

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for Senate Substitute for Senate Committee Substitute for
2 Senate Bill No. 83, Page 7, Section 32.087, Lines 144, by deleting the comma, ",", on said line; and

3
4 Further amend said bill, Page 13, Section 52.250, Lines 13-14, by deleting all of said lines and
5 inserting in lieu thereof, the following:

6
7 "classification.] Collectors in [third and fourth class] all counties are entitled to collect such fees
8 immediately upon an order of the circuit court pursuant to section 139.031. If the protest is later";
9 and

10 Further amend said bill, page 22, Section 92.387, Line 2, by inserting after all of said section and
11 line, the following:
12

13 "135.960. 1. Any governing authority that desires to have any portion of a city or
14 unincorporated area of a county under its control designated as an enhanced enterprise zone shall
15 hold a public hearing for the purpose of obtaining the opinion and suggestions of those persons who
16 will be affected by such designation. [The governing authority shall notify the director of such
17 hearing at least thirty days prior thereto and shall publish notice of such hearing in a newspaper of
18 general circulation in the area to be affected by such designation at least twenty days prior to the date
19 of the hearing but not more than thirty days prior to such hearing. Such notice shall state the time,
20 location, date, and purpose of the hearing. The director, or the director's designee, shall attend such
21 hearing.]

22 2. After a public hearing is held as required in subsection 1 of this section, the governing
23 authority may, by a majority vote of the members of the governing authority, [file a petition with the
24 department requesting the designation of] adopt an ordinance or resolution designating a specific
25 area as an enhanced enterprise zone. Such [petition] ordinance shall include, in addition to a
26 description of the physical, social, and economic characteristics of the area:

27 (1) A plan to provide adequate police protection within the area;

28 (2) A specific and practical process for individual businesses to obtain waivers from
29 burdensome local regulations, ordinances, and orders which serve to discourage economic
30 development within the area to be designated an enhanced enterprise zone, except that such waivers
31 shall not substantially endanger the health or safety of the employees of any such business or the

Action Taken _____ Date _____

1 residents of the area;

2 (3) A description of what other specific actions will be taken to support and encourage
3 private investment within the area;

4 (4) A plan to ensure that resources are available to assist area residents to participate in
5 increased development through self-help efforts and in ameliorating any negative effects of
6 designation of the area as an enhanced enterprise zone;

7 (5) A statement describing the projected positive and negative effects of designation of the
8 area as an enhanced enterprise zone;

9 (6) A specific plan to provide assistance to any person or business dislocated as a result of
10 activities within the enhanced enterprise zone. Such plan shall determine the need of dislocated
11 persons for relocation assistance; provide, prior to displacement, information about the type,
12 location, and price of comparable housing or commercial property; provide information concerning
13 state and federal programs for relocation assistance and provide other advisory services to displaced
14 persons. Public agencies may choose to provide assistance under the Uniform Relocation and Real
15 Property Acquisition Act, 42 U.S.C. Section 4601, et seq., to meet the requirements of this
16 subdivision; and

17 (7) A description or plan that demonstrates the requirements of subsection 4 of section
18 135.953.

19 3. An enhanced enterprise zone designation shall [be effective upon such approval by the
20 department and shall] expire in twenty-five years.

21 4. Each designated enhanced enterprise zone board shall report to the director on an annual
22 basis regarding the status of the zone and business activity within the zone."; and
23

24 Further amend said bill, Page 34, Section 143.145, Line 48, by deleting the phrase "(and if married
25 the taxpayer's spouse)" on said line and inserting in lieu thereof the phrase ", and if married the
26 taxpayer's spouse,"; and
27

28 Further amend said bill, page, and section Lines 53-54, by deleting the phrase "(or to a former spouse
29 if the transfer is incident to a divorce)" on said lines and inserting in lieu there of the phrase ", or to a
30 former spouse if the transfer is incident to a divorce,"; and
31

32 Further amend said bill, Page 58, Section 144.440, Line 31, by deleting the word "receipts" and
33 inserting in lieu thereof the phrase "[receipt] receipts"; and
34

35 Further amend said bill, Page 90, Section 302.304, Line 37, by inserting after the phrase
36 "seventy-five", the word "day"; and
37

38 Further amend said bill, Page 109, Section 302.525, Line 25, by inserting after the phrase
39 "seventy-five", the word "day"; and
40

41
42 Further amend said bill, Page 130, Section 577.041, Line 138, by inserting after all of said section

1 and line, the following:

2
3 "620.2000. Sections 620.2000 to 620.2020 shall be known and may be cited as the "Missouri
4 Works Program".

5 620.2005. As used in sections 620.2000 to 620.2020, the following terms mean:

6 (1) "Average wage", the new payroll divided by the number of new jobs, or the payroll of the
7 retained jobs divided by the number of retained jobs;

8 (2) "Commencement of operations", the starting date for the qualified company's first new
9 employee, which shall be no later than twelve months from the date of the approval;

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 county
12 average wage is above the statewide average wage, the statewide average wage shall be deemed the
13 county average wage for such county for the purpose of determining eligibility. The department
14 shall publish the county average wage for each county at least annually. Notwithstanding the
15 provisions of this subdivision to the contrary, for any qualified company that in conjunction with
16 their project is relocating employees from a Missouri county with a higher county average wage, the
17 company shall obtain the endorsement of the governing body of the community from which jobs are
18 being relocated or the county average wage for their project shall be the county average wage for the
19 county from which the employees are being relocated;

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

21 (5) "Director", the director of the department of economic development;

22 (6) "Employee", a person employed by a qualified company, excluding:

23 (a) Owners of the qualified company unless the qualified company is participating in an
24 employee stock ownership plan; or

25 (b) Owners of a non-controlling interest in stock of a qualified company that is publically
26 traded;

27 (7) "Existing Missouri business", a qualified company that, for the ten-year period preceding
28 submission of a notice of intent to the department, had a physical location in Missouri and full-time
29 employees who routinely perform job duties within Missouri;

30 (8) "Full-time employee", an employee of the qualified company that is scheduled to work an
31 average of at least thirty-five hours per week for a twelve-month period, and one for which the
32 qualified company offers health insurance and pays at least fifty percent of such insurance premiums.
33 An employee that spends less than fifty percent of the employee's work time at the facility shall be
34 considered to be located at a facility if the employee receives his or her directions and control from
35 that facility, is on the facility's payroll, one hundred percent of the employee's income from such
36 employment is Missouri income, and the employee is paid at or above the applicable percentage of
37 the county average wage;

1 (9) "Local incentives", the present value of the dollar amount of direct benefit received by a
2 qualified company for a project facility from one or more local political subdivisions, but this term
3 shall not include loans or other funds provided to the qualified company that shall be repaid by the
4 qualified company to the political subdivision;

5 (10) "NAICS" or "NAICS industry classification", the classification provided by the most
6 recent edition of the North American Industry Classification System as prepared by the Executive
7 Office of the President, Office of Management and Budget;

8 (11) "New capital investment", shall include costs incurred by the qualified company at the
9 project facility after acceptance by the qualified company of the proposal for benefits from the
10 department or the approval notice of intent, whichever occurs first, for real or personal property, and
11 may include the value of finance or capital leases for real or personal property for the term of such
12 lease at the project facility executed after acceptance by the qualified company of the proposal for
13 benefits from the department or the approval of the notice of intent;

14 (12) "New direct local revenue", the present value of the dollar amount of direct net new tax
15 revenues of the local political subdivisions likely to be produced by the project over a ten-year
16 period as calculated by the department, excluding local earnings tax, and net new utility revenues,
17 provided the local incentives include a discount or other direct incentives from utilities owned or
18 operated by the political subdivision;

19 (13) "New job", the number of full-time employees located at the project facility that exceeds
20 the project facility base employment less any decrease in the number of full-time employees at
21 related facilities below the related facility base employment. No job that was created prior to the date
22 of the notice of intent shall be deemed a new job.;

23 (14) "New payroll", the amount of wages paid for all new jobs, , located at the project facility
24 during the qualified company's tax year that exceeds the project facility base payroll;

25 (15) "Notice of intent", a form developed by the department and available online, completed
26 by the qualified company, and submitted to the department stating the qualified company's intent to
27 request benefits under this program;

28 (16) "Percent of local incentives", the amount of local incentives divided by the amount of
29 new direct local revenue;

30 (17) "Program", the Missouri works program established in sections 620.2000 to 620.2020;

31 (18) "Project facility", the building or buildings used by a qualified company at which new
32 or retained jobs and any new capital investment are or will be located. A project facility may include
33 separate buildings located within sixty miles of each other such that their purpose and operations are
34 interrelated; provided that where the buildings making up the project facility are not located within
35 the same county, the average wage of the new payroll shall exceed the applicable percentage of the
36 highest county average wage among the counties in which the buildings are located. Upon approval
37 by the department, a subsequent project facility may be designated if the qualified company

demonstrates a need to relocate to the subsequent project facility at any time during the project period;

(19) "Project facility base employment", the greater of the number of full-time employees located at the project facility on the date of the notice of intent or, for the twelve-month period prior to the date of the notice of intent, the average number of full-time employees located at the project facility. In the event the project facility has not been in operation for a full twelve-month period, the average number of full-time employees for the number of months the project facility has been in operation prior to the date of the notice of intent;

(20) "Project facility base payroll", the annualized payroll for the project facility base employment or the total amount of wages paid by the qualified company to full-time employees of the qualified company located at the project facility in the twelve months prior to the notice of intent. For purposes of calculating the benefits under this program, the amount of base payroll shall increase each year based on an appropriate measure, as determined by the department;

(21) "Project period", the time period within which benefits are awarded to a qualified company or within which the qualified company is obligated to perform under an agreement with the department, whichever is greater;

(22) "Projected net fiscal benefit", the total fiscal benefit to the state less any state benefits offered to the qualified company, as determined by the department;

(23) "Qualified company", a firm, partnership, joint venture, association, private or public corporation whether organized for profit or not, or headquarters of such entity registered to do business in Missouri that is the owner or operator of a project facility, certifies that it offers health insurance to all full-time employees of all facilities located in this state, and certifies that it pays at least fifty percent of such insurance premiums. For the purposes of sections 620.2000 to 620.2020, the term "qualified company" shall not include:

(a) Gambling establishments (NAICS industry group 7132);

(b) Store front consumer-based retail trade establishments (under NAICS sectors 44 and 45), except with respect to any company headquartered in this state with a majority of its full-time employees engaged in operations not within the NAICS codes specified in this subdivision;

(c) Food and drinking places (NAICS subsector 722);

(d) Public utilities (NAICS 221 including water and sewer services);

(e) Any company that is delinquent in the payment of any nonprotested taxes or any other amounts due the state or federal government or any other political subdivision of this state;

(f) Any company requesting benefits for retained jobs that has filed for or has publicly announced its intention to file for bankruptcy protection. However, a company that has filed for or has publicly announced its intention to file for bankruptcy, may be a qualified company provided that such company:

a. Certifies to the department that it plans to reorganize and not to liquidate; and

b. After its bankruptcy petition has been filed, it produces proof, in a form and at times satisfactory to the department, that it is not delinquent in filing any tax returns or making any payment due to the state of Missouri, including but not limited to all tax payments due after the filing of the bankruptcy petition and under the terms of the plan of reorganization.

Any taxpayer who is awarded benefits under this subsection and who files for bankruptcy under Chapter 7 of the United States Bankruptcy Code, Title 11 U.S.C., shall immediately notify the department and shall forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any withholding taxes already retained;

(g) Educational services (NAICS sector 61);

(h) Religious organizations (NAICS industry group 8131);

(i) Public administration (NAICS sector 92);

(j) Ethanol distillation or production;

(k) Biodiesel production; or

(l) Healthcare and social services (NAICS sector 62).

Notwithstanding any provision of this section to the contrary, the headquarters, administrative offices, or research and development facilities of an otherwise excluded business may qualify for benefits if the offices or facilities serve a multistate territory. In the event a national, state, or regional headquarters operation is not the predominant activity of a project facility, the jobs and investment of such operation shall be considered eligible for benefits under this section if the other requirements are satisfied;

(24) "Related company", shall mean:

(a) A corporation, partnership, trust, or association controlled by the qualified company;

(b) An individual, corporation, partnership, trust, or association in control of the qualified company; or

(c) Corporations, partnerships, trusts or associations controlled by an individual, corporation, partnership, trust, or association in control of the qualified company. As used in this paragraph, "control of a qualified company" shall mean:

a. Ownership, directly or indirectly, of stock possessing at least fifty percent of the total combined voting power of all classes of stock entitled to vote in the case of a qualified company that is a corporation;

b. Ownership of at least fifty percent of the capital or profits interest in such qualified company if it is a partnership or association;

c. Ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such qualified company if it is a trust, and ownership shall be determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

1 (25) "Related facility", a facility operated by the qualified company or a related company
2 located in this state that is directly related to the operations of the project facility or in which
3 operations substantially similar to the operations of the project facility are performed;

4 (26) "Related facility base employment", the greater of the number of full-time employees
5 located at all related facilities on the date of the notice of intent or, for the twelve-month period prior
6 to the date of the notice of intent, the average number of full-time employees located at all related
7 facilities of the qualified company or a related company located in this state;

8 (27) "Related facility base payroll", the annualized payroll of the related facility base payroll
9 or the total amount of taxable wages paid by the qualified company to full-time employees of the
10 qualified company located at a related facility in the twelve months prior to the filing of the notice of
11 intent. For purposes of calculating the benefits under this program, the amount of related facility
12 base payroll shall increase each year based on an appropriate measure, as determined by the
13 department;

14 (28) "Rural area", a county in Missouri with a population less than seventy-five thousand or
15 that does not contain an individual city with a population greater than fifty thousand according to the
16 most recent federal decennial census;

17 (29) "Tax credits", tax credits issued by the department to offset the state taxes imposed by
18 chapters 143 and 148, or which may be sold or refunded as provided for in this program;

19 (30) "Withholding tax", the state tax imposed by sections 143.191 to 143.265. For purposes
20 of this program, the withholding tax shall be computed using a schedule as determined by the
21 department based on average wages; and

22 (31) This section is subject to the provisions of section 196.1127.

23 620.2010. 1. In exchange for the consideration provided by the new tax revenues and other
24 economic stimuli that will be generated by the new jobs created, a qualified company may, for a
25 period of five years from the date the new jobs are created, or for a period of six years from the date
26 the new jobs are created if the qualified company is an existing Missouri business, retain an amount
27 equal to the withholding tax as calculated under subdivision (30) of section 620.2005 from the new
28 jobs that would otherwise be withheld and remitted by the qualified company under the provisions of
29 sections 143.191 to 143.265 if:

30 (1) The qualified company creates ten or more new jobs, and the average wage of the new
31 payroll equals or exceeds ninety percent of the county average wage;

32 (2) The qualified company creates two or more new jobs at a project facility located in a
33 rural area, the average wage of the new payroll equals or exceeds ninety percent of the county
34 average wage, and the qualified company commits to making at least one hundred thousand dollars
35 of new capital investment at the project facility within two years; or

36 (3) The qualified company creates two or more new jobs at a project facility located within a
37 zone designated under sections 135.950 to 135.963, the average wage of the new payroll equals or

1 exceeds eighty percent of the county average wage, and the qualified company commits to making at
2 least one hundred thousand dollars in new capital investment at the project facility within two years
3 of approval;

4 2. In addition to any benefits available under subsection 1 of this section, the department may
5 award a qualified company that satisfies subdivision (1) of subsection 1 of this section additional tax
6 credits, issued each year for a period of five years from the date the new jobs are created, or for a
7 period of six years from the date the new jobs are created if the qualified company is an existing
8 Missouri business, in an amount equal to or less than six percent of new payroll; provided that in no
9 event may the total amount of benefits awarded to a qualified company under this section exceed
10 nine percent of new payroll in any calendar year. The amount of tax credits awarded to a qualified
11 company under this subsection shall not exceed the projected net fiscal benefit to the state, as
12 determined by the department, and shall not exceed the least amount necessary to obtain the
13 qualified company's commitment to initiate the project. In determining the amount of tax credits to
14 award to a qualified company under this subsection, the department shall consider the following
15 factors:

16 (1) The significance of the qualified company's need for program benefits;

17 (2) The amount of projected net fiscal benefit to the state of the project and the period in
18 which the state would realize such net fiscal benefit;

19 (3) The overall size and quality of the proposed project, including the number of new jobs,
20 new capital investment, proposed wages, growth potential of the qualified company, the potential
21 multiplier effect of the project, and similar factors;

22 (4) The financial stability and creditworthiness of the qualified company;

23 (5) The level of economic distress in the area;

24 (6) An evaluation of the competitiveness of alternative locations for the project facility, as
25 applicable; and

26 (7) The percent of local incentives committed;

27 3. Upon approval of a notice of intent to receive tax credits under subsections 2 and 5 of this
28 section, the department and the qualified company shall enter into a written agreement covering the
29 applicable project period. The agreement shall specify, at a minimum:

30 (1) The committed number of new jobs, new payroll, and new capital investment for each
31 year during the project period;

32 (2) The date or time period during which the tax credits shall be issued, which may be
33 immediately or over a period not to exceed two years from the date of approval of the notice of
34 intent;

35 (3) Clawback provisions, as may be required by the department; and

36 (4) Any other provisions the department may require.

37 4. In lieu of the benefits available under sections 1 and 2 of this section, and in exchange for

1 the consideration provided by the new tax revenues and other economic stimuli that will be
2 generated by the new jobs created by the program, a qualified company may, for a period of five
3 years from the date the new jobs are created, or for a period of six years from the date the new jobs
4 are created if the qualified company is an existing Missouri business, retain an amount equal to the
5 withholding tax as calculated under subdivision (30) of section 620.2005 from the new jobs that
6 would otherwise be withheld and remitted by the qualified company under the provisions of sections
7 143.191 to 143.265 equal to:

8 (1) Six percent of new payroll for a period of five years from the date the required number of
9 new jobs were created if the qualified company creates one hundred or more new jobs and the
10 average wage of the new payroll equals or exceeds one hundred twenty percent of the county average
11 wage of the county in which the project facility is located; or

12 (2) Seven percent of new payroll for a period of five years from the date the required number
13 of jobs were created if the qualified company creates one hundred or more new jobs and the average
14 wage of the new payroll equals or exceeds one hundred forty percent of the county average wage of
15 the county in which the project facility is located.

16
17 The department shall issue a refundable tax credit for any difference between the amount of benefit
18 allowed under this subsection and the amount of withholding tax retained by the company, in the
19 event the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified
20 company under this subsection.

21 5. In addition to the benefits available under subsections 4 of this section, the department
22 may award a qualified company that satisfies the provisions of subsection 4 of this section additional
23 tax credits, issued each year for a period of five years from the date the new jobs are created, or for a
24 period of six years from the date the new jobs are created if the qualified company is an existing
25 Missouri business, in an amount equal to or less than three percent of new payroll; provided that in
26 no event may the total amount of benefits awarded to a qualified company under this section exceed
27 nine percent of new payroll in any calendar year. The amount of tax credits awarded to a qualified
28 company under this subsection shall not exceed the projected net fiscal benefit to the state, as
29 determined by the department, and shall not exceed the least amount necessary to obtain the
30 qualified company's commitment to initiate the project. In determining the amount of tax credits to
31 award to a qualified company under this subsection, the department shall consider the factors
32 provided under subsection 2 of this section.

33 6. No benefits shall be available under this section for any qualified company that has
34 performed significant, project-specific site work at the project facility, purchased machinery or
35 equipment related to the project, or has publicly announced its intention to make new capital
36 investment at the project facility prior to approval of its notice of intent.

37 620.2015. 1. In exchange for the consideration provided by the tax revenues and other

1 economic stimuli that will be generated by the retention of jobs and the making of new capital
2 investment in this state, a qualified company may be eligible to receive the benefits described in this
3 section if the department determines that there is a significant probability that the qualified company
4 would relocate to another state in the absence of the benefits authorized under this section. In no
5 event shall the total amount of benefits available to all qualified companies under this section exceed
6 six million dollars in any fiscal year.

7 2. A qualified company meeting the requirements of this section may be authorized to retain
8 an amount not to exceed one hundred percent of the withholding tax from full-time jobs that would
9 otherwise be withheld and remitted by the qualified company under the provisions of sections
10 143.191 to 143.265, for a period of ten years if the average wage of the retained jobs equals or
11 exceeds ninety percent of the county average wage. In order to receive benefits under this section, a
12 qualified company shall enter into written agreement with the department containing detailed
13 performance requirements and repayment penalties in event of nonperformance. The amount of
14 benefits awarded to a qualified company under this section shall not exceed the projected net fiscal
15 benefit and shall not exceed the least amount necessary to obtain the qualified company's
16 commitment to retain the necessary number of jobs and make the required new capital investment.

17 3. In order to be eligible to receive benefits under this section, the qualified company shall
18 meet each of the following conditions:

19 (1) The qualified company shall agree to retain, for a period of ten years from the date of
20 approval of the notice of intent, at least fifty retained jobs; and

21 (2) The qualified company shall agree to make a new capital investment at the project facility
22 within three years of the approval in an amount equal to one-half the total benefits, available under
23 this section, which are offered to the qualified company by the department.

24 4. In awarding benefits under this section, the department shall consider the factors set forth
25 in subsection 2 of section 620.2010.

26 5. Upon approval of a notice of intent to request benefits under this section, the department
27 and the qualified company shall enter into a written agreement covering the applicable project
28 period. The agreement shall specify, at a minimum:

29 (1) The committed number of retained jobs, payroll, and new capital investment for each
30 year during the project period;

31 (2) Clawback provisions, as may be required by the department; and

32 (3) Any other provisions the department may require.

33 620.2020. 1. The department shall respond to a written request, by or on behalf of a qualified
34 company, for a proposed benefit award under the provisions of this program within five business
35 days of receipt of such request. Such response shall contain either a proposal of benefits for the
36 qualified company, or a written response refusing to provide such a proposal and stating the reasons
37 for such refusal. A qualified company that intends to seek benefits under the program shall submit to

1 the department a notice of intent. The department shall respond within thirty days to a notice of
2 intent with an approval or a rejection, provided that the department may withhold approval or
3 provide a contingent approval until it is satisfied that proper documentation of eligibility has been
4 provided. Failure to respond on behalf of the department shall result in the notice of intent being
5 deemed approved. A qualified company receiving approval for program benefits may receive
6 additional benefits for subsequent new jobs at the same facility after the full initial project period if
7 the applicable minimum job requirements are met. There shall be no limit on the number of project
8 periods a qualified company may participate in the program, and a qualified company may elect to
9 file a notice of intent to begin a new project period concurrent with an existing project period if the
10 applicable minimum job requirements are achieved, the qualified company provides the department
11 with the required annual reporting, and the qualified company is in compliance with this program
12 and any other state programs in which the qualified company is currently or has previously
13 participated. However, the qualified company shall not receive any further program benefits under
14 the original approval for any new jobs created after the date of the new notice of intent, and any jobs
15 created before the new notice of intent shall not be included as new jobs for purposes of the benefit
16 calculation for the new approval. When a qualified company has filed and received approval of a
17 notice of intent and subsequently files another notice of intent, the department shall apply the
18 definition of project facility under subdivision (18) of section 620.2005 to the new notice of intent as
19 well as all previously approved notices of intent and shall determine the application of the definitions
20 of new job, new payroll, project facility base employment, and project facility base payroll
21 accordingly.

22 2. Notwithstanding any provision of law to the contrary, the benefits available to the
23 qualified company under any other state programs for which the company is eligible and which
24 utilize withholding tax from the new or retained jobs of the company shall first be credited to the
25 other state program before the withholding retention level applicable under this program will begin
26 to accrue. If any qualified company also participates in a job training program utilizing withholding
27 tax, the company shall retain no withholding tax under this program, but the department shall issue a
28 refundable tax credit for the full amount of benefit allowed under this program. The calendar year
29 annual maximum amount of tax credits which may be issued to a qualifying company that also
30 participates in a job training program shall be increased by an amount equivalent to the withholding
31 tax retained by that company under a jobs training program.

32 3. A qualified company receiving benefits under this program shall provide an annual report
33 of the number of jobs and such other information as may be required by the department to document
34 the basis for program benefits available no later than 90 days prior to the end of the qualified
35 company's tax year immediately following the tax year for which the benefits provided under the
36 program are attributed. In such annual report, if the average wage is below the applicable percentage
37 of the county average wage, the qualified company has not maintained the employee insurance as

1 required, or if the number of jobs is below the number required, the qualified company shall not
2 receive tax credits or retain the withholding tax for the balance of the project period. Failure to
3 timely file the annual report required under this section shall result in the forfeiture of tax credits
4 attributable to the year for which the reporting was required and a recapture of withholding taxes
5 retained by the qualified company during such year.

6 4. The department may withhold the approval of any benefits under this program until it is
7 satisfied that proper documentation has been provided, and shall reduce the benefits to reflect any
8 reduction in full-time employees or payroll. Upon approval by the department, the qualified
9 company may begin the retention of the withholding taxes when it reaches the required number of
10 jobs and the average wage meets or exceeds the applicable percentage of county average wage. Tax
11 credits, if any, may be issued upon satisfaction by the department that the qualified company has
12 exceeded the applicable percentage of county average wage and the required number of jobs.

13 5. Any qualified company approved for benefits under this program shall provide to the
14 department, upon request, any and all information and records reasonably required to monitor
15 compliance with program requirements. This program shall be considered a business recruitment tax
16 credit under subdivision (4) of subsection 2 of section 135.800, and any qualified company approved
17 for benefits under this program shall be subject to the provisions of section 135.800 to 135.830.

18 6. Any taxpayer who is awarded benefits under this program who knowingly hires
19 individuals who are not allowed to work legally in the United States shall immediately forfeit such
20 benefits and shall repay the state an amount equal to any state tax credits already redeemed and any
21 withholding taxes already retained.

22 7. The maximum amount of tax credits that may be authorized under this program for any
23 fiscal year shall be limited as follows, less the amount of any tax credits previously obligated for that
24 fiscal year under any of the tax credit programs referenced in subsection 13 of this section:

25 (1) For the fiscal year beginning on July 1, 2013, but ending on or before June 30, 2014, no
26 more than one hundred and six million dollars in tax credits may be authorized;

27 (2) For the fiscal year beginning on July 1, 2014, but ending on or before June 30, 2015, no
28 more than one hundred and eleven million dollars in tax credits may be authorized; and

29 (3) For any fiscal year beginning on or after July 1, 2015, no more than one hundred and
30 sixteen million dollars in tax credits may be authorized for each fiscal year.

31 8. For tax credits for the creation of new jobs under section 620.2010, the department shall
32 allocate the annual tax credits based on the date of the approval, reserving such tax credits based on
33 the department's best estimate of new jobs and new payroll of the project, and any other applicable
34 factors in determining the amount of benefits available to the qualified company under this program.
35 However, the annual issuance of tax credits shall be subject to annual verification of actual payroll
36 by the department. Any authorization of tax credits shall expire if, within two years from the date of
37 commencement of operations, or approval if applicable, the qualified company has failed to meet the

1 applicable minimum job requirements. The qualified company may retain authorized amounts from
2 the withholding tax under the project once the applicable minimum job requirements have been met
3 for the duration of the project period. No benefits shall be provided under this program until the
4 qualified company meets the applicable minimum new job requirements. In the event the qualified
5 company does not meet the applicable minimum new job requirements, the qualified company may
6 submit a new notice of intent or the department may provide a new approval for a new project of the
7 qualified company at the project facility or other facilities.

8 9. Tax credits provided under this program may be claimed against taxes otherwise imposed
9 by chapters 143 and 148, and may not be carried forward, but shall be claimed within one year of the
10 close of the taxable year for which they were issued. Tax credits provided under this program may be
11 transferred, sold, or assigned by filing a notarized endorsement thereof with the department that
12 names the transferee, the amount of tax credit transferred, and the value received for the credit, as
13 well as any other information reasonably requested by the department. For a qualified company with
14 flow-through tax treatment to its members, partners, or shareholders, the tax credit shall be allowed
15 to members, partners, or shareholders in proportion to their share of ownership on the last day of the
16 qualified company's tax period.

17 10. Prior to the issuance of tax credits or the qualified company beginning to retain
18 withholding taxes, the department shall verify through the department of revenue and any other
19 applicable state department, that the tax credit applicant does not owe any delinquent income, sales,
20 or use tax or interest or penalties on such taxes, or any delinquent fees or assessments levied by any
21 state department and through the department of insurance, financial institutions and professional
22 registration that the applicant does not owe any delinquent insurance taxes or other fees. Such
23 delinquency shall not affect the approval, except that any tax credits issued shall be first applied to
24 the delinquency and any amount issued shall be reduced by the applicant's tax delinquency. If the
25 department of revenue, the department of insurance, financial institutions and professional
26 registration, or any other state department concludes that a taxpayer is delinquent after June fifteenth
27 but before July first of any year and the application of tax credits to such delinquency causes a tax
28 deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy
29 the deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all
30 available credits toward a tax delinquency, the administering agency shall notify the appropriate
31 department and that department shall update the amount of outstanding delinquent tax owed by the
32 applicant. If any credits remain after satisfying all insurance, income, sales, and use tax
33 delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions of
34 other provisions of law.

35 11. The director of revenue shall issue a refund to the qualified company to the extent that
36 the amount of tax credits allowed under this program exceeds the amount of the qualified company's
37 tax liability under chapter 143 or 148.

1 12. An employee of a qualified company shall receive full credit for the amount of tax
2 withheld as provided in section 143.211.

3 13. Notwithstanding any provision of law to the contrary, beginning August 28, 2013, no
4 new benefits shall be authorized for any project that had not received from the department a proposal
5 or approval for such benefits prior to August 28, 2013, under the development tax credit program
6 created under sections 32.100 to 32.125, , the rebuilding communities tax credit program created
7 under section 135.535, the enhanced enterprise zone tax credit program created under sections
8 135.950 to 135.973, and the Missouri quality jobs program created under sections 620.1875 to
9 620.1890. The provisions of this subsection shall not be construed to limit or impair the ability of
10 any administering agency to authorize or issue benefits for any project that had received an approval
11 or a proposal from the department under any of the programs referenced in this subsection prior to
12 August 28, 2013, or the ability of any taxpayer to redeem any such tax credits or to retain any
13 withholding tax under an approval issued prior to that date. The provisions of this subsection shall
14 not be construed to limit or in any way impair the ability of any governing authority to provide any
15 local abatement or designate a new zone under the enhanced enterprise zone program created by
16 sections 135.950 to 135.963. Notwithstanding any provision of law to the contrary, no qualified
17 company that is awarded benefits under this program shall:

18 (1) Simultaneously receive benefits under the programs referenced in this subsection at the
19 same capital investment; or

20 (2) Receive benefits under the provisions of section 620.1910 for the same jobs.

21 14. If any provision of sections 620.2000 to 620.2020 or application thereof to any person or
22 circumstance is held invalid, the invalidity shall not affect other provisions or application of these
23 sections which can be given effect without the invalid provisions or application, and to this end, the
24 provisions of sections 620.2000 to 620.2020 are hereby declared severable.

25 15. By no later than January 1, 2014, and the first day of each calendar quarter thereafter, the
26 department shall present a quarterly report to the general assembly detailing the benefits authorized
27 under this program during the immediately preceding calendar quarter to the extent such information
28 may be disclosed under state and federal law. The report shall include, at a minimum:

29 (1) A list of all approved and disapproved applicants for each tax credit;

30 (2) A list of the aggregate amount of new or retained jobs that are directly attributable to the
31 tax credits authorized;

32 (3) A statement of the aggregate amount of new capital investment directly attributable to the
33 tax credits authorized;

34 (4) Documentation of the estimated net state fiscal benefit for each authorized project and, to
35 the extent available, the actual benefit realized upon completion of such project or activity; and

36 (5) The department's response time for each request for a proposed benefit award under this
37 program.

1 16. The department may adopt such rules, statements of policy, procedures, forms, and
2 guidelines as may be necessary to carry out the provisions of sections 620.2000 to 620.2020. Any
3 rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority
4 delegated in this section shall become effective only if it complies with and is subject to all of the
5 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
6 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to
7 review, to delay the effective date, or to disapprove and annul a rule are subsequently held
8 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
9 August 28, 2013, shall be invalid and void.

10 17. Under section 23.253 of the Missouri sunset act:

11 (1) The provisions of the new program authorized under sections 620.2000 to 620.2020 shall
12 automatically sunset six years after the effective date of this section unless reauthorized by an act of
13 the general assembly; and

14 (2) If such program is reauthorized, the program authorized under this section shall
15 automatically sunset twelve years after the effective date of this reauthorization of sections 620.2000
16 to 620.2020; and

17 (3) Sections 620.2000 to 620.2020 shall terminate on September first of the calendar year
18 immediately following the calendar year in which the program authorized under sections 620.2000
19 to 620.2020 is sunset."; and

20
21 Further amend said bill by amending the title, enacting clause, and intersectional references
22 accordingly.
23