

HOUSE _____ AMENDMENT NO. ____

Offered By _____

AMEND House Committee Substitute for Senate Substitute for Senate Committee Substitute for Senate Bill No. 470, Page 1, Section A, Line 7, by inserting after all of said Line and Section the following;

"135.1500. 1. Sections 135.1500 to 135.1502, shall be known and may be cited as the "Freight Forwarders Incentive Act".

2. As used in sections 135.1500 to 135.1502, unless the context clearly requires otherwise, the following terms shall mean:

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

(2) "Airport", any airport that is owned and operated by any city not within a county;

(3) "Certificate of compliance", a certificate submitted with any application for a tax credit under sections 135.1500 to 135.1502, that shall certify that all requisite requirements for the issuance of such tax credits and tax incentives have been satisfied for such eligible facility and shall provide evidence of such satisfaction;

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

(a) Actual weight; or

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

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

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

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

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

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

(10) "Qualifying outbound flight", a direct all cargo aircraft flight from the airport to an

1 international destination.

2 135.1501. 1. For all taxable years beginning on or after January 1, 2012, a claiming
3 freight forwarder shall be entitled to an air export tax credit for the shipment of cargo on a
4 qualifying outbound flight in an amount equal to thirty cents per chargeable kilo.

5 2. For all taxable years beginning on or after January 1, 2012, a claiming freight forwarder
6 shall be entitled to an air export tax credit for the shipment of perishable freight on a qualifying
7 outbound flight in an amount equal to thirty-five cents per chargeable kilo.

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

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

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

26 6. If the annual cap on the issuance of air export tax credits provided under section
27 135.1502, is met in a given year, then the amount of such tax credits which have been authorized,
28 but remain unissued, shall be carried forward and issued in the subsequent year.

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

32 135.1502. 1. The total aggregate amount for air export tax credits authorized under
33 section 135.1501 shall not exceed sixty million dollars. The amount of the air export tax credits
34 issued under section 135.1501 shall not exceed:

35 (1) Three million six hundred thousand dollars for the taxable year beginning on or after
36 January 1, 2012, but ending on or before December 31, 2012;

37 (2) Four million eight hundred thousand dollars for the taxable year beginning on or after
38 January 1, 2013, but ending on or before December 31, 2013; and

39 (3) The greater of one million two hundred thousand dollars per weekly qualifying

1 outbound flight or three million six hundred thousand dollars for all taxable years beginning on or
2 after January 1, 2014.

3 The department shall annually determine the number of weekly qualifying outbound flights, which
4 shall be the average number of such flights per week during the month of September of the
5 previous year.

6 2. If the amount of any tax credit authorized under sections 135.1500 to 135.1502 exceeds
7 the total tax liability for the year in which the applicant is entitled to receive a tax credit, the
8 amount that exceeds the state tax liability may be carried forward for credit against the taxes
9 imposed under chapters 143, 147, and 148, except sections 143.191 to 143.265, for the succeeding
10 six years, or until the full credit is used, whichever occurs first. Tax credits authorized under the
11 provisions of sections 135.1500 to 135.1502 may be transferred, sold, or otherwise assigned. Tax
12 credits granted to a partnership, a limited liability company taxed as a partnership, or multiple
13 owners of property shall be passed through to the partners, members, or owners respectively pro
14 rata or under an executed agreement among the partners, members, or owners documenting an
15 alternate distribution method.

16 3. The department may promulgate rules to implement the provisions of sections
17 135.1500 to 135.1502. Any rule or portion of a rule, as that term is defined in section 536.010
18 that is created under the authority delegated in this section shall become effective only if it
19 complies with and is subject to all of the provisions of chapter 536, and, if applicable, section
20 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the
21 general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove
22 and to annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority
23 and any rule proposed or adopted after August 28, 2012, shall be invalid and void.

24 4. The provisions of the new programs authorized under sections 135.1500 to 135.1502
25 shall automatically sunset on December thirty-first sixteen years after the effective date of this act,
26 unless reauthorized by an act of the general assembly. If such program is reauthorized, the
27 program authorized under this section shall automatically sunset six years after the effective date
28 of the reauthorization of this section. This section shall terminate on September first of the
29 calendar year immediately following the calendar year in which the programs authorized under
30 sections 135.1500 to 135.1502 sunset.”; and

31 Further amend said bill by amending Page 35, Section B, Line 7, by inserting after all of said line
32 the following:

33 “Section C. Because immediate action is necessary to
34 encourage economic development in the state, the enactment of
35 sections 135.1500 to 135.1502 of this act is deemed necessary for
36 the immediate preservation of the public health, welfare, peace,
37 and safety, and is hereby declared to be an emergency act within

1 the meaning of the constitution, and the enactment of sections
2 135.1500 to 135.1502 of this act shall be in full force and
3 effect upon its passage and approval. The repeal and reenactment
4 of section 302.700 and the enactment of section"; and

5 Further amend said bill by amending the title, enacting clause, and intersectional references
6 accordingly.