

SECOND REGULAR SESSION

HOUSE BILL NO. 1805

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES BRANDOM (Sponsor), SPRENG, FRAKER, JONES (63), NASHEED, LOEHNER, ZERR, FISHER, SHUMAKE, JONES (89), FRANKLIN, BERRY, McGHEE, STREAM, SCHNEIDER, ENTLICHER, WHITE, ALLEN, KRATKY, PIERSON, TILLEY, REDMON, HOUGHTON, JONES (117), KELLEY (126), CONWAY (14), JOHNSON, HOUGH, CARTER, GUERNSEY, SMITH (150), BERNSKOETTER, BURLISON, LASATER, HODGES, NICHOLS, PACE, WALTON GRAY, LAUER, BROWN (116), WETER, HAEFNER, MEADOWS, RIZZO, SMITH (71), BROWN (50) AND SILVEY (Co-sponsors).

5463L.02I

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for internship programs.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be known as section 135.1620, to read as follows:

135.1620. 1. As used in this section, the following terms mean:

- (1) "Intern", any person enrolled full time at any accredited educational institution in this state in a major field of study in science, technology, engineering, or mathematics that will award a degree or certification upon completion of the program;
- (2) "Internship program", any internship position located in this state that is at least twelve weeks in duration and at least fifteen hours per week;
- (3) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 147, 148, or 153;
- (4) "Taxpayer", any individual or entity that is an employer in this state and that is subject to the tax imposed in chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax imposed in chapter 147, 148, or 153.

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.

13 **2. For all taxable years beginning on or after January 1, 2010, a taxpayer shall be**
14 **allowed a tax credit for compensation paid to an intern in an internship program. No**
15 **taxpayer shall be allowed a tax credit for compensation paid to more than twenty interns**
16 **per taxable year. The amount of the tax credit shall be ten percent of any stipend or salary**
17 **paid to an intern in an internship program who is employed by the taxpayer, unless the**
18 **internship program is an unpaid program, in which case the amount of the tax credit shall**
19 **be one-half of one percent of the taxpayer's annual state income tax per intern. No**
20 **taxpayer shall be issued a cumulative amount of more than five thousand dollars under this**
21 **section. The amount of the tax credit issued shall not exceed the amount of the taxpayer's**
22 **state tax liability for the tax year for which the credit is claimed. No amount of credit that**
23 **the taxpayer is prohibited by this section from claiming in a tax year shall be refundable,**
24 **nor shall any tax credit issued under this section be transferred, sold, or assigned.**

25 **3. Any taxpayer that is a partnership, S corporation, or limited liability company**
26 **that is treated as a partnership for tax purposes shall be considered to be the taxpayer for**
27 **purposes of this section. The amount of the credit allowed under this section shall be**
28 **determined at the passthrough entity level. The total amount of such credit shall be passed**
29 **through to the partners, shareholders, or members in proportion to the respective interests**
30 **in the passthrough entity.**

31 **4. The department of revenue may promulgate rules to implement the provisions**
32 **of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that**
33 **is 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 under chapter 536 to review, to delay the effective date,**
37 **or to disapprove and annul a rule are subsequently held unconstitutional, then the grant**
38 **of rulemaking authority and any rule proposed or adopted after August 28, 2012, shall be**
39 **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 on December thirty-first six years after the effective date of this**
43 **section unless reauthorized by an act of the general assembly; and**

44 **(2) If such program is reauthorized, the program authorized under this section**
45 **shall automatically sunset on December thirty-first twelve years after the effective date of**
46 **the reauthorization of this 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.**

✓