

HOUSE**AMENDMENT NO. _____****Offered by _____****of _____**

1 AMEND House Committee Substitute for House Bill No. 1501, Page
 2 12, Section 135.352, Line 52, by inserting after all of said line
 3 the following:

4 "135.760. 1. This section shall be known and may be cited
 5 as the "Missouri Earned Income Tax Credit Act".

6 2. For all taxable years beginning on or after January 1,
 7 2014, a resident individual who is allowed a federal earned
 8 income tax credit under Section 32 of the Internal Revenue Code
 9 of 1986, as amended, shall be allowed a credit against the tax
 10 otherwise due under chapter 143, not including sections 143.191
 11 to 143.265, in an amount equal to five percent of the allowable
 12 federal earned income tax credit. The tax credit allowed by this
 13 section shall be claimed by such individual at the time such
 14 individual files a return and shall be applied against the income
 15 tax liability imposed by chapter 143 after reduction for all
 16 other credits allowed thereon. For taxpayers whose filing status
 17 is married filing separately, such taxpayers may elect to apply
 18 the tax credit to the income tax liability of either taxpayer, or
 19 may elect to apply the tax credit evenly to the income tax
 20 liability of each spouse. Where the amount of the credit exceeds
 21 the tax liability, the difference shall be refunded to the
 22 taxpayer.

23 3. Notwithstanding the provision of subsection 4 of section
 24 32.057, the department of revenue or any duly authorized employee
 25 or agent shall determine whether any taxpayer filing a report or
 26 return with the department of revenue who has not applied for the
 27 credit allowed under this section may qualify for the credit, and
 28 shall notify any qualified claimant of the claimant's potential
 29 eligibility, where the department determines such potential

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1 eligibility exists. In making a determination of eligibility
2 under this section, the department shall use any appropriate and
3 available data, including but not limited to data available from
4 the Internal Revenue Service, the United States Department of
5 Treasury, and state income tax returns from previous tax years.

6 4. The department shall prepare an annual report containing
7 statistical information regarding the tax credits issued under
8 this section for the previous tax year, including the total
9 amount of revenue expended on the earned income tax credit, the
10 number of credits claimed, and the average value of the credits
11 issued to taxpayers whose earned income falls within various
12 income ranges determined by the department.

13 5. The department shall contract with one or more nonprofit
14 groups to provide notice of the earned income tax credit to
15 eligible taxpayers. The department shall require evidence of the
16 effectiveness of the nonprofit group, the connection with the
17 community in which the group operates, and the ability to contact
18 taxpayers that are unlikely to claim the federal earned income
19 tax credit, including but not limited to non-English speakers,
20 elderly, tenants, and very low-income taxpayers who do not file
21 tax returns annually. The department shall give preference to
22 nonprofit groups with members in low- and moderate-income areas,
23 nonprofit groups with at least fifty-one percent of the board of
24 directors having low- to moderate-incomes and residents of target
25 communities, and to nonprofit groups that have a record of
26 effective door-to-door outreach for similar community projects.

27 6. The director of the department of revenue shall
28 promulgate rules and regulations to administer the provisions of
29 this section. Any rule or portion of a rule, as that term is
30 defined in section 536.010, that is created under the authority
31 delegated in this section shall become effective only if it
32 complies with and is subject to all of the provisions of chapter
33 536 and, if applicable, section 536.028. This section and
34 chapter 536 are nonseverable and if any of the powers vested with
35 the general assembly pursuant to chapter 536 to review, to delay
36 the effective date, or to disapprove and annul a rule are
37 subsequently held unconstitutional, then the grant of rulemaking

1 authority and any rule proposed or adopted after August 28, 2014,
2 shall be invalid and void.

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

4 (1) The provisions of the new program authorized under this
5 section shall automatically sunset on December thirty-first six
6 years after the effective date of this section unless
7 reauthorized by an act of the general assembly; and

8 (2) If such program is reauthorized, the program authorized
9 under this section shall automatically sunset on December thirty-
10 first twelve years after the effective date of the
11 reauthorization of this section; and

12 (3) This section shall terminate on September first of the
13 calendar year immediately following the calendar year in which
14 the program authorized under this section is sunset."; and
15

16 Further amend said title, enacting clause and intersectional
17 references accordingly.