HCS SB 665 -- AGRICULTURE

SPONSOR: Parson (Rieboldt)

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Agriculture Policy by a vote of 13 to 0. Voted "Do Pass with HCS" by the Select Committee on Agriculture by a vote of 10 to 1.

This bill modifies the "Qualified Beef Tax Credit Act" by modifying the baseline weight to be the average of the previous two years and extending the sunset on the credit from December 31, 2016, to December 31, 2021. Currently, a farmer can receive the tax credit of 10 cents per pound for each pound as long as the sale weight is 200 pounds over the baseline weight. The bill would allow for a credit of 10 cents per pound for each pound as long as the sale weight is 100 pounds over the baseline weight if the sale weight is under 600 pounds and 25 cents per pound for each pound as long as the sale weight is 100 pounds over the baseline weight if the sale weight is 600 pounds or greater. A taxpayer may not claim credit of more than $15,000 per year and can only claim the credit for up to three years.

This bill also creates the "Meat Processing Facility Investment Tax Credit Act," which beginning January 1, 2017, and ending December 31, 2021, authorizes a tax credit for 25% of the amount the taxpayer spent for meat processing modernization or expansion for the year. The taxpayer may not claim a credit of more than $75,000 per year. The credit may be assigned, transferred, or sold.

The amount of credit claimed under the "Qualified Beef Tax Credit and the Meat Processing Facility Investment Tax Credit" may not exceed $2 million per calendar year.

Currently, the "AgriMissouri Advisory Commission for Marketing Missouri Agricultural Products" may establish a fee structure for sellers electing to use the AgriMissouri trademark associated with Missouri agricultural products with the fee varying depending upon the amount of the seller's gross annual sales. This bill allows the commission to adopt a fee structure so long as the fees established and collected do not yield revenue greater than the costs of administering the objectives of the AgriMissouri Advisory Commission and the AgriMissouri trademark to sellers using the trademark in the ensuing year.

Currently, the agricultural product utilization contributor tax credit and the new generation cooperative incentive tax credit expire on December 31, 2016. The bill extends the sunset on these tax credits to December 31, 2021 and requires the authority to submit to the General Assembly a report analyzing the costs and benefits of the programs each year.

Currently, the fee for the inspection of certain motor fuels shall not be less than 1.5 cents per barrel and shall not exceed 2.5 cents per barrel. This bill specifies that the per barrel fee may not exceed 4 cents per barrel from 2017 to 2021, and may not exceed 5 cents per barrel from 2022 and thereafter.

PROPONENTS: Supporters say that by removing the calculation of previous annual sales, this bill would provide a fee structure for the use of the AgriMissouri trademark. The department can set a single annual fee for all users.

Testifying for the bill were Rep. Entlicher; Ken Strumpf, Department Of Agriculture, Ag Business Development; Missouri Farm Bureau; and Missouri Cattlemen's Association.

OPPONENTS: There was no opposition voiced to the committee.