

FIRST REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 842

100TH GENERAL ASSEMBLY

1774H.02P

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 620, RSMo, by adding thereto one new section relating to historic buildings.

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 620.3210, to read as follows:

**620.3210. 1. This section shall be known and may be cited as the "Capitol Complex
2 Tax Credit Act".**

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

4 **(1) "Board", the Missouri development finance board, a body corporate and politic**
5 **created under sections 100.250 to 100.297 and 100.700 to 100.850;**

6 **(2) "Capitol complex", the following buildings located in Jefferson City, Missouri:**

7 **(a) State capitol building, 201 West Capitol Avenue;**

8 **(b) Supreme court building, 207 West High Street;**

9 **(c) Old Federal Courthouse, 131 West High Street;**

10 **(d) Highway building, 105 West Capitol Avenue;**

11 **(e) Governor's mansion, 100 Madison Street;**

12 **(3) "Certificate", a tax credit certificate issued under this section;**

13 **(4) "Department", the Missouri department of economic development;**

14 **(5) "Eligible artifact", any items of personal property specifically for display in a**
15 **building in the capitol complex or former fixtures which were previously owned by the**
16 **state and used within the capitol complex but which had been removed. The board of**
17 **public buildings shall, in its sole discretion, make all determinations as to which items are**

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.

18 eligible artifacts and may employ such experts as may be useful to it in making such a determination;

19 (6) "Eligible artifact donation", a donation of an eligible artifact to the board of
20 public buildings. The value of such donation shall be set by the board of public buildings,
21 which may employ such experts as may be useful to it in making such a determination.
22 The board of public buildings shall, in its sole discretion, determine if an artifact is to be
23 accepted;

24 (7) "Eligible monetary donation", donations received from a qualified donor to the
25 capitol complex fund, created in this section, or to an organization exempt from taxation
26 under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, whose mission
27 and purpose is to restore, renovate, improve, and maintain one or more buildings in the
28 capitol complex, that are to be used solely for projects to restore, renovate, improve, and
29 maintain buildings and their furnishings in the capitol complex and the administration
30 thereof. Eligible donations may include:

31 (a) Cash, including checks, money orders, credit card payments, or similar cash
32 equivalents valued at the face value of the currency. Currency of other nations shall be
33 valued based on the exchange rate on the date of the gift. The date of the donation shall
34 be the date that cash or check is received by the applicant or the date posted to the donor's
35 account in the case of credit or debit cards;

36 (b) Stocks from a publicly traded company; or

37 (c) Bonds which are publicly traded;

38 (8) "Eligible recipient", the capitol complex fund created in this section or an
39 organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code
40 of 1986, as amended, whose mission and purpose is to restore, renovate, improve, and
41 maintain one or more buildings in the capitol complex;

42 (9) "Qualified donor", any of the following individuals or entities who make an
43 eligible monetary donation or eligible artifact donation to the capitol complex fund or other
44 eligible recipient:

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

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

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

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

- 54 (e) An individual subject to the state income tax imposed in chapter 143; or
55 (f) Any charitable organization, including any foundation or not-for-profit
56 corporation, which is exempt from federal income tax and whose Missouri unrelated
57 business taxable income, if any, would be subject to the state income tax imposed under
58 chapter 143.

59 3. There is hereby created a fund, to be known as the "Capitol Complex Fund",
60 separate and distinct from all other board funds, which is hereby authorized to receive any
61 eligible monetary donation as provided in this section. The capitol complex fund shall be
62 segregated into two accounts: a rehabilitation and renovation account and a maintenance
63 account. Ninety percent of the revenues received from eligible donations under the
64 provisions of this section and fees collected under section 620.3000 shall be deposited in the
65 rehabilitation and renovation account, and seven and one-half percent of such revenues
66 shall be deposited in the maintenance account. The assets of these accounts, together with
67 any interest which may accrue thereon, shall be used by the board solely for the purposes
68 of restoration and maintenance of the buildings of the capitol complex, as defined in this
69 section, and for no other purpose. The remaining two and one-half percent of the revenues
70 deposited into the fund may be used for the purposes of soliciting donations to the fund,
71 advertising and promoting the fund, and administrative costs of administering the fund.
72 Any amounts not used for those purposes shall be deposited back into the rehabilitation
73 and renovation account and the maintenance account, divided in the manner set forth in
74 this section. The board may, as an administrative cost, use the funds to hire fund-raising
75 professionals and such other experts or advisors as may be necessary to carry out the
76 board's duties under this section. The choice of projects for which the moneys are to be
77 used, as well as the determination of the methods of carrying out the projects and the
78 procurement of goods and services thereon, shall be made by the commissioner of
79 administration. No moneys shall be released from the fund for any expense without the
80 approval of the commissioner of administration, who may delegate that authority as
81 deemed appropriate. All contracts for rehabilitation, renovation, or maintenance work
82 shall be the responsibility of the commissioner of administration. A memorandum of
83 understanding may be executed between the commissioner of administration and the board
84 determining the processes for obligation, reservation, and payment of eligible costs from
85 the fund. The commission of administration shall not obligate costs in excess of the fund
86 balance. The board shall not be responsible for any costs obligated in excess of available
87 funds and shall be held harmless in any contracts related to rehabilitation, renovation, and
88 maintenance of capitol complex buildings. No other board funds shall be used to pay

89 obligations made by the commissioner of administration related to activities under this
90 section.

91 4. For all tax years beginning on or after January 1, 2019, any qualified donor shall
92 be allowed a credit against the taxes otherwise due under chapters 143 and 148, except for
93 sections 143.191 to 143.265, in an amount of fifty percent of the eligible monetary donation.
94 The amount of the tax credit claimed may exceed the amount of the donor's state income
95 tax liability in the tax year for which the credit is claimed. Any amount of credit that
96 exceeds the qualified donor's state income tax liability may be refundable or may be
97 carried forward to any of the taxpayer's four subsequent tax years.

98 5. For all tax years beginning on or after January 1, 2019, any qualified donor shall
99 be allowed a credit against the taxes otherwise due under chapters 143 and 148, except for
100 sections 143.191 to 143.265, in an amount of thirty percent of the eligible artifact donation.
101 The amount of the tax credit claimed shall not exceed the amount of the qualified donor's
102 state income tax liability in the tax year for which the credit is claimed. Any amount of
103 credit that exceeds the qualified donor's state income tax liability shall not be refundable
104 but may be carried forward to any other taxpayer's four subsequent tax years.

105 6. To claim a credit for an eligible monetary donation as set forth in subsection 4
106 of this section, a qualified donor shall make an eligible monetary donation to the board, as
107 custodian of the capitol complex fund, or other eligible recipient. Upon receipt of such
108 donation, the board or other eligible recipient shall issue to the qualified donor a statement
109 evidencing receipt of such donation, including the value of such donation, with a copy to
110 the department. Upon receipt of the statement from the eligible recipient, the department
111 shall issue a tax credit certificate equal to fifty percent of the amount of the donation, to
112 the qualified donor, as indicated in the statement from the eligible recipient.

113 7. To claim a credit for an eligible artifact donation as set forth in subsection 5 of
114 this section, a qualified donor shall donate an eligible artifact to the board of public
115 buildings. If the board of public buildings determines that artifact is an eligible artifact
116 and has determined to accept the artifact, it shall issue a statement of donation to the
117 eligible donor specifying the value placed on the artifact by the board of public buildings,
118 with a copy to the department. Upon receiving a statement from the board of public
119 buildings, the department shall issue a tax credit certificate equal to thirty percent of the
120 amount of the donation, to the qualified donor, as indicated in the statement from the
121 board of public buildings.

122 8. The department shall not authorize more than ten million dollars in tax credits
123 provided under this section in any calendar year. Donations shall be processed for tax
124 credits on a first come, first served basis. Donations received in excess of the tax credit cap

125 shall be placed in line for tax credits issued the following year or donors shall be given the
126 opportunity to complete their donation without the expectation of a tax credit or request
127 to have their donation returned.

128 **9. Tax credits issued under the provisions of this section shall not be subject to the**
129 **payment of any fee required under the provisions of section 620.1900.**

130 **10. Tax credits issued under this section may be assigned, transferred, sold, or**
131 **otherwise conveyed, and the new owner of the tax credit shall have the same rights in the**
132 **credit as the taxpayer. Whenever a certificate is assigned, transferred, sold, or otherwise**
133 **conveyed, a notarized endorsement shall be filed with the department specifying the name**
134 **and address of the new owner of the tax credit and the value of the credit.**

135 **11. The department may promulgate rules to implement the provisions of this**
136 **section. Any rule or portion of a rule, as that term is defined in section 536.010, that is**
137 **created under the authority delegated in this section shall become effective only if it**
138 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**
139 **section 536.028. This section and chapter 536 are nonseverable, and if any of the powers**
140 **vested with the general assembly pursuant to chapter 536 to review, to delay the effective**
141 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**
142 **grant of rulemaking authority and any rule proposed or adopted after August 28, 2019,**
143 **shall be invalid and void.**

144 **12. Under section 23.253 of the Missouri Sunset Act:**

145 **(1) The provisions of the new program authorized under this section shall sunset**
146 **automatically six years after August 28, 2019, unless reauthorized by an act of the general**
147 **assembly;**

148 **(2) If such program is reauthorized, the program authorized under this section**
149 **shall automatically sunset twelve years after August 28, 2019; and**

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

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