year in which the system and equipment were first put into use at the eligible project, provided the remediation activities are the subject of a plan submitted to, and approved by, the director of natural resources pursuant to sections 260.565 to 260.575. The tax credit may also include up to one hundred percent of the costs of demolition that are not directly part of the remediation activities, provided that the demolition is on the property where the voluntary remediation activities are occurring, the demolition is necessary to accomplish the planned use of the facility where the remediation activities are occurring, and the demolition is part of a redevelopment plan approved by the municipal or county government and the department of economic development. The demolition may occur on an adjacent property if the project is located in a municipality which has a population less than twenty thousand and the above conditions are otherwise met. The adjacent property shall independently qualify as abandoned or underutilized. The amount of the credit available for demolition not associated with remediation cannot exceed the total amount of credits approved for remediation including demolition required for remediation.

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

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

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

(5) No more than seventy-five percent of earned remediation tax credits may be issued when the remediation costs were paid, and the remaining percentage may be issued when the department of natural resources issues a letter of completion letter or covenant not to sue following completion of the voluntary remediation activities. It shall not include any costs

associated with ongoing operational environmental compliance of the facility or remediation costs arising out of spills, leaks, or other releases arising out of the ongoing business operations of the facility. In the event the department of natural resources issues a letter of completion for a portion of a property, an impacted media such as soil or groundwater, or for a site or a portion of a site improvement, a prorated amount of the remaining percentage may be released based on the percentage of the total site receiving a letter of completion.

4. In the exercise of the sound discretion of the director of the department of economic development or the director's designee, the tax credits and exemptions described in this section may be terminated, suspended or revoked, if the eligible project fails to continue to meet the conditions set forth in this section. In making such a determination, the director shall consider the severity of the condition violation, actions taken to correct the violation, the frequency of any condition violations and whether the actions exhibit a pattern of conduct by the eligible facility owner and operator. The director shall also consider changes in general economic conditions and 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. 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, or the tax credits, exemptions and refund otherwise allowed in sections 135.215, 135.220, 135.225 and 135.245, 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

177 percent of the total business income if the taxpayer operates, in addition to the eligible facility,
178 any other facilities in Missouri. In no case shall a taxpayer operating more than one eligible
179 project in Missouri be allowed to offset more than twenty-five percent of the taxpayer's business
180 income in any tax period. That portion of the taxpayer's income attributed to the eligible project
181 as referenced in subdivision (1) of this subsection, for which the credits allowed in sections
182 135.110 and 135.225 and subsection 3 of this section, may apply, shall be determined in the same
183 manner as prescribed in subdivision (6) of section 135.100. That portion of the taxpayer's
184 franchise tax attributed to the eligible project for which the remediation tax credit may offset,
185 shall be determined in the same manner as prescribed in paragraph (a) of subdivision (6) of
186 section 135.100.

187 7. Taxpayers claiming the state tax benefits allowed in subdivisions (2) and (3) of
188 subsection 1 of this section shall be required to file all applicable tax credit applications, forms
189 and schedules prescribed by the director during the taxpayer's tax period immediately after the
190 tax period in which the eligible project was first put into use. Otherwise, the taxpayer's right to
191 claim such state tax benefits shall be forfeited. Unused business facility and enterprise zone tax
192 credits shall not be carried forward but shall be initially claimed for the tax period during which
193 the eligible project was first capable of being used, and during any applicable subsequent tax
194 periods.

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

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

209 10. In the case where an operator and assignor of an eligible project has been certified
210 to claim state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section, and
211 sells or otherwise transfers title of the eligible project to another taxpayer or assignee who
212 continues the same or substantially similar operations at the eligible project, the director shall

213 allow the assignee to claim the credits for a period of time to be determined by the director;
214 except that, the total number of tax periods the tax credits may be earned by the assignor and the
215 assignee shall not exceed ten. To perfect the transfer, the assignor shall provide written notice
216 to the director of the assignor's intent to transfer the tax credits to the assignee, the date the
217 transfer is effective, the assignee's name, address, and the assignee's tax period, and the amount
218 of tax credits to be transferred.

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

222 (1) The shareholders of the corporation described in section 143.471;

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

226 **12. For each fiscal year beginning on or after July 1, 2011, but ending on or before**
227 **June 30, 2015, the total amount of tax credits authorized under the provisions of sections**
228 **447.700 to 447.718 shall not exceed forty million dollars. No more than a total of ten**
229 **million dollars in tax credits authorized under the provisions of sections 447.700 to 447.718**
230 **shall be authorized in any fiscal year beginning on or after July 1, 2011, but ending on or**
231 **before June 30, 2015, for projects which receive benefits under the provisions of section**
232 **99.1205. For each fiscal year beginning on or after July 1, 2015, the total amount of tax**
233 **credits authorized under the provisions of sections 447.700 to 447.718 shall not exceed**
234 **thirty five million dollars. No more than a total of five million dollars in tax credits**
235 **authorized under the provisions of sections 447.700 to 447.718 shall be authorized in any**
236 **fiscal year beginning on or after July 1, 2015, for projects which receive benefits under the**
237 **provisions of section 99.1205.**

238 **13. Notwithstanding any provision of law to the contrary, no tax credits provided**
239 **under sections 447.700 to 447.718 shall be authorized on or after August 28, 2018. The**
240 **provisions of this subsection shall not be construed to limit or in any way impair the**
241 **department's ability to issue tax credits authorized prior to August 28, 2018, or a**
242 **taxpayer's ability to redeem such tax credits.**

620.495. 1. This section shall be known as the "Small Business Incubators Act".

2 2. As used in this section, unless the context clearly indicates otherwise, the following
3 words and phrases shall mean:

4 (1) "Department", the department of economic development;

5 (2) "Incubator", a program in which small units of space may be leased by a tenant and
6 in which management maintains or provides access to business development services for use by

7 tenants or a program without infrastructure in which participants avail themselves of business
8 development services to assist in the growth of their start-up small businesses;

9 (3) "Local sponsor" or "sponsor", an organization which enters into a written agreement
10 with the department to establish, operate and administer a small business incubator program or
11 to provide funding to an organization which operates such a program;

12 (4) "Participant", a sole proprietorship, business partnership or corporation operating a
13 business for profit through which the owner avails himself or herself of business development
14 services in an incubator program;

15 (5) "Tenant", a sole proprietorship, business partnership or corporation operating a
16 business for profit and leasing or otherwise occupying space in an incubator.

17 3. There is hereby established under the direction of the department a loan, loan
18 guarantee and grant program for the establishment, operation and administration of small
19 business incubators, to be known as the "Small Business Incubator Program". A local sponsor
20 may submit an application to the department to obtain a loan, loan guarantee or grant to establish
21 an incubator. Each application shall:

22 (1) Demonstrate that a program exists that can be transformed into an incubator at a
23 specified cost;

24 (2) Demonstrate the ability to directly provide or arrange for the provision of business
25 development services for tenants and participants of the incubator. These services shall include,
26 but need not be limited to, financial consulting assistance, management and marketing assistance,
27 business education, and physical services;

28 (3) Demonstrate a potential for sustained use of the incubator program by eligible tenants
29 and participants, through a market study or other means;

30 (4) Demonstrate the ability to manage and operate the incubator program;

31 (5) Include such other information as the department may require through its guidelines.

32 4. The department shall review and accept applications based on the following criteria:

33 (1) Ability of the local sponsor to carry out the provisions of this section;

34 (2) Economic impact of the incubator on the community;

35 (3) Conformance with areawide and local economic development plans, if such exist;

36 (4) Location of the incubator, in order to encourage geographic distribution of incubators
37 across the state.

38 5. Loans, loan guarantees and grants shall be administered in the following manner:

39 (1) Loans awarded or guaranteed and grants awarded shall be used only for the
40 acquisition and leasing of land and existing buildings, the rehabilitation of buildings or other
41 facilities, construction of new facilities, the purchase of equipment and furnishings which are

42 necessary for the creation and operation of the incubator, and business development services
43 including, but not limited to, business management advising and business education;

44 (2) Loans, loan guarantees and grants may not exceed fifty percent of total eligible
45 project costs;

46 (3) Payment of interest and principal on loans may be deferred at the discretion of the
47 department; **and**

48 **(4) Loans and grants shall only be available upon receipt of matching private funds.**

49 6. A local sponsor, or the organization receiving assistance through the local sponsor,
50 shall have the following responsibilities and duties in establishing and operating an incubator
51 with assistance from the small business incubator program:

52 (1) Secure title on a facility for the program or a lease of a facility for the program;

53 (2) Manage the physical development of the incubator program, including the provision
54 of common conference or meeting space;

55 (3) Furnish and equip the program to provide business services to the tenants and
56 participants;

57 (4) Market the program and secure eligible tenants and participants;

58 (5) Provide financial consulting, marketing and management assistance services or
59 arrange for the provision of these services for tenants and participants of the incubator, including
60 assistance in accessing private financial markets;

61 (6) Set rental and service fees;

62 (7) Encourage the sharing of ideas between tenants and participants and otherwise aid
63 the tenants and participants in an innovative manner while they are within the incubator;

64 (8) Establish policies and criteria for the acceptance of tenants and participants into the
65 incubator and for the termination of occupancy of tenants so as to maximize the opportunity to
66 succeed for the greatest number of tenants, consistent with those specified in this section.

67 7. The department:

68 (1) May adopt such rules, statements of policy, procedures, forms and guidelines as may
69 be necessary for the implementation of this section;

70 (2) May make loans, loan guarantees and grants to local sponsors for incubators;

71 (3) Shall ensure that local sponsors receiving loans, loan guarantees or grants meet the
72 conditions of this section;

73 (4) Shall receive and evaluate annual reports from local sponsors. Such annual reports
74 shall include, but need not be limited to, a financial statement for the incubator, evidence that
75 all tenants and participants in the program are eligible under the terms of this section, and a list
76 of companies in the incubator.

77 8. The department of economic development is also hereby authorized to review any
78 previous loans made under this program and, where appropriate in the department's judgment,
79 convert such loans to grant status.

80 9. On or before January first of each year, the department shall provide a report to the
81 governor, the chief clerk of the house of representatives and the secretary of the senate which
82 shall include, but need not be limited to:

83 (1) The number of applications for incubators submitted to the department;

84 (2) The number of applications for incubators approved by the department;

85 (3) The number of incubators created through the small business incubator program;

86 (4) The number of tenants and participants engaged in each incubator;

87 (5) The number of jobs provided by each incubator and tenants and participant of each
88 incubator;

89 (6) The occupancy rate of each incubator;

90 (7) The number of firms still operating in the state after leaving incubators and the
91 number of jobs they have provided.

92 10. There is hereby established in the state treasury a special fund to be known as the
93 "Missouri Small Business Incubators Fund", which shall consist of all moneys which may be
94 appropriated to it by the general assembly, and also any gifts, contributions, grants or bequests
95 received from federal, private or other sources. Moneys for loans, loan guarantees and grants
96 under the small business incubator program may be obtained from appropriations made by the
97 general assembly from the Missouri small business incubators fund. Any moneys remaining in
98 the Missouri small business incubators fund at the end of any fiscal year shall not lapse to the
99 general revenue fund, as provided in section 33.080, but shall remain in the Missouri small
100 business incubators fund.

101 11. For any taxable year beginning after December 31, 1989, a taxpayer, including any
102 charitable organization which is exempt from federal income tax and whose Missouri unrelated
103 business taxable income, if any, would be subject to the state income tax imposed under chapter
104 143, shall be entitled to a tax credit against any tax otherwise due under the provisions of chapter
105 143, or chapter 147, or chapter 148, excluding withholding tax imposed by sections 143.191 to
106 143.265, in the amount of fifty percent of any amount contributed by the taxpayer to the Missouri
107 small business incubators fund during the taxpayer's tax year or any contribution by the taxpayer
108 to a local sponsor after the local sponsor's application has been accepted and approved by the
109 department. The tax credit allowed by this subsection shall be claimed by the taxpayer at the
110 time he files his return and shall be applied against the income tax liability imposed by chapter
111 143, or chapter 147, or chapter 148, after all other credits provided by law have been applied.
112 That portion of earned tax credits which exceeds the taxpayer's tax liability may be carried

forward for up to five years. The aggregate of all tax credits authorized under this section shall not exceed five hundred thousand dollars in any taxable year. **Notwithstanding provisions of law to the contrary, no tax credits authorized under the provision of this section shall be authorized on or after the effective date of this act. The provisions of this subsection shall not be construed to limit or in any way impair the department's ability to issue tax credits authorized prior to the effective date of this act, or a taxpayer's ability to redeem such tax credits.**

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

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

(2) In an amount not to exceed one hundred percent of annual earned credits. The taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection, may use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed by chapter 143, or chapter 147, or chapter 148 excluding withholding tax imposed by sections 143.191 to 143.265. Unused credits in the hands of the assignee may be carried forward for up to five years. The assignor shall enter into a written agreement with the assignee establishing the terms and conditions of the agreement and shall perfect such transfer by notifying the department of economic development in writing within thirty calendar days following the effective day of the transfer and shall provide any information as may be required by the department of economic development to administer and carry out the provisions of this section. The director of the department of economic development shall prescribe the method for submitting applications for claiming the tax credit allowed under subsection 11 of this section and shall, if the application is approved, certify to the director of revenue that the taxpayer claiming the credit has satisfied all the requirements specified in this section and is eligible to claim the credit.

620.800. The following additional terms used in sections 620.800 to 620.809 shall mean:

(1) "Agreement", the agreement between a qualified company, a community college district, and the department concerning a training project. Any such agreement shall comply with the provisions of section 620.017;

(2) "Board of trustees", the board of trustees of a community college district established under the provisions of chapter 178;

8 (3) "Certificate", new or retained jobs training certificates issued under section
9 620.809;

10 (4) "Committee", the MO jobs training joint legislative oversight committee,
11 established by the department under the provisions of section 620.803;

12 (5) "MO Jobs Training Program", the training program established under sections
13 620.800 to 620.809;

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

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

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

20 (9) "Local education agency", a community college, two-year state technical college,
21 or a technical career education center;

22 (10) "New capital investment", shall include funds spent by the qualified company
23 at the project facility after the approval of the notice of intent for real or personal
24 property, and may include the present value of finance or capital leases for real or personal
25 property for the term of such lease at the project facility executed after approval of the
26 notice of intent;

27 (11) "New job", the number of full-time employees located at the project facility
28 that exceeds the project facility base employment less any decrease in the number of
29 full-time employees at related facilities below the related facility base employment. No job
30 that was created prior to the date of the notice of intent shall be deemed a new job. An
31 employee that spends less than fifty percent of the employee's work time at the facility is
32 still considered to be located at a facility if the employee receives his or her directions and
33 control from that facility, is on the facility's payroll, one hundred percent of the employee's
34 income from such employment is Missouri income, and the employee is paid at or above
35 the applicable percentage of the county average wage;

36 (12) "New jobs credit", the credit from withholding remitted by a qualified
37 company provided under subsection 6 of section 620.809;

38 (13) "Notice of intent", a form developed by the department, completed by the
39 qualified company and submitted to the department which states the qualified company's
40 intent to request benefits under this program;

41 (14) "Project facility", the building or buildings used by a qualified company at
42 which new or retained jobs and any new capital investment are or will be located. A
43 project facility may include separate buildings located within sixty miles of each other such

44 that their purpose and operations are interrelated; provided, that where the buildings
45 making up the project facility are not located within the same county, the average wage of
46 the new payroll must exceed the highest county average wage among the counties in which
47 the buildings are located. Upon approval by the department, a subsequent project facility
48 may be designated if the qualified company demonstrates a need to relocate to the
49 subsequent project facility at any time during the project period;

50 (15) "Project facility base employment", the greater of the number of full-time
51 employees located at the project facility on the date of the notice of intent or, for the
52 twelve-month period prior to the date of the notice of intent, the average number of
53 full-time employees located at the project facility. In the event the project facility has not
54 been in operation for a full twelve-month period, the average number of full-time
55 employees for the number of months the project facility has been in operation prior to the
56 date of the notice of intent;

57 (16) "Qualified company", a firm, partnership, joint venture, association, private
58 or public corporation whether organized for profit or not, or headquarters of such entity
59 registered to do business in Missouri that is the owner or operator of a project facility,
60 offers health insurance to all full-time employees of all facilities located in this state, and
61 pays at least fifty percent of such insurance premiums. For the purposes of sections
62 620.800 to 620.809, the term "qualified company" shall not include:

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

64 (b) Retail trade establishments (NAICS sectors 44 and 45), except with respect to
65 any company headquartered in this state with a majority of its full-time employees engaged
66 in operations not within the NAICS codes specified in this subdivision;

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

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

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

72 (f) Any company requesting benefits for retained jobs that has filed for or has
73 publicly announced its intention to file for bankruptcy protection. However, a company
74 that has filed for or has publicly announced its intention to file for bankruptcy, may be a
75 qualified company provided that such company:

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

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

80 **payments due after the filing of the bankruptcy petition and under the terms of the plan**
81 **of reorganization.**

82

83 **Any taxpayer who is awarded benefits under this subsection and who files for bankruptcy**
84 **under Chapter 7 of the United States Bankruptcy Code, Title 11 U.S.C., as amended shall**
85 **immediately notify the department and shall forfeit such benefits and shall repay the state**
86 **an amount equal to any state tax credits already redeemed and any withholding taxes**
87 **already retained;**

88 **(g) Educational services (NAICS sector 61);**

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

90 **(i) Public administration (NAICS sector 92);**

91 **(j) Ethanol distillation or production; or**

92 **(k) Biodiesel production.**

93

94 **Notwithstanding any provision of this section to the contrary, the headquarters,**
95 **administrative offices, or research and development facilities of an otherwise excluded**
96 **business may qualify for benefits if the offices or facilities serve a multistate territory. In**
97 **the event a national, state, or regional headquarters operation is not the predominant**
98 **activity of a project facility, the jobs and investment of such operation shall be considered**
99 **eligible for benefits under this section if the other requirements are satisfied;**

100 **(17) "Related company":**

101 **(a) A corporation, partnership, trust, or association controlled by the qualified**
102 **company;**

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

105 **(c) Corporations, partnerships, trusts, or associations controlled by an individual,**
106 **corporation, partnership, trust, or association in control of the qualified company. As used**
107 **in this subdivision, "control of a corporation" shall mean ownership, directly or indirectly,**
108 **of stock possessing at least fifty percent of the total combined voting power of all classes**
109 **of stock entitled to vote, "control of a partnership or association" shall mean ownership**
110 **of at least fifty percent of the capital or profits interest in such partnership or association,**
111 **"control of a trust" shall mean ownership, directly or indirectly, of at least fifty percent**
112 **of the beneficial interest in the principal or income of such trust, and ownership shall be**
113 **determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;**

114 **(18) "Related facility", a facility operated by the qualified company or a related**
115 **company located in this state that is directly related to the operations of the project facility**

116 or in which operations substantially similar to the operations of the project facility are
117 performed;

118 (19) "Related facility base employment", the greater of the number of full-time
119 employees located at all related facilities on the date of the notice of intent or, for the
120 twelve-month period prior to the date of the notice of intent, the average number of
121 full-time employees located at all related facilities of the qualified company or a related
122 company located in this state;

123 (20) "Retained job", the average number of full-time employees of a qualified
124 company located at the project facility during each month for the calendar year preceding
125 the year in which the notice of intent is submitted;

126 (21) "Retained jobs credit", the credit from withholding remitted by a qualified
127 company provided under subsection 6 of section 620.809;

128 (22) "Targeted industry", an industry or one of a cluster of industries identified
129 by the department by rule following a strategic planning process as being critical to the
130 state's economic security and growth;

131 (23) "Training program", the MO jobs training program established under
132 sections 620.800 to 620.809;

133 (24) "Training project", the project or projects established through the MO jobs
134 training program for the creation or retention of jobs by providing education and training
135 of workers;

136 (25) "Training project costs", all necessary and incidental costs of providing
137 program services through the training program, including:

138 (a) Training materials and supplies;

139 (b) Wages and benefits of instructors, who may or may not be employed by the
140 eligible industry, and the cost of training such instructors;

141 (c) Subcontracted services;

142 (d) On-the-job training;

143 (e) Training facilities and equipment;

144 (f) Skill assessment;

145 (g) Training project and curriculum development;

146 (h) Travel directly to the training project, including a coordinated transportation
147 program for trainings if the training can be more effectively provided outside the
148 community where the jobs are to be located;

149 (i) Payments to third party training providers and to the eligible industry;

150 (j) Teaching and assistance provided by educational institutions in the state of
151 Missouri;

(k) In-plant training analysis, including fees for professionals and necessary travel and expenses;

(l) Assessment and preselection tools;

(m) Publicity;

(n) Instructional services;

(o) Rental of instructional facilities with necessary utilities; and

(p) Payment of the principal, premium, and interest on certificates, including capitalized interest, issued to finance a project, and the funding and maintenance of a debt service reserve fund to secure such certificates;

(26) "Training project services", includes, but shall not be limited to, the following:

(a) Job training, which may include, but not be limited to, preemployment training, analysis of the specified training needs for a qualified company, development of training plans, and provision of training through qualified training staff;

(b) Adult basic education and job-related instruction;

(c) Vocational and skill-assessment services and testing;

(d) Training facilities, equipment, materials, and supplies;

(e) On-the-job training;

(f) Administrative expenses equal to fifteen percent of the total training costs;

(g) Subcontracted services with state institutions of higher education, private colleges or universities, or other federal, state, or local agencies;

(h) Contracted or professional services; and

(i) Issuance of certificates, when applicable.

620.803. 1. The department shall establish a "MO Jobs Training Program" to assist qualified companies for the training of employees in new jobs and the retraining or upgrading of skills of full-time employees in retained jobs as provided in sections 620.800 to 620.809. The training program shall be funded through appropriations to the funds established under sections 620.806 and 620.809. The department shall, to the maximum extent practicable, prioritize funding under the training program to assist qualified companies in targeted industries.

2. There is hereby created the "MO Jobs Training Joint Legislative Oversight Committee". The committee shall consist of three members of the Missouri senate appointed by the president pro tem of the senate; and three members of the house of representatives appointed by the speaker of the house. No more than two of the members of the senate and two of the members of the house of representatives shall be from the same political party. Members of the committee shall report to the governor, the president pro tem of the senate and the speaker of the house of representatives on all assistance to

15 industries under the provisions of sections 620.800 to 620.809 provided during the
16 preceding fiscal year. The report of the committee shall be delivered no later than October
17 first of each year. The director of the department shall report to the committee such
18 information as the committee may deem necessary for its annual report. Members of the
19 committee shall receive no compensation in addition to their salary as members of the
20 general assembly, but may receive their necessary expenses while attending the meetings
21 of the committee, to be paid out of the joint contingent fund.

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

31 4. The department shall make program applications and guidelines available
32 on-line.

33 5. The department may contract with other entities, including businesses,
34 industries, other state agencies, and the political subdivisions of the state for the purposes
35 of carrying out the provisions of the training program established in sections 620.800 to
36 620.809. Any assistance through the training program shall be provided pursuant to an
37 agreement.

38 6. Prior to the authorization of any application submitted through the training
39 program, the department shall verify the applicant's tax payment status and offset any
40 delinquencies as provided in section 135.815.

620.806. 1. The "Missouri Job Development Fund", formerly established in the
2 state treasury by section 620.478, shall now be known as the "MO Jobs Development
3 Fund" and shall be administered by the department for the training program. The fund
4 shall consist of all moneys which may be appropriated to it by the general assembly and
5 also any gifts, contributions, grants, or bequests received from federal, private or other
6 sources, including, but not limited to, any block grant or other sources of funding relating
7 to job training, school-to-work transition, welfare reform, vocational and technical
8 training, housing, infrastructure, development, and human resource investment programs
9 which may be provided by the federal government or other sources.

10 **2. The department may provide financial assistance through the training program**
11 **to qualified companies that create new jobs which will result in the need for training, or**
12 **that make new capital investment relating directly to the retention of retained jobs in an**
13 **amount at least five times greater than the amount of any financial assistance. Financial**
14 **assistance may also be provided to a consortium of qualified companies organized for the**
15 **purpose of providing for common training to the consortium members' employees. Funds**
16 **in the MO jobs development fund shall be appropriated, for financial assistance through**
17 **the training program, by the general assembly to the department and shall be administered**
18 **by a local educational agency certified by the department for such purpose. Except for**
19 **state-sponsored preemployment training, no qualified company shall receive more than**
20 **fifty percent of its training program costs from the MO jobs development fund. No funds**
21 **shall be awarded or reimbursed to any qualified company for the training, retraining, or**
22 **upgrading of skills of potential employees with the purpose of replacing or supplanting**
23 **employees engaged in an authorized work stoppage. Upon approval by the department,**
24 **training project costs, except the purchase of training equipment and training facilities,**
25 **shall be eligible for reimbursement with funds from the MO jobs development fund.**
26 **Notwithstanding any provision of law to the contrary, no qualified company within a**
27 **service industry shall be eligible for assistance under this subsection unless such qualified**
28 **company provides services in interstate commerce, which shall mean that the qualified**
29 **company derives a majority of its annual revenues from out of the state.**

30 **3. The department may provide assistance, through appropriations made from the**
31 **MO jobs development fund, to business and technology centers. Such assistance shall not**
32 **include the lending of the state's credit for the payment of any liability of the fund. Such**
33 **centers may be established by Missouri community colleges, or a state-owned**
34 **postsecondary technical college, to provide business and training services for growth**
35 **industries as determined by current labor market information.**

620.809. 1. The "Missouri Community College Job Training Program Fund",
2 **formerly established in the state treasury by section 178.896, shall now be known as the**
3 **"MO Jobs Community College New Jobs Training Fund", and shall be administered by**
4 **the department for the training program. The department of revenue shall credit to the**
5 **fund, as received, all new jobs credits. The fund shall also consist of any gifts,**
6 **contributions, grants, or bequests received from federal, private, or other sources. The**
7 **general assembly, however, shall not provide for any transfer of general revenue funds into**
8 **the fund. Moneys in the fund shall be disbursed to the department pursuant to regular**
9 **appropriations by the general assembly. The department shall disburse such appropriated**
10 **funds in a timely manner into the special funds established by community college districts**

11 for training projects, which funds shall be used to pay training project costs. Such
12 disbursements shall be made to the special fund for each training project in the same
13 proportion as the new jobs credit remitted by the qualified company participating in such
14 project bears to the total new jobs credit from withholding remitted by all qualified
15 companies participating in projects during the period for which the disbursement is made.
16 All moneys remaining in the fund at the end of any fiscal year shall not lapse to the general
17 revenue fund, as provided in section 33.080, but shall remain in the fund.

18 2. The "Missouri Community College Job Retention Training Program Fund",
19 formerly established in the state treasury by section 178.764, shall now be known as the
20 "MO Jobs Community College Job Retention Training Fund", and shall be administered
21 by the department for the MO jobs training program. The department of revenue shall
22 credit to the fund, as received, all retained jobs credits. The fund shall also consist of any
23 gifts, contributions, grants, or bequests received from federal, private, or other sources.
24 The general assembly, however, shall not provide for any transfer of general revenue funds
25 into the fund. Moneys in the fund shall be disbursed to the department pursuant to
26 regular appropriations by the general assembly. The department shall disburse such
27 appropriated funds in a timely manner into the special funds established by community
28 college districts for projects, which funds shall be used to pay training program costs,
29 including the principal, premium, and interest on certificates issued by the district to
30 finance or refinance, in whole or in part, a project. Such disbursements by the department
31 shall be made to the special fund for each project in the same proportion as the retained
32 jobs credit from withholding remitted by the qualified company participating in such
33 project bears to the total retained jobs credit from withholding remitted by qualified
34 companies participating in projects during the period for which the disbursement is made.
35 All moneys remaining in the fund at the end of any fiscal year shall not lapse to the general
36 revenue fund, as provided in section 33.080, but shall remain in the fund.

37 3. The department of revenue shall develop such forms as are necessary to
38 demonstrate accurately each qualified company's new jobs credit paid into the MO jobs
39 community college new jobs training fund or retained jobs credit paid into the MO jobs
40 community college job retention training fund. The new or retained jobs credits shall be
41 accounted as separate from the normal withholding tax paid to the department of revenue
42 by the qualified company. Reimbursements made by all qualified companies to the MO
43 jobs community college new jobs training fund and the MO jobs community college job
44 retention training fund shall be no less than all allocations made by the department to all
45 community college districts for all projects. The qualified company shall remit the amount

46 of the new or retained jobs credit, as applicable, to the department of revenue in the same
47 manner as provided in sections 143.191 to 143.265.

48 4. A community college district, with the approval of the department in
49 consultation with the office of administration, may enter into an agreement to establish a
50 training project and provide training project services to a qualified company. As soon as
51 possible after initial contact between a community college district and a potential qualified
52 company regarding the possibility of entering into an agreement, the district shall inform
53 the department of the potential training project. The department shall evaluate the
54 proposed training project within the overall job training efforts of the state to ensure that
55 the training project will not duplicate other job training programs. The department shall
56 have fourteen days from receipt of a notice of intent to approve or disapprove training
57 projects. If no response is received by the qualified company within fourteen days, the
58 training project shall be deemed approved. Disapproval of any training project shall be
59 made in writing and state the reasons for such disapproval. If an agreement is entered
60 into, the district and the qualified company shall notify the department of revenue within
61 fifteen calendar days. In addition to any provisions required under subsection 5 of this
62 section for a qualified company applying to receive a retained job credit, an agreement
63 may provide, but shall not be limited to:

64 (1) Payment of training project costs, which may be paid from one or a combination
65 of the following sources:

66 (a) Funds appropriated by the general assembly to the MO jobs community college
67 new jobs training program fund or MO jobs community college job retention training
68 program fund, as applicable, and disbursed by the department for the purposes consistent
69 with sections 620.800 to 620.809;

70 (b) Tuition, student fees, or special charges fixed by the board of trustees to defray
71 training project costs in whole or in part;

72 (2) Payment of training project costs shall not be deferred for a period longer than
73 eight years;

74 (3) Costs of on-the-job training for employees shall include wages or salaries of
75 participating employees. Payments for on-the-job training shall not exceed the average of
76 fifty percent of the total wages paid by the qualified company to each participant during
77 the period of training. Payment for on-the-job training may continue for up to six months
78 from the date the training begins;

79 (4) A provision which fixes the minimum amount of new or retained jobs credits,
80 or tuition and fee payments which shall be paid for training project costs;

81 **(5) Any payment required to be made by a qualified company shall constitute a lien**
82 **upon the qualified company's business property until paid and have equal priority with**
83 **ordinary taxes and shall not be divested by a judicial sale. Property subject to such lien**
84 **may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties,**
85 **and consequences as for the nonpayment of ordinary taxes. The purchasers at tax sale**
86 **shall obtain the property subject to the remaining payments.**

87 **5. Any qualified company that submits a notice of intent for retained job credits**
88 **shall enter into an agreement providing that the qualified company has:**

89 **(1) Maintained at least one hundred full-time employees per year at the project**
90 **facility for the calendar year preceding the year in which the application is made;**

91 **(2) Retained, at the project facility, the same number of employees that existed in**
92 **the taxable year immediately preceding the year in which application is made; and**

93 **(3) Made or agrees to make a new capital investment of greater than five times the**
94 **amount of any award under this training program at the project facility over a period of**
95 **two consecutive calendar years, as certified by the qualified company and:**

96 **(a) Has made substantial investment in new technology requiring the upgrading**
97 **of employee skills; or**

98 **(b) Is located in a border county of the state and represent a potential risk of**
99 **relocation from the state; or**

100 **(c) Has been determined to represent a substantial risk of relocation from the state**
101 **by the director of the department of economic development.**

102 **6. If an agreement provides that all or part of training program costs are to be met**
103 **by receipt of new or retained jobs credit, such new or retained jobs credit from**
104 **withholding shall be determined and paid as follows:**

105 **(1) New or retained jobs credit shall be based upon the wages paid to the employees**
106 **in the new or retained jobs;**

107 **(2) A portion of the total payments made by the qualified companies under sections**
108 **143.191 to 143.265 shall be designated as the new or retained jobs credit from withholding.**
109 **Such portion shall be an amount equal to two and one-half percent of the gross wages paid**
110 **by the qualified company for each of the first one hundred jobs included in the project and**
111 **one and one-half percent of the gross wages paid by the qualified company for each of the**
112 **remaining jobs included in the project. If business or employment conditions cause the**
113 **amount of the new or retained jobs credit from withholding to be less than the amount**
114 **projected in the agreement for any time period, then other withholding tax paid by the**
115 **qualified company under sections 143.191 to 143.265 shall be credited to the applicable**
116 **fund by the amount of such difference. The qualified company shall remit the amount of**

the new or retained jobs credit to the department of revenue in the manner prescribed in sections 143.191 to 143.265. When all training program costs have been paid, the new or retained jobs credits shall cease;

(3) The community college district participating in a project shall establish a special fund for and in the name of the training project. All funds appropriated by the general assembly from the funds established under subsections 1 and 2 of this section, and disbursed by the department for the training project and other amounts received by the district for training project costs as required by the agreement shall be deposited in the special fund. Amounts held in the special fund shall be used and disbursed by the district only to pay training project costs for such training project. The special fund may be divided into such accounts and subaccounts as shall be provided in the agreement, and amounts held therein may be invested in the same manner as the district's other funds;

(4) Any disbursement for training project costs, received from the department under sections 620.800 to 620.809 and placed into the training project's special fund may be irrevocably pledged by a community college district for the payment of the principal, premium, and interest on the certificate issued by a community college district to finance or refinance, in whole or in part, such training project;

(5) The qualified company shall certify to the department of revenue that the new or retained jobs credit is in accordance with an agreement and shall provide other information the department of revenue may require;

(6) An employee participating in a training project shall receive full credit under section 143.211, for the amount designated as a new or retained jobs credit;

(7) If an agreement provides that all or part of training program costs are to be met by receipt of new or retained jobs credit, the provisions of this subsection shall also apply to any successor to the original qualified company until such time as the principal and interest on the certificates have been paid.

7. To provide funds for the present payment of the training project costs of new or retained jobs training project through the training program, a community college district may borrow money and issue and sell certificates payable from a sufficient portion of the future receipts of payments authorized by the agreement including disbursements from the MO jobs community college new jobs training fund or the MO jobs community college job retention training fund, to the special fund established by the district for each project. The total amount of outstanding certificates sold by all community college districts shall not exceed the total amount authorized pursuant to law as of January 1, 2011, unless an increased amount is authorized in writing by a majority of members of the committee. The certificates shall be marketed through financial institutions authorized to do business in

Missouri. The receipts shall be pledged to the payment of principal of and interest on the certificates. Certificates may be sold at public sale or at private sale at par, premium, or discount of not less than ninety-five percent of the par value thereof, at the discretion of the board of trustees, and may bear interest at such rate or rates as the board of trustees shall determine, notwithstanding the provisions of section 108.170 to the contrary. However, the provisions of chapter 176 shall not apply to the issuance of such certificates. Certificates may be issued with respect to a single project or multiple projects and may contain terms or conditions as the board of trustees may provide by resolution authorizing the issuance of the certificates.

8. Certificates issued to refund other certificates may be sold at public sale or at private sale as provided in this section with the proceeds from the sale to be used for the payment of the certificates being refunded. The refunding certificates may be exchanged in payment and discharge of the certificates being refunded, in installments at different times or an entire issue or series at one time. Refunding certificates may be sold or exchanged at any time on, before, or after the maturity of the outstanding certificates to be refunded. They may be issued for the purpose of refunding a like, greater, or lesser principal amount of certificates and may bear a higher, lower, or equivalent rate of interest than the certificates being renewed or refunded.

9. Before certificates are issued, the board of trustees shall publish once a notice of its intention to issue the certificates, stating the amount, the purpose, and the project or projects for which the certificates are to be issued. A person with standing may, within fifteen days after the publication of the notice, by action in the circuit court of a county in the district, appeal the decision of the board of trustees to issue the certificates. The action of the board of trustees in determining to issue the certificates shall be final and conclusive unless the circuit court finds that the board of trustees has exceeded its legal authority. An action shall not be brought which questions the legality of the certificates, the power of the board of trustees to issue the certificates, the effectiveness of any proceedings relating to the authorization of the project, or the authorization and issuance of the certificates from and after fifteen days from the publication of the notice of intention to issue.

10. The board of trustees shall make a finding based on information supplied by the qualified company that revenues provided in the agreement are sufficient to secure the faithful performance of obligations in the agreement.

11. Certificates issued under this section shall not be deemed to be an indebtedness of the state or the community college district or of any other political subdivision of the state, and the principal and interest on any certificates shall be payable only from the

188 **sources provided in subdivision (1) of subsection 4 of this section which are pledged in the**
189 **agreement.**

190 **12. The provisions of the new program authorized under sections 620.800 to**
191 **620.809 shall sunset automatically on July 1, 2018, unless reauthorized by an act of the**
192 **general assembly.**

2 620.1878. For the purposes of sections 620.1875 to 620.1890, the following terms shall
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 capital investment", shall include funds spent by the qualified company**
42 **at the project facility after the approval of the notice of intent for real or personal**
43 **property, and may include the present value of finance or capital leases for real or personal**
44 **property for the term of such lease at the project facility executed after approval of the**
45 **notice of intent;**

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

48 [(14)] (15) "New job", the number of full-time employees located at the project facility
49 that exceeds the project facility base employment less any decrease in the number of full-time
50 employees at related facilities below the related facility base employment. No job that was
51 created prior to the date of the notice of intent shall be deemed a new job. An employee that
52 spends less than fifty percent of the employee's work time at the facility is still considered to be
53 located at a facility if the employee receives his or her directions and control from that facility,
54 is on the facility's payroll, one hundred percent of the employee's income from such employment
55 is Missouri income, and the employee is paid at or above the state average wage;

56 [(15)] (16) "New payroll", the amount of taxable wages of full-time employees,
57 excluding owners, located at the project facility that exceeds the project facility base payroll. If
58 full-time employment at related facilities is below the related facility base employment, any
59 decrease in payroll for full-time employees at the related facilities below that related facility base
60 payroll shall also be subtracted to determine new payroll;

61 [(16)] (17) "Notice of intent", a form developed by the department, completed by the
62 qualified company and submitted to the department which states the qualified company's intent
63 to hire new jobs and request benefits under this program;

64 [(17)] (18) "Percent of local incentives", the amount of local incentives divided by the
65 amount of new direct local revenue;

66 [(18)] (19) "Program", the Missouri quality jobs program provided in sections 620.1875
67 to 620.1890;

68 [(19)] **(20)** "Project facility", the building used by a qualified company at which the new
69 jobs and new investment will be located. A project facility may include separate buildings that
70 are located within fifteen miles of each other or within the same county such that their purpose
71 and operations are interrelated;

72 [(20)] **(21)** "Project facility base employment", the greater of the number of full-time
73 employees located at the project facility on the date of the notice of intent or for the
74 twelve-month period prior to the date of the notice of intent, the average number of full-time
75 employees located at the project facility. In the event the project facility has not been in
76 operation for a full twelve-month period, the average number of full-time employees for the
77 number of months the project facility has been in operation prior to the date of the notice of
78 intent;

79 [(21)] **(22)** "Project facility base payroll", the total amount of taxable wages paid by the
80 qualified company to full-time employees of the qualified company located at the project facility
81 in the twelve months prior to the notice of intent, not including the payroll of the owners of the
82 qualified company unless the qualified company is participating in an employee stock ownership
83 plan. For purposes of calculating the benefits under this program, the amount of base payroll
84 shall increase each year based on an appropriate measure, as determined by the department;

85 [(22)] **(23)** "Project period", the time period that the benefits are provided to a qualified
86 company;

87 **(24) "Projected net fiscal benefit", the total fiscal benefit to the state less any state**
88 **benefits offered to the qualified company, as determined by the department;**

89 [(23)] **(25)** "Qualified company", a firm, partnership, joint venture, association, private
90 or public corporation whether organized for profit or not, or headquarters of such entity
91 registered to do business in Missouri that is the owner or operator of a project facility, offers
92 health insurance to all full-time employees of all facilities located in this state, and pays at least
93 fifty percent of such insurance premiums. For the purposes of sections 620.1875 to 620.1890,
94 the term "qualified company" shall not include:

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

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

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

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

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

101 (f) Any company that has filed for or has publicly announced its intention to file for
102 bankruptcy protection. However, a company that has filed for or has publicly announced its

103 intention to file for bankruptcy between January 1, 2009, and December 31, 2009, may be a
104 qualified company provided that such company:

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

106 b. After its bankruptcy petition has been filed, it produces proof, in a form and at times
107 satisfactory to the department, that it is not delinquent in filing any tax returns or making any
108 payment due to the state of Missouri, including but not limited to all tax payments due after the
109 filing of the bankruptcy petition and under the terms of the plan of reorganization. Any taxpayer
110 who is awarded benefits under this subsection and who files for bankruptcy under Chapter 7 of
111 the United States Bankruptcy Code, Title 11 U.S.C., shall immediately notify the department and
112 shall forfeit such benefits and shall repay the state an amount equal to any state tax credits
113 already redeemed and any withholding taxes already retained;

114 (g) Educational services (NAICS sector 61);

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

116 (i) Public administration (NAICS sector 92);

117 (j) Ethanol distillation or production; or

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

124 [(24)] **(26)** "Qualified renewable energy sources" shall not be construed to include
125 ethanol distillation or production or biodiesel production; however, it shall include:

126 (a) Open-looped biomass;

127 (b) Close-looped biomass;

128 (c) Solar;

129 (d) Wind;

130 (e) Geothermal; and

131 (f) Hydropower;

132 [(25)] **(27)** "Related company" means:

133 (a) A corporation, partnership, trust, or association controlled by the qualified company;

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

136 (c) Corporations, partnerships, trusts or associations controlled by an individual,
137 corporation, partnership, trust or association in control of the qualified company. As used in this
138 subdivision, "control of a corporation" shall mean ownership, directly or indirectly, of stock

139 possessing at least fifty percent of the total combined voting power of all classes of stock entitled
140 to vote, "control of a partnership or association" shall mean ownership of at least fifty percent
141 of the capital or profits interest in such partnership or association, "control of a trust" shall mean
142 ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal
143 or income of such trust, and ownership shall be determined as provided in Section 318 of the
144 Internal Revenue Code of 1986, as amended;

145 [(26)] **(28)** "Related facility", a facility operated by the qualified company or a related
146 company located in this state that is directly related to the operations of the project facility;

147 [(27)] **(29)** "Related facility base employment", the greater of the number of full-time
148 employees located at all related facilities on the date of the notice of intent or for the
149 twelve-month period prior to the date of the notice of intent, the average number of full-time
150 employees located at all related facilities of the qualified company or a related company located
151 in this state;

152 [(28)] **(30)** "Related facility base payroll", the total amount of taxable wages paid by the
153 qualified company to full-time employees of the qualified company located at a related facility
154 in the twelve months prior to the filing of the notice of intent, not including the payroll of the
155 owners of the qualified company unless the qualified company is participating in an employee
156 stock ownership plan. For purposes of calculating the benefits under this program, the amount
157 of related facility base payroll shall increase each year based on an appropriate measure, as
158 determined by the department;

159 [(29)] **(31)** "Rural area", a county in Missouri with a population less than seventy-five
160 thousand or that does not contain an individual city with a population greater than fifty thousand
161 according to the most recent federal decennial census;

162 [(30)] **(32)** "Small and expanding business project", a qualified company that within two
163 years of the date of the approval creates a minimum of twenty new jobs if the project facility is
164 located in a rural area or a minimum of forty new jobs if the project facility is not located in a
165 rural area and creates fewer than one hundred new jobs regardless of the location of the project
166 facility;

167 [(31)] **(33)** "Tax credits", tax credits issued by the department to offset the state income
168 taxes imposed by chapters 143 and 148, or which may be sold or refunded as provided for in this
169 program;

170 [(32)] **(34)** "Technology business project", a qualified company that within two years of
171 the date of the approval creates a minimum of ten new jobs involved in the operations of a
172 company:

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

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

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

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

184 [(33)] **(35)** "Withholding tax", the state tax imposed by sections 143.191 to 143.265. For
185 purposes of this program, the withholding tax shall be computed using a schedule as determined
186 by the department based on average wages.

620.1881. 1. The department of economic development shall respond within thirty days
2 to a company who provides a notice of intent with either an approval or a rejection of the notice
3 of intent. The department shall give preference to qualified companies and projects targeted at
4 an area of the state which has recently been classified as a disaster area by the federal
5 government. Failure to respond on behalf of the department of economic development shall
6 result in the notice of intent being deemed an approval for the purposes of this section. A
7 qualified company who is provided an approval for a project shall be allowed a benefit as
8 provided in this program in the amount and duration provided in this section. A qualified
9 company may receive additional periods for subsequent new jobs at the same facility after the
10 full initial period if the minimum thresholds are met as set forth in sections 620.1875 to
11 620.1890. There is no limit on the number of periods a qualified company may participate in the
12 program, as long as the minimum thresholds are achieved and the qualified company provides
13 the department with the required reporting and is in proper compliance for this program or other
14 state programs. A qualified company may elect to file a notice of intent to start a new project
15 period concurrent with an existing project period if the minimum thresholds are achieved and
16 the qualified company provides the department with the required reporting and is in proper
17 compliance for this program and other state programs; however, the qualified company may not
18 receive any further benefit under the original approval for jobs created after the date of the new
19 notice of intent, and any jobs created before the new notice of intent may not be included as new
20 jobs for the purpose of benefit calculation in relation to the new approval. When a qualified
21 company has filed and received approval of a notice of intent and subsequently files another
22 notice of intent, the department shall apply the definition of project facility under subdivision
23 [(19)] **(20)** of section 620.1878 to the new notice of intent as well as all previously approved

24 notices of intent and shall determine the application of the definitions of new job, new payroll,
25 project facility base employment, and project facility base payroll accordingly.

26 2. Notwithstanding any provision of law to the contrary, any qualified company that is
27 awarded benefits under this program may not simultaneously receive tax credits or exemptions
28 under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections
29 135.900 to 135.906 at the same project facility. The benefits available to the company under any
30 other state programs for which the company is eligible and which utilize withholding tax from
31 the new jobs of the company must first be credited to the other state program before the
32 withholding retention level applicable under the Missouri quality jobs act will begin to accrue.
33 These other state programs include, but are not limited to, the new jobs training program under
34 sections 178.892 to 178.896, the job retention program under sections 178.760 to 178.764, the
35 real property tax increment allocation redevelopment act, sections 99.800 to 99.865, or the
36 Missouri downtown and rural economic stimulus act under sections 99.915 to 99.980. If any
37 qualified company also participates in the new jobs training program in sections 178.892 to
38 178.896, the company shall retain no withholding tax, but the department shall issue a refundable
39 tax credit for the full amount of benefit allowed under this subdivision. The calendar year annual
40 maximum amount of tax credits which may be issued to a qualifying company that also
41 participates in the new job training program shall be increased by an amount equivalent to the
42 withholding tax retained by that company under the new jobs training program. However, if the
43 combined benefits of the quality jobs program and the new jobs training program exceed the
44 projected state benefit of the project, as determined by the department of economic development
45 through a cost-benefit analysis, the increase in the maximum tax credits shall be limited to the
46 amount that would not cause the combined benefits to exceed the projected state benefit. Any
47 taxpayer who is awarded benefits under this program who knowingly hires individuals who are
48 not allowed to work legally in the United States shall immediately forfeit such benefits and shall
49 repay the state an amount equal to any state tax credits already redeemed and any withholding
50 taxes already retained.

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

52 (1) Small and expanding business projects: in exchange for the consideration provided
53 by the new tax revenues and other economic stimuli that will be generated by the new jobs
54 created by the program, a qualified company may retain an amount equal to the withholding tax
55 as calculated under subdivision [(33)] (35) of section 620.1878 from the new jobs that would
56 otherwise be withheld and remitted by the qualified company under the provisions of sections
57 143.191 to 143.265 for a period of three years from the date the required number of new jobs
58 were created if the average wage of the new payroll equals or exceeds the county average wage
59 or for a period of five years from the date the required number of new jobs were created if the

60 average wage of the new payroll equals or exceeds one hundred twenty percent of the county
61 average wage;

62 (2) Technology business projects: in exchange for the consideration provided by the new
63 tax revenues and other economic stimuli that will be generated by the new jobs created by the
64 program, a qualified company may retain an amount equal to a maximum of five percent of new
65 payroll for a period of five years from the date the required number of jobs were created from
66 the withholding tax of the new jobs that would otherwise be withheld and remitted by the
67 qualified company under the provisions of sections 143.191 to 143.265 if the average wage of
68 the new payroll equals or exceeds the county average wage. An additional one-half percent of
69 new payroll may be added to the five percent maximum if the average wage of the new payroll
70 in any year exceeds one hundred twenty percent of the county average wage in the county in
71 which the project facility is located, plus an additional one-half percent of new payroll may be
72 added if the average wage of the new payroll in any year exceeds one hundred forty percent of
73 the average wage in the county in which the project facility is located. The department shall
74 issue a refundable tax credit for any difference between the amount of benefit allowed under this
75 subdivision and the amount of withholding tax retained by the company, in the event the
76 withholding tax is not sufficient to provide the entire amount of benefit due to the qualified
77 company under this subdivision;

78 (3) High impact projects: in exchange for the consideration provided by the new tax
79 revenues and other economic stimuli that will be generated by the new jobs created by the
80 program, a qualified company may retain an amount from the withholding tax of the new jobs
81 that would otherwise be withheld and remitted by the qualified company under the provisions
82 of sections 143.191 to 143.265, equal to three percent of new payroll for a period of five years
83 from the date the required number of jobs were created if the average wage of the new payroll
84 equals or exceeds the county average wage of the county in which the project facility is located.
85 For high-impact projects in a facility located within two adjacent counties, the new payroll shall
86 equal or exceed the higher county average wage of the adjacent counties. The percentage of
87 payroll allowed under this subdivision shall be three and one-half percent of new payroll if the
88 average wage of the new payroll in any year exceeds one hundred twenty percent of the county
89 average wage in the county in which the project facility is located. The percentage of payroll
90 allowed under this subdivision shall be four percent of new payroll if the average wage of the
91 new payroll in any year exceeds one hundred forty percent of the county average wage in the
92 county in which the project facility is located. An additional one percent of new payroll may be
93 added to these percentages if local incentives equal between ten percent and twenty-four percent
94 of the new direct local revenue; an additional two percent of new payroll is added to these
95 percentages if the local incentives equal between twenty-five percent and forty-nine percent of

196 the new direct local revenue; or an additional three percent of payroll is added to these
197 percentages if the local incentives equal fifty percent or more of the new direct local revenue.
198 The department shall issue a refundable tax credit for any difference between the amount of
199 benefit allowed under this subdivision and the amount of withholding tax retained by the
200 company, in the event the withholding tax is not sufficient to provide the entire amount of benefit
201 due to the qualified company under this subdivision;

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

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

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

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

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

222 (e) The local taxing entities shall provide local incentives of at least fifty percent of the
223 new direct local revenues created by the project over a ten-year period. The quality jobs advisory
224 task force may recommend to the department of economic development that appropriate
225 penalties be applied to the company for violating the agreement. The amount of the job retention
226 credit granted may be equal to up to fifty percent of the amount of withholding tax generated by
227 the full-time jobs at the project facility for a period of five years. The calendar year annual
228 maximum amount of tax credit that may be issued to any qualified company for a job retention
229 project or combination of job retention projects shall be seven hundred fifty thousand dollars per
230 year, but the maximum amount may be increased up to one million dollars if such action is
231 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) Job retention projects: In lieu of the benefits provided under subdivision (4) of this subsection and in exchange for the consideration provided by the tax revenues and other economic stimuli that will be generated by the retention of jobs and new capital investment in this state, a qualified company may be eligible to receive the benefits described in this subdivision if the department determines that there is a significant probability that the qualified company would relocate to another state in the absence of the benefits authorized under this subdivision.

(a) A qualified company meeting the requirements of this subdivision may be authorized to retain an amount not to exceed one hundred percent of the withholding tax from full-time jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265, for a period of ten years if the average wage of the retained jobs equals or exceeds ninety percent of the county average wage. In order to receive benefits under this subdivision, a qualified company shall enter into a written agreement, with the department, containing detailed performance requirements and repayment penalties in the event of nonperformance. The amount of benefits awarded to a qualified company under this subdivision shall not exceed the projected net fiscal benefit and shall not exceed the least amount necessary to obtain the qualified company's commitment to retain the necessary number of jobs and make the required new capital investment.

(b) In order to be eligible to receive benefits under this subdivision, the qualified company shall meet each of the following conditions:

a. The qualified company shall agree to retain, for a period of ten years from the date of approval, at least one hundred and twenty-five full-time employees; and

b. The qualified company shall agree to make a new capital investment at the project facility within two years of the approval in an amount equal to at least three times the amount of the benefits, available under this subdivision, which are offered to the qualified company by the department.

167 (c) In awarding benefits under this subdivision, the department shall consider the
168 following factors:

- 169 a. The significance of the qualified company's need for program benefits;
- 170 b. The amount of projected net fiscal benefit to the state of the project and the
171 period in which the state would realize such net fiscal benefit;
- 172 c. The overall size and quality of the proposed project, including the number of new
173 jobs, new capital investment, proposed wages, growth potential of the qualified company,
174 the potential multiplier effect of the project, and similar factors;
- 175 d. The financial stability and creditworthiness of the qualified company;
- 176 e. The level of economic distress in the area;
- 177 f. An evaluation of the competitiveness of alternative locations for the project
178 facility, as applicable; and
- 179 g. The percent of local incentives committed.

180 (d) Upon approval of a notice of intent to request benefits under this subdivision,
181 the department and the qualified company shall enter into a written agreement covering
182 the applicable project period. The agreement shall specify, at a minimum:

- 183 a. The committed number of full-time employees, payroll, and new capital
184 investment for each year during the project period;
- 185 b. Clawback provisions, as may be required by the department; and
- 186 c. Any other provisions the department may require.

187 (e) In no event shall the total amount of benefits available to all qualified companies
188 under this subdivision exceed:

- 189 a. Three million dollars for the fiscal year beginning on or after July 1, 2011, and
190 ending on or before June 30, 2012;
- 191 b. Four million dollars for the fiscal year beginning on or after July 1, 2012, and
192 ending on or before June 30, 2013;
- 193 c. Five million dollars for the fiscal year beginning on or after July 1, 2013, and
194 ending on or before June 30, 2014; and
- 195 d. Six million dollars for all fiscal years beginning on or after July 1, 2014.

196 (6) The department may award a qualified company meeting the requirements of
197 this subdivision (5) of this subsection tax credits in an amount not to exceed eighty percent
198 of the amount the qualified company may otherwise be eligible to retain for a period of five
199 years under subdivision (5) of this subsection.

200 (a) In addition to satisfying each of the requirements of subdivision (5) of this
201 subsection, a qualified company requesting tax credits under this subdivision shall provide
202 to the department, prior to approval, evidence of commitments for the financing of any

203 applicable new capital investment. The new capital investment shall be made at the project
204 facility within two years of the date of approval.

205 (b) Upon approval of a notice of intent to request tax credits under this subdivision,
206 the department and the qualified company shall enter into a written agreement covering
207 the applicable project period. The agreement shall specify, at a minimum:

208 a. The committed number of jobs, payroll, and new capital investment for each
209 year during the project period;

210 b. The date or time period during which the tax credits shall be issued, which may
211 be immediately or over a period not to exceed two years from the date of approval;

212 c. Penalties, including the recapture of tax credits awarded under this subdivision,
213 for failure to satisfy the requirements provided under this subdivision and subdivision (5)
214 of this subsection; and

215 d. Any other provisions the department may require.

216 (c) No later than October 1, 2011, and the first day of October each year thereafter,
217 the department shall provide to the budget committee of the house of representatives and
218 the appropriations committee of the senate a request for an appropriation for the tax
219 credits authorized under this subdivision. Appropriations made pursuant to the provisions
220 of this subdivision shall provide the amount of tax credits which may be authorized during
221 the fiscal year immediately following the fiscal year in which such appropriation is made.
222 Appropriations provided under this subdivision shall only be made in the annual
223 appropriation bill relating to public debt.

224 (d) No tax credits shall be authorized under the provisions of this subdivision,
225 unless an appropriation is made pursuant to the provisions of paragraph (c) of this
226 subdivision. In any fiscal year for which an appropriation is made pursuant to the
227 provisions of paragraph (c) of this subdivision, no more than the amount of tax credits so
228 appropriated shall be authorized. There is hereby created in the state treasury the
229 "Missouri Quality Jobs Retention Tax Credit Program Fund", which shall consist of
230 money appropriated under this subsection. The state treasurer shall be custodian of the
231 fund and may approve disbursements from the fund in accordance with sections 30.170
232 and 30.180. Upon appropriation, money in the fund shall be used solely for the
233 administration of this subdivision. Notwithstanding the provisions of section 33.080 to the
234 contrary, any moneys remaining in the fund for tax credits which have been authorized but
235 not yet redeemed at the end of the fiscal year shall not revert to the credit of the general
236 revenue fund. Any moneys remaining in the fund at the end of the fiscal year for any tax
237 credits which remain unauthorized at the end of the fiscal year shall revert to the credit of
238 the general revenue fund. Provisions of section 32.057 to the contrary notwithstanding, the

239 **department of revenue shall notify the director of the department upon redemption of each**
240 **tax credit authorized under the provisions of this subdivision. Upon such notification, an**
241 **amount equal to the tax credits redeemed shall be transferred from the fund created in this**
242 **subdivision to the general revenue fund. In the event the department determines that any**
243 **tax credit authorized under this subsection is precluded from being redeemed due to**
244 **contractual agreement entered into by the department and the tax credit applicant or is**
245 **otherwise precluded by law from being redeemed, an amount equal to such tax credit shall**
246 **be transferred from the fund created in this subdivision to the general revenue fund. The**
247 **state treasurer shall invest moneys in the fund in the same manner as other funds are**
248 **invested. Any interest and moneys earned on such investments shall be credited to the**
249 **general revenue fund at the end of each fiscal year.**

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

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

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

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

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

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

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

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

270 (h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company
271 cumulatively invests at least two million dollars in capital improvements in facilities and
272 equipment located at such facilities that are not located within a five hundred year flood plain
273 as designated by the Federal Emergency Management Agency, and amended from time to time.
274 The amount of the small business job retention and flood survivor relief credit granted may be

275 equal to up to one hundred percent of the amount of withholding tax generated by the full-time
276 jobs at the project facility for a period of three years. The calendar year annual maximum
277 amount of tax credit that may be issued to any qualified company for a small business job
278 retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the
279 maximum amount may be increased up to five hundred thousand dollars if such action is
280 proposed by the department and approved by the quality jobs advisory task force established in
281 section 620.1887. In considering such a request, the task force shall rely on economic modeling
282 and other information supplied by the department when requesting an increase in the limit on
283 behalf of the small business job retention and flood survivor relief project. In no event shall the
284 total amount of all tax credits issued for the entire small business job retention and flood survivor
285 relief program under this subdivision exceed five hundred thousand dollars annually.
286 Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued
287 for small business job retention and flood survivor relief projects approved by the department
288 after August 30, 2010.

289 4. The qualified company shall provide an annual report of the number of jobs and such
290 other information as may be required by the department to document the basis for the benefits
291 of this program. The department may withhold the approval of any benefits until it is satisfied
292 that proper documentation has been provided, and shall reduce the benefits to reflect any
293 reduction in full-time employees or new payroll. Upon approval by the department, the qualified
294 company may begin the retention of the withholding taxes when it reaches the minimum number
295 of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be
296 issued upon satisfaction by the department that the qualified company has exceeded the county
297 average wage and the minimum number of new jobs. In such annual report, if the average wage
298 is below the county average wage, the qualified company has not maintained the employee
299 insurance as required, or if the number of new jobs is below the minimum, the qualified
300 company shall not receive tax credits or retain the withholding tax for the balance of the benefit
301 period. In the case of a qualified company that initially filed a notice of intent and received an
302 approval from the department for high-impact benefits and the minimum number of new jobs
303 in an annual report is below the minimum for high-impact projects, the company shall not
304 receive tax credits for the balance of the benefit period but may continue to retain the
305 withholding taxes if it otherwise meets the requirements of a small and expanding business under
306 this program.

307 5. The maximum calendar year annual tax credits issued for the entire program shall not
308 exceed eighty million dollars. Notwithstanding any provision of law to the contrary, the
309 maximum annual tax credits authorized under section 135.535 are hereby reduced from ten
310 million dollars to eight million dollars, with the balance of two million dollars transferred to this

311 program. There shall be no limit on the amount of withholding taxes that may be retained by
312 approved companies under this program.

313 6. The department shall allocate the annual tax credits based on the date of the approval,
314 reserving such tax credits based on the department's best estimate of new jobs and new payroll
315 of the project, and the other factors in the determination of benefits of this program. However,
316 the annual issuance of tax credits is subject to the annual verification of the actual new payroll.
317 The allocation of tax credits for the period assigned to a project shall expire if, within two years
318 from the date of commencement of operations, or approval if applicable, the minimum
319 thresholds have not been achieved. The qualified company may retain authorized amounts from
320 the withholding tax under this section once the minimum new jobs thresholds are met for the
321 duration of the project period. No benefits shall be provided under this program until the
322 qualified company meets the minimum new jobs thresholds. In the event the qualified company
323 does not meet the minimum new job threshold, the qualified company may submit a new notice
324 of intent or the department may provide a new approval for a new project of the qualified
325 company at the project facility or other facilities.

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

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

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

337 10. Prior to the issuance of tax credits, the department shall verify through the
338 department of revenue, or any other state department, that the tax credit applicant does not owe
339 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent
340 fees or assessments levied by any state department and through the department of insurance,
341 financial institutions and professional registration that the applicant does not owe any delinquent
342 insurance taxes. Such delinquency shall not affect the authorization of the application for such
343 tax credits, except that at issuance credits shall be first applied to the delinquency and any
344 amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue
345 or the department of insurance, financial institutions and professional registration, or any other
346 state department, concludes that a taxpayer is delinquent after June fifteenth but before July first

347 of any year and the application of tax credits to such delinquency causes a tax deficiency on
348 behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the
349 deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all
350 available credits toward a tax delinquency, the administering agency shall notify the appropriate
351 department and that department shall update the amount of outstanding delinquent tax owed by
352 the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax
353 delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions
354 of other provisions of law.

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

358 12. An employee of a qualified company will receive full credit for the amount of tax
359 withheld as provided in section 143.211.

360 13. **Notwithstanding any provision of law to the contrary, no tax credits provided**
361 **under sections 620.1875 to 620.1890 shall be authorized on or after August 28, 2017. The**
362 **provisions of this subsection shall not be construed to limit or in any way impair the**
363 **department's ability to issue tax credits authorized prior to August 28, 2017, or a**
364 **taxpayer's ability to redeem such tax credits.**

365 14. If any provision of sections 620.1875 to 620.1890 or application thereof to any
366 person or circumstance is held invalid, the invalidity shall not affect other provisions or
367 application of these sections which can be given effect without the invalid provisions or
368 application, and to this end, the provisions of sections 620.1875 to 620.1890 are hereby declared
369 severable.

660.055. 1. Any registered caregiver who meets the requirements of this section shall
2 be eligible for a shared care tax credit in an amount not to exceed five hundred dollars to defray
3 the cost of caring for an elderly person. In order to be eligible for a shared care tax credit, a
4 registered caregiver shall:

5 (1) Care for an elderly person, age sixty or older, who:

6 (a) Is physically or mentally incapable of living alone, as determined and certified by his
7 or her physician licensed pursuant to chapter 334, or by the division of aging staff when an
8 assessment has been completed for the purpose of qualification for other services; and

9 (b) Requires assistance with activities of daily living to the extent that without care and
10 oversight at home would require placement in a facility licensed pursuant to chapter 198; and

11 (c) Under no circumstances, is able or allowed to operate a motor vehicle; and

12 (d) Does not receive funding or services through Medicaid or social services block grant
13 funding;

14 (2) Live in the same residence to give protective oversight for the elderly person meeting
15 the requirements described in subdivision (1) of this subsection for an aggregate of more than
16 six months per tax year;

17 (3) Not receive monetary compensation for providing care for the elderly person meeting
18 the requirements described in subdivision (1) of this subsection; and

19 (4) File the original completed and signed physician certification for shared care tax
20 credit form or the original completed and signed division of aging certification for shared care
21 tax credit form provided for in subsection 2 of section 660.054 along with such caregiver's
22 Missouri individual income tax return to the department of revenue.

23 2. The tax credit allowed by this section shall apply to any year beginning after
24 December 31, 1999.

25 3. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
26 under the authority delegated in sections 660.050 to 660.057 shall become effective only if it
27 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section
28 536.028. All rulemaking authority delegated prior to August 28, 1999, is of no force and effect
29 and repealed. Nothing in this section shall be interpreted to repeal or affect the validity of any
30 rule filed or adopted prior to August 28, 1999, if it fully complied with all applicable provisions
31 of law. This section and chapter 536 are nonseverable and if any of the powers vested with the
32 general assembly pursuant to chapter 536 to review, to delay the effective date or to disapprove
33 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority
34 and any rule proposed or adopted after August 28, 1999, shall be invalid and void.

35 4. Any person who knowingly falsifies any document required for the shared care tax
36 credit shall be subject to the same penalties for falsifying other tax documents as provided in
37 chapter 143.

38 **5. Notwithstanding any provision of law to the contrary, no tax credits provided**
39 **under this section shall be authorized on or after August 28, 2015. The provisions of this**
40 **subsection shall not be construed to limit or in any way impair the department's ability to**
41 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's ability to redeem such**
42 **tax credits.**

43 **Section 1. An insurance company claiming a state premium tax credit or deduction**
44 **shall not be required to pay any additional retaliatory tax levied under to section 375.916**
45 **as a result of claiming such credit or deduction.**

2 [135.313. 1. Any person, firm or corporation who engages in the
3 business of producing charcoal or charcoal products in the state of Missouri shall
4 be eligible for a tax credit on income taxes otherwise due pursuant to chapter
5 143, except sections 143.191 to 143.261, as an incentive to implement safe and
efficient environmental controls. The tax credit shall be equal to fifty percent of

6 the purchase price of the best available control technology equipment connected
7 with the production of charcoal in the state of Missouri or, if the taxpayer
8 manufactures such equipment, fifty percent of the manufacturing cost of the
9 equipment, to and including the year the equipment is put into service. The credit
10 may be claimed for a period of eight years beginning with the 1998 calendar year
11 and is to be a tax credit against the tax otherwise due.

12 2. Any amount of credit which exceeds the tax due shall not be refunded
13 but may be carried over to any subsequent taxable year, not to exceed seven
14 years.

15 3. The charcoal producer may elect to assign to a third party the approved
16 tax credit. Certification of assignment and other appropriate forms must be filed
17 with the Missouri department of revenue and the department of economic
18 development.

19 4. When applying for a tax credit, the charcoal producer specified in
20 subsection 1 of this section shall make application for the credit to the division
21 of environmental quality of the department of natural resources. The application
22 shall identify the specific best available control technology equipment and the
23 purchase price, or manufacturing cost of such equipment. The director of the
24 department of natural resources is authorized to require permits to construct prior
25 to the installation of best available control technology equipment and other
26 information which he or she deems appropriate.

27 5. The director of the department of natural resources in conjunction with
28 the department of economic development shall certify to the department of
29 revenue that the best available control technology equipment meets the
30 requirements to obtain a tax credit as specified in this section.]

31

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

2 (1) "Missouri health care access fund", the fund created in section
3 191.1056;

4 (2) "Tax credit", a credit against the tax otherwise due under chapter
5 143, excluding withholding tax imposed by sections 143.191 to 143.265;

6 (3) "Taxpayer", any individual subject to the tax imposed in chapter 143,
7 excluding withholding tax imposed by sections 143.191 to 143.265.

8 2. The provisions of this section shall be subject to section 33.282. For
9 all taxable years beginning on or after January 1, 2007, a taxpayer shall be
10 allowed a tax credit for donations in excess of one hundred dollars made to the
11 Missouri health care access fund. The tax credit shall be subject to annual
12 approval by the senate appropriations committee and the house budget
13 committee. The tax credit amount shall be equal to one-half of the total donation
14 made, but shall not exceed twenty-five thousand dollars per taxpayer claiming the
15 credit. If the amount of the tax credit issued exceeds the amount of the taxpayer's
16 state tax liability for the tax year for which the credit is claimed, the difference
17 shall not be refundable but may be carried forward to any of the taxpayer's next

four taxable years. No tax credit granted under this section shall be transferred, sold, or assigned. The cumulative amount of tax credits which may be issued under this section in any one fiscal year shall not exceed one million dollars.

3. The department of revenue may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

4. Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after August 28, 2007, unless reauthorized by an act of the general assembly; and

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

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

[143.119. 1. A self-employed taxpayer, as such term is used in the federal internal revenue code, who is otherwise ineligible for the federal income tax health insurance deduction under Section 162 of the federal internal revenue code shall be entitled to a credit against the tax otherwise due under this chapter, excluding withholding tax imposed by sections 143.191 to 143.265, in an amount equal to the portion of such taxpayer's federal tax liability incurred due to such taxpayer's inclusion of such payments in federal adjusted gross income. The tax credits authorized under this section shall be nontransferable. To the extent tax credit issued under this section exceeds a taxpayer's state income tax liability, such excess shall be considered an overpayment of tax and shall be refunded to the taxpayer.

2. The director of the department of revenue shall promulgate rules and regulations to administer the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held

unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.]

[178.760. As used in sections 178.760 to 178.764, the following terms mean:

(1) "Agreement", the agreement between an employer and a community college district concerning a project. An agreement may be for a period not to exceed ten years when the program services associated with a project are not in excess of five hundred thousand dollars. For a project where the associated program costs are greater than five hundred thousand dollars, the agreement may not exceed a period of eight years;

(2) "Board of trustees", the board of trustees of a community college district;

(3) "Capital investment", an investment in research and development, working capital, and real and tangible personal business property except inventory or property intended for sale to customers. Trucks, truck trailers, truck semi-trailers, rail and barge vehicles and other rolling stock for hire, track, switches, barges, bridges, tunnels, rail yards, and spurs shall not qualify as a capital investment. The amount of such investment shall be the original cost of the property if owned, or eight times the net annual rental rate if leased;

(4) "Certificate", industrial retained jobs training certificates issued under section 178.763;

(5) "Date of commencement of the project", the date of the agreement;

(6) "Employee", the person employed in a retained job;

(7) "Employer", the person maintaining retained jobs in conjunction with a project;

(8) "Industry", a business located within this state which enters into an agreement with a community college district and which is engaged in interstate or intrastate commerce for the purpose of manufacturing, processing, or assembling products, conducting research and development, or providing services in interstate commerce, but excluding retail services;

(9) "Program costs", all necessary and incidental costs of providing program services, including payment of the principal, premium, and interest on certificates, including capitalized interest, issued to finance a project, funding and maintenance of a debt service reserve fund to secure such certificates and wages, salaries and benefits of employees participating in on-the-job training;

(10) "Program services" includes, but is not limited to, the following:

(a) Retained jobs training;

(b) Adult basic education and job-related instruction;

(c) Vocational and skill-assessment services and testing;

(d) Training facilities, equipment, materials, and supplies;

(e) On-the-job training;

(f) Administrative expenses equal to seventeen percent of the total training costs, two percent to be paid to the department of economic development for deposit into the Missouri job development fund created under section 620.478;

(g) Subcontracted services with state institutions of higher education, private colleges or universities, or other federal, state, or local agencies;

(h) Contracted or professional services; and

(i) Issuance of certificates;

(11) "Project", a training arrangement which is the subject of an agreement entered into between the community college district and an employer to provide program services that is not also the subject of an agreement entered into between a community college district and an employer to provide program services under sections 178.892 to 178.896;

(12) "Retained job", a job in a stable industry, not including jobs for recalled workers, which was in existence for at least two consecutive calendar years preceding the year in which the application for the retained jobs training program was made;

(13) "Retained jobs credit from withholding", the credit as provided in section 178.762;

(14) "Retained jobs training program", or "program", the project or projects established by a community college district for the retention of jobs, by providing education and training of workers for existing jobs for stable industry in the state;

(15) "Stable industry", a business that otherwise meets the definition of industry and retains existing jobs. To be a stable industry, the business shall have:

(a) Maintained at least one hundred employees per year at the employer's site in the state at which the jobs are based, for each of the two calendar years preceding the year in which application for the program is made;

(b) Retained at that site the level of employment that existed in the taxable year immediately preceding the year in which application for the program is made; and

(c) Made or agree to make a capital investment aggregating at least one million dollars to acquire or improve long-term assets (including leased facilities) such as property, plant, or equipment (excluding program costs) at the employer's site in the state at which jobs are based over a period of three consecutive calendar years, as certified by the employer and:

a. Have made substantial investment in new technology requiring the upgrading of worker's skills; or

b. Be located in a border county of the state and represent a potential risk of relocation from the state; or

c. Be determined to represent a substantial risk of relocation from the state by the director of the department of economic development;

(16) "Total training costs", costs of training, including supplies, wages and benefits of instructors, subcontracted services, on-the-job training, training facilities, equipment, skill assessment, and all program services excluding issuance of certificates.]

[178.761. A community college district, with the approval of the department of economic development in consultation with the office of administration, may enter into an agreement to establish a project and provide program services to an employer. As soon as possible after initial contact between a community college district and a potential employer regarding the possibility of entering into an agreement, the district shall inform the division of workforce development of the department of economic development and the office of administration about the potential project. The division of workforce development shall evaluate the proposed project within the overall job training efforts of the state to ensure that the project will not duplicate other job training programs. The department of economic development shall have fourteen days from receipt of the application to approve or disapprove projects. If no response is received by the community college within fourteen days, the projects are approved. Any project that is disapproved must be in writing stating the reasons for the disapproval. If an agreement is entered into, the district and the employer shall notify the department of revenue within fifteen calendar days. An agreement may provide, but is not limited to:

(1) Payment of program costs, including deferred costs, which may be paid from one or a combination of the following sources:

(a) Funds appropriated by the general assembly from the Missouri community college job retention program fund and disbursed by the division of workforce development in respect of retained jobs credit from withholding to be received or derived from retained employment resulting from the project;

(b) Tuition, student fees, or special charges fixed by the board of trustees to defray program costs in whole or in part;

(c) Guarantee of payments to be received under paragraph (a) or (b) of this subdivision;

(2) Payment of program costs shall not be deferred for a period longer than ten years if program costs do not exceed five hundred thousand dollars, or eight years if program costs exceed five hundred thousand dollars from the date of commencement of the project;

(3) Costs of on-the-job training for employees shall include wages or salaries of participating employees. Payments for on-the-job training shall not exceed the average of fifty percent of the total percent of the total wages paid by the employer to each participant during the period of training. Payment for on-the-job training may continue for up to six months from the date of the employer's capital investment;

38 (4) A provision which fixes the minimum amount of retained jobs credit
39 from withholding, or tuition and fee payments which shall be paid for program
40 costs;

41 (5) Any payment required to be made by an employer is a lien upon the
42 employer's business property until paid and has equal precedence with ordinary
43 taxes and shall not be divested by a judicial sale. Property subject to the lien may
44 be sold for sums due and delinquent at a tax sale, with the same forfeitures,
45 penalties, and consequences as for the nonpayment of ordinary taxes. The
46 purchasers at tax sale obtain the property subject to the remaining payments.]
47

2 [178.762. If an agreement provides that all or part of program costs are
3 to be met by receipt of retained jobs credit from withholding, such retained jobs
4 credit from withholding shall be determined and paid as follows:

5 (1) Retained jobs credit from withholding shall be based upon the wages
6 paid to the employees in the retained jobs;

7 (2) A portion of the total payments made by the employer under section
8 143.221 shall be designated as the retained jobs credit from withholding. Such
9 portion shall be an amount equal to two and one-half percent of the gross wages
10 paid by the employer for each of the first one hundred jobs included in the project
11 and one and one-half percent of the gross wages paid by the employer for each
12 of the remaining jobs included in the project. If business or employment
13 conditions cause the amount of the retained jobs credit from withholding to be
14 less than the amount projected in the agreement for any time period, then other
15 withholding tax paid by the employer under section 143.221 shall be credited to
16 the Missouri community college retained job training fund by the amount of such
17 difference. The employer shall remit the amount of the retained jobs credit to the
18 department of revenue in the manner prescribed in section 178.764. When all
19 program costs, including the principal, premium, and interest on the certificates
20 have been paid, the employer credits shall cease;

21 (3) The community college district participating in a project shall
22 establish a special fund for and in the name of the project. All funds appropriated
23 by the general assembly from the Missouri community college job training
24 retention program fund and disbursed by the division of workforce development
25 for the project and other amounts received by the district in respect of the project
26 and required by the agreement to be used to pay program costs for the project
27 shall be deposited in the special fund. Amounts held in the special fund may be
28 used and disbursed by the district only to pay program costs for the project. The
29 special fund may be divided into such accounts and subaccounts as shall be
30 provided in the agreement, and amounts held therein may be invested in
31 investments which are legal for the investment of the district's other funds;

32 (4) Any disbursement in respect of a project received from the division
33 of workforce development under sections 178.760 to 178.764 and the special
fund into which it is paid may be irrevocably pledged by a community college

34 district for the payment of the principal, premium, and interest on the certificate
35 issued by a community college district to finance or refinance, in whole or in part,
36 the project;

37 (5) The employer shall certify to the department of revenue that the credit
38 from withholding is in accordance with an agreement and shall provide other
39 information the department may require;

40 (6) An employee participating in a project will receive full credit for the
41 amount designated as a retained jobs credit from withholding and withheld as
42 provided in section 143.221;

43 (7) If an agreement provides that all or part of program costs are to be
44 met by receipt of retained jobs credit from withholding, the provisions of this
45 subsection shall also apply to any successor to the original employer until such
46 time as the principal and interest on the certificates have been paid.]
47

[178.763. 1. To provide funds for the present payment of the costs of
2 retained jobs training programs, a community college district may borrow money
3 and issue and sell certificates payable from a sufficient portion of the future
4 receipts of payments authorized by the agreement including disbursements from
5 the Missouri community college job retention training program to the special
6 fund established by the district for each project. The total amount of outstanding
7 certificates sold by all community college districts shall not exceed fifteen
8 million dollars, unless an increased amount is authorized in writing by a majority
9 of members of the Missouri job training joint legislative oversight committee.
10 The certificates shall be marketed through financial institutions authorized to do
11 business in Missouri.

12 The receipts shall be pledged to the payment of principal of and interest on the
13 certificates. Certificates may be sold at public sale or at private sale at par,
14 premium, or discount of not less than ninety-five percent of the par value thereof,
15 at the discretion of the board of trustees, and may bear interest at such rate or
16 rates as the board of trustees shall determine, notwithstanding the provisions of
17 section 108.170 to the contrary. However, chapter 176 does not apply to the
18 issuance of these certificates. Certificates may be issued with respect to a single
19 project or multiple projects and may contain terms or conditions as the board of
20 trustees may provide by resolution authorizing the issuance of the certificates.

21 2. Certificates issued to refund other certificates may be sold at public
22 sale or at private sale as provided in this section with the proceeds from the sale
23 to be used for the payment of the certificates being refunded. The refunding
24 certificates may be exchanged in payment and discharge of the certificates being
25 refunded, in installments at different times or an entire issue or series at one time.
26 Refunding certificates may be sold or exchanged at any time on, before, or after
27 the maturity of the outstanding certificates to be refunded. They may be issued
28 for the purpose of refunding a like, greater, or lesser principal amount of

certificates and may bear a higher, lower, or equivalent rate of interest than the certificates being renewed or refunded.

3. Before certificates are issued, the board of trustees shall publish once a notice of its intention to issue the certificates, stating the amount, the purpose, and the project or projects for which the certificates are to be issued. A person may, within fifteen days after the publication of the notice, by action in the circuit court of a county in the district, appeal the decision of the board of trustees to issue the certificates. The action of the board of trustees in determining to issue the certificates is final and conclusive unless the circuit court finds that the board of trustees has exceeded its legal authority. An action shall not be brought which questions the legality of the certificates, the power of the board of trustees to issue the certificates, the effectiveness of any proceedings relating to the authorization of the project, or the authorization and issuance of the certificates from and after fifteen days from the publication of the notice of intention to issue.

4. The board of trustees shall make a finding based on information supplied by the employer that revenues provided in the agreement are sufficient to secure the faithful performance of obligations in the agreement.

5. Certificates issued under this section shall not be deemed to be an indebtedness of the state or the community college district or of any other political subdivision of the state, and the principal and interest on such certificates shall be payable only from the sources provided in subdivision (1) of section 178.761 which are pledged in the agreement.

6. The department of economic development shall coordinate the retained jobs training program, and may promulgate rules that districts will use in developing projects with industrial retained jobs training proposals which shall include rules providing for the coordination of such proposals with the service delivery areas established in the state to administer federal funds pursuant to the federal Workforce Investment Act. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to chapter 536.

7. No community college district may sell certificates as described in this section after July 1, 2014.]

[178.764. 1. There is hereby established within the state treasury a special fund, to be known as the "Missouri Community College Job Retention Training Program Fund", to be administered by the division of workforce development. The department of revenue shall credit to the community college job retention training program fund, as received, all retained jobs credit from withholding remitted by employers pursuant to section 178.762. The fund shall also consist of any gifts, contributions, grants, or bequests received from federal, private, or other sources. The general assembly, however, shall not provide for any transfer of general revenue funds into the community college job retention training program fund. Moneys in the Missouri community college job retention

11 training program fund shall be disbursed to the division of workforce
12 development pursuant to regular appropriations by the general assembly. The
13 division shall disburse such appropriated funds in a timely manner into the
14 special funds established by community college districts for projects, which funds
15 shall be used to pay program costs, including the principal, premium, and interest
16 on certificates issued by the district to finance or refinance, in whole or in part,
17 a project. Such disbursements by the division of workforce development shall
18 be made to the special fund for each project in the same proportion as the retained
19 jobs credit from withholding remitted by the employer participating in such
20 project bears to the total retained jobs credit from withholding remitted by all
21 employers participating in projects during the period for which the disbursement
22 is made. Moneys for retained jobs training programs established under sections
23 178.760 to 178.764 shall be obtained from appropriations made by the general
24 assembly from the Missouri community college job retention training program
25 fund. All moneys remaining in the Missouri community college job retention
26 training program fund at the end of any fiscal year shall not lapse to the general
27 revenue fund, as provided in section 33.080, but shall remain in the Missouri
28 community college job retention training program fund.

29 2. The department of revenue shall develop such forms as are necessary
30 to demonstrate accurately each employer's retained jobs credit from withholding
31 paid into the Missouri community college job retention training program fund.

32
33 The retained jobs credit from withholding shall be accounted as separate from the
34 normal withholding tax paid to the department of revenue by the employer.
35 Reimbursements made by all employers to the Missouri community college job
36 retention training program fund shall be no less than all allocations made by the
37 division of workforce development to all community college districts for all job
38 retention projects. The employer shall remit the amount of the retained job credit
39 to the department of revenue in the same manner as provided in sections 143.191
40 to 143.265.]

41
[178.892. As used in sections 178.892 to 178.896, the following terms
2 mean:

3 (1) "Agreement", the agreement, between an employer and a community
4 college district, concerning a project. An agreement may be for a period not to
5 exceed ten years when the program services associated with a project are not in
6 excess of five hundred thousand dollars. For a project where associated program
7 costs are greater than five hundred thousand dollars, the agreement may not
8 exceed a period of eight years. No agreement shall be entered into between an
9 employer and a community college district which involves the training of
10 potential employees with the purpose of replacing or supplanting employees
11 engaged in an authorized work stoppage;

- 12 (2) "Board of trustees", the board of trustees of a community college
13 district;
- 14 (3) "Certificate", industrial new jobs training certificates issued pursuant
15 to section 178.895;
- 16 (4) "Date of commencement of the project", the date of the agreement;
- 17 (5) "Employee", the person employed in a new job;
- 18 (6) "Employer", the person providing new jobs in conjunction with a
19 project;
- 20 (7) "Essential industry", a business that otherwise meets the definition of
21 industry but instead of creating new jobs maintains existing jobs. To be an
22 essential industry, the business must have maintained at least two thousand jobs
23 each year for a period of four years preceding the year in which application for
24 the program authorized by sections 178.892 to 178.896 is made and must be
25 located in a home rule city with more than twenty-six thousand but less than
26 twenty-seven thousand inhabitants located in any county with a charter form of
27 government and with more than one million inhabitants;
- 28 (8) "Existing job", a job in an essential industry that pays wages or salary
29 greater than the average of the county in which the project will be located;
- 30 (9) "Industry", a business located within the state of Missouri which
31 enters into an agreement with a community college district and which is engaged
32 in interstate or intrastate commerce for the purpose of manufacturing, processing,
33 or assembling products, conducting research and development, or providing
34 services in interstate commerce, but excluding retail services. "Industry" does not
35 include a business which closes or substantially reduces its operation in one area
36 of the state and relocates substantially the same operation in another area of the
37 state. This does not prohibit a business from expanding its operations in another
38 area of the state provided that existing operations of a similar nature are not
39 closed or substantially reduced;
- 40 (10) "New job", a job in a new or expanding industry not including jobs
41 of recalled workers, or replacement jobs or other jobs that formerly existed in the
42 industry in the state. For an essential industry, an existing job shall be considered
43 a new job for the purposes of the new job training programs;
- 44 (11) "New jobs credit from withholding", the credit as provided in
45 section 178.894;
- 46 (12) "New jobs training program" or "program", the project or projects
47 established by a community college district for the creation of jobs by providing
48 education and training of workers for new jobs for new or expanding industry in
49 the state;
- 50 (13) "Program costs", all necessary and incidental costs of providing
51 program services including payment of the principal of, premium, if any, and
52 interest on certificates, including capitalized interest, issued to finance a project,
53 funding and maintenance of a debt service reserve fund to secure such certificates
54 and wages, salaries and benefits of employees participating in on-the-job training;

- 55 (14) "Program services" includes, but is not limited to, the following:
56 (a) New jobs training;
57 (b) Adult basic education and job-related instruction;
58 (c) Vocational and skill-assessment services and testing;
59 (d) Training facilities, equipment, materials, and supplies;
60 (e) On-the-job training;
61 (f) Administrative expenses equal to fifteen percent of the total training
62 costs;
63 (g) Subcontracted services with state institutions of higher education,
64 private colleges or universities, or other federal, state, or local agencies;
65 (h) Contracted or professional services; and
66 (i) Issuance of certificates;
67 (15) "Project", a training arrangement which is the subject of an
68 agreement entered into between the community college district and an employer
69 to provide program services;
70 (16) "Total training costs", costs of training, including supplies, wages
71 and benefits of instructors, subcontracted services, on-the-job training, training
72 facilities, equipment, skill assessment and all program services excluding
73 issuance of certificates.]
74

2 [178.893. A community college district, with the approval of the
3 department of economic development in consultation with the office of
4 administration, may enter into an agreement to establish a project and provide
5 program services to an employer. As soon as possible after initial contact
6 between a community college district and a potential employer regarding the
7 possibility of entering into an agreement, the district shall inform the division of
8 job development and training of the department of economic development and
9 the office of administration about the potential project. The division of job
10 development and training shall evaluate the proposed project within the overall
11 job training efforts of the state to ensure that the project will not duplicate other
12 job training programs. The department of economic development shall have
13 fourteen days from receipt of the application to approve or disapprove projects.
14 If no response is received by the community college within fourteen days the
15 projects are approved. Any project that is disapproved must be in writing stating
16 the reasons for the disapproval. If an agreement is entered into, the district and
17 the employer shall notify the department of revenue within fifteen calendar days.
18 An agreement may provide, but is not limited to:

- 19 (1) Payment of program costs, including deferred costs, which may be
20 paid from one or a combination of the following sources:
21 (a) Funds appropriated by the general assembly from the Missouri
22 community college job training program fund and disbursed by the division of
23 job development and training in respect of new jobs credit from withholding to
be received or derived from new employment resulting from the project;

24 (b) Tuition, student fees, or special charges fixed by the board of trustees
25 to defray program costs in whole or in part;

26 (c) Guarantee of payments to be received under paragraph (a) or (b) of
27 this subdivision;

28 (2) Payment of program costs shall not be deferred for a period longer
29 than ten years if program costs do not exceed five hundred thousand dollars, or
30 eight years if program costs exceed five hundred thousand dollars from the date
31 of commencement of the project;

32 (3) Costs of on-the-job training for employees, shall include wages or
33 salaries of participating employees. Payments for on-the-job training shall not
34 exceed the average of fifty percent of the total percent of the total wages paid by
35 the employer to each participant during the period of training.

36 Payment for on-the-job training may continue for up to six months after the
37 placement of the participant in the new job;

38 (4) A provision which fixes the minimum amount of new jobs credit
39 from withholding, or tuition and fee payments which shall be paid for program
40 costs;

41 (5) Any payment required to be made by an employer is a lien upon the
42 employer's business property until paid and has equal precedence with ordinary
43 taxes and shall not be divested by a judicial sale. Property subject to the lien may
44 be sold for sums due and delinquent at a tax sale, with the same forfeitures,
45 penalties, and consequences as for the nonpayment of ordinary taxes. The
46 purchasers at tax sale obtain the property subject to the remaining payments.]
47

2 [178.894. If an agreement provides that all or part of program costs are
3 to be met by receipt of new jobs credit from withholding, such new jobs credit
4 from withholding shall be determined and paid as follows:

5 (1) New jobs credit from withholding shall be based upon the wages paid
6 to the employees in the new jobs;

7 (2) A portion of the total payments made by the employer pursuant to
8 section 143.221 shall be designated as the new jobs credit from withholding.
9 Such portion shall be an amount equal to two and one-half percent of the gross
10 wages paid by the employer for each of the first one hundred jobs included in the
11 project and one and one-half percent of the gross wages paid by the employer for
12 each of the remaining jobs included in the project. If business or employment
13 conditions cause the amount of the new jobs credit from withholding to be less
14 than the amount projected in the agreement for any time period, then other
15 withholding tax paid by the employer pursuant to section 143.221 shall be
16 credited to the Missouri community college job training fund by the amount of
17 such difference. The employer shall remit the amount of the new jobs credit to
18 the department of revenue in the manner prescribed in section 178.896. When
19 all program costs, including the principal of, premium, if any, and interest on the
certificates have been paid, the employer credits shall cease;

20 (3) The community college district participating in a project shall
21 establish a special fund for and in the name of the project. All funds appropriated
22 by the general assembly from the Missouri community college job training
23 program fund and disbursed by the division of job development and training for
24 the project and other amounts received by the district in respect of the project and
25 required by the agreement to be used to pay program costs for the project shall
26 be deposited in the special fund. Amounts held in the special fund may be used
27 and disbursed by the district only to pay program costs for the project. The
28 special fund may be divided into such accounts and subaccounts as shall be
29 provided in the agreement, and amounts held therein may be invested in
30 investments which are legal for the investment of the district's other funds;

31 (4) Any disbursement in respect of a project received from the division
32 of job development and training under the provisions of sections 178.892 to
33 178.896 and the special fund into which it is paid may be irrevocably pledged by
34 a community college district for the payment of the principal of, premium, if any,
35 and interest on the certificate issued by a community college district to finance
36 or refinance, in whole or in part, the project;

37 (5) The employer shall certify to the department of revenue that the credit
38 from withholding is in accordance with an agreement and shall provide other
39 information the department may require;

40 (6) An employee participating in a project will receive full credit for the
41 amount designated as a new jobs credit from withholding and withheld as
42 provided in section 143.221;

43 (7) If an agreement provides that all or part of program costs are to be
44 met by receipt of new jobs credit from withholding, the provisions of this
45 subsection shall also apply to any successor to the original employer until such
46 time as the principal and interest on the certificates have been paid.]
47

2 [178.895. 1. To provide funds for the present payment of the costs of
3 new jobs training programs, a community college district may borrow money and
4 issue and sell certificates payable from a sufficient portion of the future receipts
5 of payments authorized by the agreement including disbursements from the
6 Missouri community college job training program to the special fund established
7 by the district for each project. The total amount of outstanding certificates sold
8 by all community college districts shall not exceed twenty million dollars, unless
9 an increased amount is authorized in writing by a majority of members of the
10 Missouri job training joint legislative oversight committee. The certificates shall
11 be marketed through financial institutions authorized to do business in Missouri.
12 The receipts shall be pledged to the payment of principal of and interest on the
13 certificates. Certificates may be sold at public sale or at private sale at par,
14 premium, or discount of not less than ninety-five percent of the par value thereof,
15 at the discretion of the board of trustees, and may bear interest at such rate or
rates as the board of trustees shall determine, notwithstanding the provisions of

16 section 108.170 to the contrary. However, chapter 176 does not apply to the
17 issuance of these certificates. Certificates may be issued with respect to a single
18 project or multiple projects and may contain terms or conditions as the board of
19 trustees may provide by resolution authorizing the issuance of the certificates.

20 2. Certificates issued to refund other certificates may be sold at public
21 sale or at private sale as provided in this section with the proceeds from the sale
22 to be used for the payment of the certificates being refunded. The refunding
23 certificates may be exchanged in payment and discharge of the certificates being
24 refunded, in installments at different times or an entire issue or series at one time.
25 Refunding certificates may be sold or exchanged at any time on, before, or after
26 the maturity of the outstanding certificates to be refunded. They may be issued
27 for the purpose of refunding a like, greater, or lesser principal amount of
28 certificates and may bear a higher, lower, or equivalent rate of interest than the
29 certificates being renewed or refunded.

30 3. Before certificates are issued, the board of trustees shall publish once
31 a notice of its intention to issue the certificates, stating the amount, the purpose,
32 and the project or projects for which the certificates are to be issued. A person
33 may, within fifteen days after the publication of the notice, by action in the circuit
34 court of a county in the district, appeal the decision of the board of trustees to
35 issue the certificates. The action of the board of trustees in determining to issue
36 the certificates is final and conclusive unless the circuit court finds that the board
37 of trustees has exceeded its legal authority. An action shall not be brought which
38 questions the legality of the certificates, the power of the board of trustees to
39 issue the certificates, the effectiveness of any proceedings relating to the
40 authorization of the project, or the authorization and issuance of the certificates
41 from and after fifteen days from the publication of the notice of intention to issue.

42 4. The board of trustees shall determine if revenues provided in the
43 agreement are sufficient to secure the faithful performance of obligations in the
44 agreement.

45 5. Certificates issued under this section shall not be deemed to be an
46 indebtedness of the state or the community college district or of any other
47 political subdivision of the state and the principal and interest on such certificates
48 shall be payable only from the sources provided in subdivision (1) of section
49 178.893 which are pledged in the agreement.

50 6. The department of economic development shall coordinate the new
51 jobs training program, and may promulgate rules that districts will use in
52 developing projects with new and expanding industrial new jobs training
53 proposals which shall include rules providing for the coordination of such
54 proposals with the service delivery areas established in the state to administer
55 federal funds pursuant to the federal Job Training Partnership Act. No rule or
56 portion of a rule promulgated under the authority of sections 178.892 to 178.896
57 shall become effective unless it has been promulgated pursuant to the provisions
58 of chapter 536. All rulemaking authority delegated prior to June 27, 1997, is of

59 no force and effect and repealed; however, nothing in this section shall be
60 interpreted to repeal or affect the validity of any rule filed or adopted prior to
61 June 27, 1997, if such rule complied with the provisions of chapter 536. The
62 provisions of this section and chapter 536 are nonseverable and if any of the
63 powers vested with the general assembly pursuant to chapter 536, including the
64 ability to review, to delay the effective date, or to disapprove and annul a rule or
65 portion of a rule, are subsequently held unconstitutional, then the purported grant
66 of rulemaking authority and any rule so proposed and contained in the order of
67 rulemaking shall be invalid and void.

68 7. No community college district may sell certificates as described in this
69 section after July 1, 2018.]
70

2 [178.896. 1. There is hereby established within the state treasury a
3 special fund, to be known as the "Missouri Community College Job Training
4 Program Fund", to be administered by the division of job development and
5 training. The department of revenue shall credit to the community college job
6 training program fund, as received, all new jobs credit from withholding remitted
7 by employers pursuant to section 178.894. The fund shall also consist of any
8 gifts, contributions, grants or bequests received from federal, private or other
9 sources. The general assembly, however, shall not provide for any transfer of
10 general revenue funds into the community college job training program fund.
11 Moneys in the Missouri community college job training program fund shall be
12 disbursed to the division of job development and training pursuant to regular
13 appropriations by the general assembly. The division shall disburse such
14 appropriated funds in a timely manner into the special funds established by
15 community college districts for projects, which funds shall be used to pay
16 program costs, including the principal of, premium, if any, and interest on
17 certificates issued by the district to finance or refinance, in whole or in part, a
18 project. Such disbursements by the division of job development and training
19 shall be made to the special fund for each project in the same proportion as the
20 new jobs credit from withholding remitted by the employer participating in such
21 project bears to the total new jobs credit from withholding remitted by all
22 employers participating in projects during the period for which the disbursement
23 is made. Moneys for new jobs training programs established under the provisions
24 of sections 178.892 to 178.896 shall be obtained from appropriations made by the
25 general assembly from the Missouri community college job training program
26 fund. All moneys remaining in the Missouri community college job training
27 program fund at the end of any fiscal year shall not lapse to the general revenue
28 fund, as provided in section 33.080, but shall remain in the Missouri community
29 college job training program fund.

30 2. The department of revenue shall develop such forms as are necessary
31 to demonstrate accurately each employer's new jobs credit from withholding paid
into the Missouri community college job training program fund. The new jobs

32 credit from withholding shall be accounted as separate from the normal
33 withholding tax paid to the department of revenue by the employer.
34 Reimbursements made by all employers to the Missouri community college job
35 training program fund shall be no less than all allocations made by the division
36 of job development and training to all community college districts for all projects.
37 The employer shall remit the amount of the new job credit to the department of
38 revenue in the same manner as provided in sections 143.191 to 143.265.

39 3. Sections 178.892 to 178.896 shall expire July 1, 2028.]
40

[348.253. 1. The Missouri technology corporation may contract with
2 not-for-profit organizations to carry out the provisions of sections 348.251 to
3 348.275. By entering into such contracts, the corporation shall attempt to achieve
4 the following objectives:

5 (1) The establishment of a research alliance which shall advance
6 technology development, as defined in subdivision (3) of section 348.251. The
7 corporation, in this capacity, shall have the authority to contract directly with
8 centers for advanced technology, as established by section 348.272, and other
9 not-for-profit entities. In proceeding with this objective, the corporation and
10 centers for advanced technology shall utilize the results of targeted industry
11 studies commissioned by the department of economic development;

12 (2) Technology commercialization, as defined in subdivision (2) of
13 section 348.251;

14 (3) The establishment of a finance corporation to assist in the
15 implementation of section 348.261; and

16 (4) The enhancement of technology application, as defined in subdivision
17 (1) of section 348.251.

18 2. Any contract signed between the corporation and any not-for-profit
19 organization, including innovation centers as defined in section 348.271, shall
20 require that the not-for-profit organization must provide at least
21 one-hundred-percent match for any funding received from the corporation
22 through the technology investment fund, as established in section 348.264.]
23

[348.505. 1. As used in this section, "state tax liability", any state tax
2 liability incurred by a taxpayer under the provisions of chapters 143, 147, and
3 148, exclusive of the provisions relating to the withholding of tax as provided for
4 in sections 143.191 to 143.265 and related provisions.

5 2. Any eligible lender under the family farm livestock loan program
6 under section 348.500 shall be entitled to receive a tax credit equal to one
7 hundred percent of the amount of interest waived by the lender under section
8 348.500 on a qualifying loan for the first year of the loan only. The tax credit
9 shall be evidenced by a tax credit certificate issued by the agricultural and small
10 business development authority and may be used to satisfy the state tax liability
11 of the owner of such certificate that becomes due in the tax year in which the

12 interest on a qualified loan is waived by the lender under section 348.500. No
13 lender may receive a tax credit under this section unless such person presents a
14 tax credit certificate to the department of revenue for payment of such state tax
15 liability. The amount of the tax credits that may be issued to all eligible lenders
16 claiming tax credits authorized in this section in a fiscal year shall not exceed
17 three hundred thousand dollars.

18 3. The agricultural and small business development authority shall be
19 responsible for the administration and issuance of the certificate of tax credits
20 authorized by this section. The authority shall issue a certificate of tax credit at
21 the request of any lender. Each request shall include a true copy of the loan
22 documents, the name of the lender who is to receive a certificate of tax credit, the
23 type of state tax liability against which the tax credit is to be used, and the
24 amount of the certificate of tax credit to be issued to the lender based on the
25 interest waived by the lender under section 348.500 on the loan for the first year.

26 4. The Missouri department of revenue shall accept a certificate of tax
27 credit in lieu of other payment in such amount as is equal to the lesser of the
28 amount of the tax or the remaining unused amount of the credit as indicated on
29 the certificate of tax credit, and shall indicate on the certificate of tax credit the
30 amount of tax thereby paid and the date of such payment.

31 5. The following provisions shall apply to tax credits authorized under
32 this section:

33 (1) Tax credits claimed in a taxable year may be claimed on a quarterly
34 basis and applied to the estimated quarterly tax of the lender;

35 (2) Any amount of tax credit which exceeds the tax due, including any
36 estimated quarterly taxes paid by the lender under subdivision (1) of this
37 subsection which results in an overpayment of taxes for a taxable year, shall not
38 be refunded but may be carried over to any subsequent taxable year, not to exceed
39 a total of three years for which a tax credit may be taken for a qualified family
40 farm livestock loan;

41 (3) Notwithstanding any provision of law to the contrary, a lender may
42 assign, transfer or sell tax credits authorized under this section, with the new
43 owner of the tax credit receiving the same rights in the tax credit as the lender.
44 For any tax credits assigned, transferred, sold, or otherwise conveyed, a notarized
45 endorsement shall be filed by the lender with the authority specifying the name
46 and address of the new owner of the tax credit and the value of such tax credit;
47 and

48 (4) Notwithstanding any other provision of this section to the contrary,
49 any commercial bank may use tax credits created under this section as provided
50 in section 148.064 and receive a net tax credit against taxes actually paid in the
51 amount of the first year's interest on loans made under this section. If such first
52 year tax credits reduce taxes due as provided in section 148.064 to zero, the
53 remaining tax credits may be carried over as otherwise provided in this section
54 and utilized as provided in section 148.064 in subsequent years.]

[620.470. As used in sections 620.470 to 620.481, unless the context clearly requires otherwise, the following terms mean:

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

(2) "Fund", the Missouri job development fund as established by section 620.478;

(3) "Industry", an entity the objective of which is to supply a service or the objective of which is the commercial production and sale of an article of trade or commerce. The term includes a consortium of such entities organized for the purpose of providing for common training to the member entities' employees, provided that the consortium as a whole meets the requirements for participation in this program;

(4) "Manufacturing", the making or processing of raw materials into a finished product, especially by means of large-scale machines of industry.]

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

2. Assistance under the new or expanding industry training program may be available only for industries who certify to the department that their investments relate directly to a projected increase in employment which will result in the need for training of newly hired employees or the retraining or upgrading of the skills of existing employees for new jobs created by the new or expanding industry's investment.

3. The department shall issue rules and regulations governing the awarding of funds administered through the new or expanding industry training program. When promulgating these rules and regulations, the department shall consider such factors as the potential number of new permanent jobs to be created, the amount of private sector investment in new facilities and equipment,

30 the significance of state funding to the industry's decision to locate or expand in
31 Missouri, the economic need of the affected community, and the importance of
32 the industry to the economic development of Missouri.]
33

2 [620.474. 1. The department shall establish a basic industry retraining
3 program, the purpose of which is to provide assistance for industries in Missouri
4 for the retraining and upgrading of employees' skills which are required to
5 support new investment. Such program shall be operated with appropriations
6 made by the general assembly from the fund.

7 2. Assistance under the basic industry retraining program may be made
8 available for industries in Missouri which make new investments without the
9 creation of new employment.

10 3. The department shall issue rules and regulations governing the
11 awarding of funds administered through the basic industry retraining fund. When
12 promulgating these rules and regulations, the department shall consider such
13 factors as the number of jobs in jeopardy of being lost if retraining does not
14 occur, the amount of private sector investment in new facilities and equipment,
15 the ratio of jobs retained versus investment, the cost of normal, ongoing training
16 required for the industry, the economic need of the affected community, and the
17 importance of the industry to the economic development of Missouri.]

2 [620.475. 1. The department shall establish an industry quality and
3 productivity improvement program to help industries and businesses evaluate and
4 enhance quality and productivity, and to encourage the private sector to develop
5 long-range goals to improve quality and productivity and improve the
6 competitive position of private businesses. The quality and productivity
7 improvement program shall include seminars, workshops and short courses on
8 subjects such as long-range planning, new management techniques, automated
9 manufacturing, innovative uses of new materials and the latest philosophies of
10 management and quality improvement. The program shall be available to
11 existing Missouri manufacturing, distribution and service businesses.

12 2. The department may develop quality and productivity improvement
13 centers at university and community college campuses throughout the state as the
14 demand and need is determined. The department shall have the authority to
15 contract with individuals who possess particular knowledge, ability and expertise
16 in the various subjects which may be essential to the program's goals. Seminars,
17 workshops, short courses and specific not for credit classes shall be developed
18 on and off campus for personnel engaged in manufacturing, distribution and
19 service businesses. At the discretion of the department, the University of
20 Missouri and Lincoln University extension services, the continuing education
21 offices of the regional universities and community colleges may be used for the
promotion and coordination of the off-campus courses that are offered.

22 3. Activities eligible for reimbursement in the industry quality and
23 productivity program shall include:

24 (1) The cost of seminars, workshops, short courses and specific not for
25 credit classes;

26 (2) The wages of instructors;

27 (3) Productivity materials and supplies, including the purchase of
28 packaged productivity programs when appropriate;

29 (4) Travel directly related to the program;

30 (5) Tuition payments to third-party productivity providers and to
31 businesses; and

32 (6) Teaching and assistance provided by educational institutions in the
33 state.

34 4. No industry receiving assistance under the industry quality and
35 productivity improvement program shall be reimbursed for more than fifty
36 percent of the total costs of its participation in the program.]
37

2 [620.476. Activities eligible for reimbursement by funds administered
3 through the new or expanding industry program and the basic industry retraining
4 program shall include: the wages of instructors, who may or may not be
5 employees of the industry; training development costs, including the cost of
6 training of instructors; training materials and supplies, including the purchase of
7 packaged training programs when appropriate; travel directly related to the
8 training program; tuition payments to third-party training providers and to the
9 industry; teaching and assistance provided by educational institutions in the state
10 of Missouri; on-the-job training; and the leasing, but not the purchase, of training
11 equipment and space.]

2 [620.478. 1. There is hereby established in the state treasury a special
3 fund to be known as the "Missouri Job Development Fund". The fund shall
4 consist of all moneys which may be appropriated to it by the general assembly
5 and also any gifts, contributions, grants or bequests received from federal, private
6 or other sources. Appropriations made from the fund shall be for the purpose of
7 providing contractual services through the department of elementary and
8 secondary education for vocational related training or retraining provided by
9 public or private training institutions within Missouri; and for contracted services
10 through the department of economic development for vocational related training
11 or retraining provided by public or private training institutions located outside of
12 Missouri; and for vocational related training or retraining provided on site, within
13 Missouri, by any proprietorship, partnership or corporate entity. Except for
14 state-sponsored preemployment training, no applicant shall receive more than
15 fifty percent of its project training or retraining costs from the development fund.
16 Moneys to operate the new or expanding industry training program, the basic
industry retraining program, the industry quality and productivity improvement

17 program and assistance to community college business and technology centers
18 shall be obtained from appropriations made by the general assembly from the
19 fund. No funds shall be awarded or reimbursed to any industry for the training,
20 retraining or upgrading of skills of potential employees with the purpose of
21 replacing or supplanting employees engaged in an authorized work stoppage.

22 2. The Missouri job development fund shall be able to receive any block
23 grant or other sources of funding relating to job training, school-to-work
24 transition, welfare reform, vocational and technical training, housing,
25 infrastructure development and human resource investment programs which may
26 be provided by the federal government or other sources.]
27

2 [620.479. The department is authorized to contract with other entities,
3 including businesses, industries, other state agencies and the political
4 subdivisions of the state, for the purpose of carrying out the provisions of
5 sections 620.470 to 620.481.]

2 [620.480. To efficiently carry out the responsibilities of the division of
3 job development and training and to improve job training program coordination,
4 the commissioner of administration shall authorize the division to directly
5 negotiate with and contract for job training and related services with
6 administrative entities designated pursuant to the requirements of the Job
7 Training Partnership Act and any subsequent amendments and any other agencies
8 or entities which may be designated to administer job training and related
9 services pursuant to any succeeding federal or state legislative or regulatory
10 requirements.]

2 [620.481. There is hereby created the "Missouri Job Training Joint
3 Legislative Oversight Committee". The committee shall consist of three
4 members of the Missouri senate appointed by the president pro tem of the senate;
5 three members of the house of representatives appointed by the speaker of the
6 house. No more than two of the members of the senate and two of the members
7 of the house of representatives shall be from the same political party. Members
8 of the Missouri job training joint legislative oversight committee shall report to
9 the governor, the president pro tem of the senate and the speaker of the house of
10 representatives on all assistance to industries under the provisions of sections
11 620.470 to 620.481 provided during the preceding fiscal year and the customized
12 job training program administered by the department of elementary and
13 secondary education. The report of the committee shall be delivered no later than
14 October first of each year. The director of the department of economic
15 development shall report to the committee such information as the committee
16 may deem necessary for its annual report. Members of the committee shall
receive no compensation in addition to their salary as members of the general

17 assembly, but may receive their necessary expenses while attending the meetings
18 of the committee, to be paid out of the joint contingent fund.]
19

2 [620.482. 1. The department may provide assistance, through
3 appropriations made from the Missouri job development fund, to business and
4 technology centers. Such assistance may not include the lending of the state's
5 credit for the payment of any liability of the fund. Such centers may be
6 established by Missouri community colleges, or a state-owned postsecondary
7 technical college, to provide business and training services in disciplines which
8 shall include, but not be limited to, environmental health and safety, industrial
9 electrical technology, machine tool technology, industrial management and
10 technology, computer consulting and computer-aided drafting, microcomputer
11 training and telecommunications training.

12 2. The department of economic development shall promulgate rules and
13 regulations as are necessary to implement the provisions of sections 620.470 to
14 620.482. No rule or portion of a rule promulgated under the authority of sections
15 620.470 to 620.482 shall become effective unless it has been promulgated
pursuant to the provisions of section 536.024.]

Section B. Because immediate action is necessary to secure adequate state revenue, this
2 act is deemed necessary for the immediate preservation of the public health, welfare, peace and
3 safety, and is hereby declared to be an emergency act within the meaning of the constitution, and
4 this act shall be in full force and effect upon its passage and approval.

✓