

HB 1429 -- TAX CREDIT HOMELESS SHELTER DONATION

SPONSOR: Muntzel

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Ways and Means by a vote of 8 to 0. Voted "Do Pass" by the Rules-Administrative Oversight Committee by a vote of 12 to 0.

Beginning January 1, 2019, this bill authorizes a tax credit equal to 50% of a taxpayer's contribution to a homeless shelter. The amount of the credit claimed cannot exceed \$50,000 per year. The credit is nonrefundable, cannot be assigned, transferred, or sold, but can be carried forward four years. With the exception of any credit carried over, to claim a tax credit, the total value of contributions to qualified organizations during the taxable year must be over \$100. The cumulative amount of tax credits cannot exceed \$2.5 million per tax year. The credits will be issued in the order contributions are received.

The Director of the Department of Social Services will determine which organizations are qualified and establish a procedure for taxpayers to determine which organizations are qualified and how the credits are apportioned. Each homeless shelter must provide relevant information to the Director of the Department of Revenue including who made a contribution and the amount of such contribution.

The provisions of this bill will expire December 31 six years after the effective date.

This bill is the same as HB 55 (2017).

PROPONENTS: Supporters say that the bill will provide an additional avenue for securing financial support for homeless shelters. Homeless shelters serve hundreds of homeless men, women, and families by providing free room, board, services, and programs so that they may secure a home of their own. There is a great need for funding since there is always a homeless problem and shelters are funded with the financial support of local citizens. This bill will help get more support for the future. While homelessness is a pressing issue in our state, tax credits are not our favorite solution, but social benevolent tax credits seem to work. Missouri needs more affordable housing and to provide more adequate revenue to pay for housing and health funding as many homeless suffer with health and mental health issues.

Testifying for the bill were Representative Muntzel and Empower Missouri.

OPPONENTS: There was no opposition voiced to the committee.