

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1459
97TH GENERAL ASSEMBLY

5167H.02T

2014

AN ACT

To amend chapter 620, RSMo, by adding thereto one new section relating to the innovation campus tax credit.

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

Section A. Chapter 620, RSMo, is amended by adding thereto one new section, to be
2 known as section 620.2600, to read as follows:

**620.2600. 1. This section shall be known and may be cited as the "Innovation
2 Campus Tax Credit Act".**

3 **2. As used in this section, the following terms mean:**

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

5 **(2) "Department", the Missouri department of economic development;**

6 **(3) "Eligible donation", donations received from a taxpayer by innovation campuses
7 that are to be used solely for projects that advance learning in the areas of science,
8 technology, engineering, and mathematics. Eligible donations may include cash, publicly
9 traded stocks and bonds, and real estate that will be valued and documented according to
10 the rules promulgated by the department of economic development;**

11 **(4) "Innovation education campus" or "innovation campus", as defined in section
12 178.1100, an educational partnership consisting of at least one of each of the following
13 entities:**

14 **(a) A local Missouri high school or k-12 school district;**

15 **(b) A Missouri four-year public or private higher education institution;**

16 **(c) A Missouri-based business or businesses; and**

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.

(d) A Missouri two-year public higher education institution or state technical college of Missouri;

(5) "Taxpayer", any of the following individuals or entities who make an eligible donation to any innovation campus:

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

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

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

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

(e) An individual subject to the state income tax imposed in chapter 143;

(f) Any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143.

3. For all taxable years beginning on or after January 1, 2015, a taxpayer shall be allowed a credit against the taxes otherwise due under chapter 147, 148, or 143, excluding withholding tax imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of the amount of an eligible donation, subject to the restrictions in this section. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state income tax liability in the tax year for which the credit is claimed. Any amount of credit that the taxpayer is prohibited by this section from claiming in a tax year shall not be refundable, but may be carried forward to any of the taxpayer's four subsequent taxable years.

4. To claim the credit authorized in this section, an innovation campus may submit to the department an application for the tax credit authorized by this section on behalf of taxpayers. The department shall verify that the innovation campus has submitted the following items:

(1) A valid application in the form and format required by the department;

(2) A statement attesting to the eligible donation received, which shall include the name and taxpayer identification number of the individual making the eligible donation, the amount of the eligible donation, and the date the eligible donation was received by the innovation campus; and

(3) Payment from the innovation campus equal to the value of the tax credit for which application is made. If the innovation campus applying for the tax credit meets all

53 criteria required by this subsection, the department shall issue a certificate in the
54 appropriate amount.

55 5. Tax credits issued under this section may be assigned, transferred, sold, or
56 otherwise conveyed, and the new owner of the tax credit shall have the same rights in the
57 credit as the taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise
58 conveyed, a notarized endorsement shall be filed with the department specifying the name
59 and address of the new owner of the tax credit and the value of the credit.

60 6. The department may promulgate rules to implement the provisions of this
61 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is
62 created under the authority delegated in this section shall become effective only if it
63 complies with and is subject to all of the provisions of chapter 536 and, if applicable,
64 section 536.028. This section and chapter 536 are nonseverable and if any of the powers
65 vested with the general assembly under chapter 536 to review, to delay the effective date,
66 or to disapprove and annul a rule are subsequently held unconstitutional, then the grant
67 of rulemaking authority and any rule proposed or adopted after August 28, 2014, shall be
68 invalid and void.

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

70 (1) The program authorized under this section shall expire six years after the
71 effective date of this act unless reauthorized by an act of the general assembly; and

72 (2) If such program is reauthorized, the program authorized under this section shall
73 automatically sunset twelve years after the effective date of this section; and

74 (3) This section shall terminate on September first of the calendar year immediately
75 following the calendar year in which the program authorized under this section is sunset.

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