

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for House Bill No. 1583, Page 3, Section A, Line 33, by
2 inserting immediately after said line the following:

3
4 "135.650. 1. As used in this section, the following terms mean:

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

6 (2) "Contribution", a donation received by a qualified public school foundation from a
7 taxpayer that is used solely for the benefit of elementary and secondary education. Contributions
8 include but are not limited to cash, stock, bonds, or other marketable securities, or real property that
9 will be valued and documented according to rules promulgated by the department;

10 (3) "Department", the department of elementary and secondary education;

11 (4) "Director", the director of the department of elementary and secondary education;

12 (5) "Qualified public school foundation" or "foundation", a not-for-profit organization
13 operating in this state that meets the definition of a charitable organization whose primary purpose is
14 the furtherance of elementary or secondary public education in a school district that is above the
15 median of all school districts in the state in current expenditures per average daily attendance divided
16 by assessed valuation;

17 (6) "State tax liability", in the case of a business taxpayer, any liability incurred by such
18 taxpayer under the provisions of chapter 143, 147, 148, or 153, excluding withholding tax imposed
19 by sections 143.191 to 143.265, and in the case of an individual taxpayer, any liability incurred by
20 such taxpayer under the provisions of chapter 143;

21 (7) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
22 withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 147, 148,
23 or 153;

24 (8) "Taxpayer", any of the following individuals or entities who make a contribution to a
25 qualified public school foundation:

26 (a) A person, firm, partner in a firm or corporation, a shareholder in an S corporation, or a
27 member in a limited liability company doing business in the state of Missouri and subject to the state
28 income tax imposed in chapter 143;

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

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

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

33 (e) An express company that pays an annual tax on its gross receipts in this state under
34 chapter 153;

35 (f) Any charitable organization that is exempt from federal income tax and whose Missouri
36 unrelated business taxable income, if any, would be subject to the state income tax imposed in

Action Taken _____ Date _____

chapter 143;

(g) An individual subject to the state income tax imposed in chapter 143.

2. For all taxable years beginning on or after January 1, 2015, a taxpayer shall be allowed a tax credit for contributions made to a qualified public school foundation. The amount of such tax credit shall be equal to sixty-five percent of the amount of the taxpayer's contributions. If the amount of the tax credit issued exceeds the amount of the taxpayer's state tax liability for the tax year for which the credit is claimed, the difference shall not be refundable but may be carried forward to any of the taxpayer's three subsequent taxable years.

3. The director shall establish a procedure by which a taxpayer can determine if an organization has been classified as a qualified public school foundation, and by which such taxpayer can then contribute to such foundation and claim a tax credit.

4. The tax credit authorized in this section shall be claimed at the time the taxpayer files a Missouri income tax return. To claim the tax credit allowed under this section, the taxpayer shall submit to a qualified public school foundation an application for the tax credit on a form authorized and provided by the department and any application fee imposed by the foundation. The application shall be filed with the foundation at the end of each calendar year in which a contribution was made and for which a tax credit is claimed under this section. The application shall include any certified documentation and information required by the department. All required information obtained by the foundation shall be confidential and not disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer and the contribution comply with all criteria required by this section and approval is granted by the foundation, the foundation shall issue a tax credit certificate in the appropriate amount. Tax credit certificates issued under this section may be assigned, transferred, sold, or otherwise conveyed, and the new owner of the tax credit certificate shall have the same rights in the tax credit as the original taxpayer. Whenever a tax credit certificate is assigned, transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed with the foundation specifying the name and address of the new owner of the tax credit certificate or the value of the tax credit.

5. Each qualified public school foundation shall provide information to the director concerning the identity of each taxpayer making a contribution to the foundation who is claiming a tax credit under this section and the amount of the contribution. The director shall provide the information to the director of revenue. The director shall be subject to the confidentiality and penalty provisions of section 32.057, relating to the disclosure of tax information.

6. Qualified public school foundations may decline a contribution from a taxpayer.

7. The department and 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 under 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, 2014, shall be invalid and void.

8. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset on December thirty-first six years after the effective date of this section 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 on December thirty-first twelve years after the effective date of the reauthorization of this section; and

1 (3) This section shall terminate on September first of the calendar year immediately
2 following the calendar year in which the program authorized under this section is sunset. The
3 termination of the program as described in this subsection shall not be construed to preclude any
4 taxpayer who claims any benefit under any program that is sunset under this subsection from
5 claiming such benefit for all allowable activities related to such claim that were completed before the
6 program was sunset, or to eliminate any responsibility of the administering agency to verify the
7 continued eligibility of projects receiving tax credits and to enforce other requirements of law that
8 applied before the program was sunset."; and

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